



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

5:00 PM Wednesday, April 21, 2004
Key Largo Civic Club, 209 Ocean Bay Drive
Key Largo, Monroe County, Florida

Board Members Present

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

Staff Present

Charles L. Sweat, Director of Operations, ("GSG")
David R. Miles, Chief Financial Officer, ("GSG")
Thomas Dillon, Board Attorney
Ed Castle, Board Engineer (WEC)
Mike Hatfield, P.E. (WEC)
Faith Doyle, Board Clerk

Guests Present

Will English, P.E., Project Manager, The Haskell Company
Dan Dacquisto, Monroe County Planning Department
Richard Burt, Pres. KLTV Homeowners Association
Vicky Faye, KLTV Resident
Steve Gibbs, Reporter, Free Press

A. Call to Order

Chairman Bauman called the meeting to order at 5:06 p.m.

B. Pledge of Allegiance

The pledge was recited.

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

Commissioner Brooks asked that the Haskell project update ending March 31, 2004 be added as a discussion item. Chairman Bauman added the item as K3.

Commissioner Brooks asked for an open discussion period for discussion of up coming agenda items so that the business will flow more easily. He believes it would help to set the future agendas.

D. Minutes – Draft March 27, 2004 and Draft April 7, 2004

Commissioner Brooks moved to approve the March 27, 2004 minutes with a correction to the starting time of the meeting and to approve the April 7, 2004 minutes. Commissioner Beaty seconded the motion. Chairman Bauman requested a roll call vote.

Commissioner Beaty	Yes
Commissioner Brooks	Yes
Commissioner Tobin	No
Commissioner Wilkinson	Yes
Chairman Bauman	Yes

The motion was approved.

E. Public Comment

Robert Burt reported that letters had been received addressing the concerns voiced at the previous meeting from management and The Haskell Company. Mr. Burt would still like representatives to meet with the community and offered the KLTV Homeowners Association meeting scheduled on July 24 as a potential meeting time. Mr. Sweat suggested a date in June with a 30-day notice to be sent to the KLTV homeowners informing them of the meeting. The letter would be sent in early May for a meeting in early June. This meeting would have participation of the management and engineers to discuss connection points and other concerns and would provide a public forum. The Board requested staff to develop a tentative agenda and form letter and tentative dates to be presented for consideration at the next meeting as a general manager's item. Ms. Vicky Fay believes the letter should include alternatives if the owners could not attend. Commissioner Brooks suggested the meeting be held at the civic club and that the letter should request the owners bring information about where their septic tanks and property lines are for discussion. Mr. Burt questioned the date of the final connection and turn-on of the sewer system and is concerned about the decommissioning of the septic systems. Ms. Fay would like the letter to include whom the homeowners should contact for a response on their property and the engineer or staff person they should address letters of concern to. Commissioner Wilkinson believes an action plan would be needed to have contractors who know the special needs of connecting the personal property to the system.

Item H4F was moved to the next agenda item for discussion. Mr. David Dacquisto the Director of the Island Planning Team for Monroe County Florida (dacquisto-david@monroecounty-fl.gov) was present to address the Boards concerns with the vacant lot situation. Discussion ensued on the possibility of the County coordinating with the District on what lots are approved for development. The System Manager, Board Engineer and Haskell Company representatives would meet on the issue. Commissioner Wilkinson questioned Mr. English of Haskell as to when they needed to know what lots are considered not buildable. Mr. English stated the sooner the better but no later than the end of May. Discussion ensued on the impact of the information on the final design and construction.

The Board thanked Mr. Dacquisto for his participation.

F. Legal Counsel's Report

1. Update on the Haskell Notice of Delay

Mr. Dillon stated he is waiting for additional information that includes the Haskell rationale for the extra costs and need for additional time. Discussion ensued on the original letter and if the extension of time would negate the need for financial consideration. Mr. Dillon stated that it was his understanding that Haskell is not now claiming extended overhead costs resulting from the alleged delay, but Haskell will seek addition compensation to cover increased costs of labor and materials. Mr. Dillon wants a better rationale than an estimated percentage of the original contract. Commissioner Brooks would like to see it be an addition of time without additional cost. Mr. Dillon needs to see the justification of the claim before providing his recommendation to the Board. Mr. Dillon hopes to see the justification prior to the next meeting. Discussion continued on the issue of a time extension eliminating the cost issues and the claim by Haskell that the increase was due to labor cost and the cost of steel increases. It was noted that Haskell has given verbal confirmation that with the extension of time they would not make an extended overhead claim. Discussion continued on the issue.

2. Update on Roe-Vac warranty

Mr. Dillon reports the warranty as proposed by Roediger is included in the agenda and he would recommend approval. The deviation from what was requested was having the Warranty starting from final acceptance for a period of 2 years but starting no later than September 5, 2005. The Warranty states that it will start 2 years from substantial completion. Mr. Dillon recommends the warranty be accepted as written. Discussion ensued on particular points of the warranty. It was noted that Roevac trained technicians must work on the equipment for the warranty to be in force.

THE CHAIRMAN REQUESTED AN ACTION ITEM FOR THE MAY 5 AGENDA TO ACCEPT THE ROE-VAC WARRANTY.

3. Update on direct/indirect costs issue

Mr. Dillon reports that because this is a design/build contract that certain costs apply. Mr. Dillon would like the issue resolved prior to another change order being initiated. Mr. Dillon informed the Board that Mr. Kinsley had stated that he would provide a response.

4. Update on legislation

There was no new information provided.

5. Update on County funds

Mr. Dillon noted that with this ordinance Mr. Kohlage would release the funds. Mr. Miles noted the Ordinance had been approved at the BOCC meeting but needs to be recorded with the State prior to the County being permitted to releasing funds. Mr. Dillon noted that he met with Mayor Nelson concerning the issue and that for funds to be received it must be by the reimbursement process.

G. Action Items

1. Approval of the Pending Payments List for April 14, 2004

Mr. Miles presented the pending payments and the present financial position of the District. **A motion to approve the list was made by Commissioner Brooks and seconded by Commissioner Wilkinson. All were in favor and the motion was approved unanimously.**

2. Approval of the advertisement for the May 15, 2004 workshop

Commissioner Wilkinson questioned if interviews could be included on the meeting agenda. Discussion ensued that the issue that resumes are to be accepted until May 14, 2004 and may not permit enough time for review and to schedule interviews.

Discussion ensued on the cost of \$1500 for a facilitator that and only been for 4 hours at the last workshop.

Commissioner Brooks moved to approve the advertisement for the May 15, 2004 workshop. Commissioner Tobin seconded the motion. All were in favor and the motion was unanimously approved.

The Board requested that staff draft an agenda for the May 15 workshop that would include the Calusa issue and discussion of the resumes received and the update of the master plan.

Mr. Dillon informed the Board that the Upper Keys Times and contacted him concerning placing an ad for employment at a cost of \$125 if it is the Board's pleasure. The consensus of the Board was that there is no need for additional advertising for these positions.

Discussion ensued on setting a date for a meeting for the sole purpose of interviewing candidates. The Board requested that the ad for the May 15 workshop include a discussion of the managerial candidate and vacant lot issue.

Discussion ensued on the workshop agenda and the conducting of interviews and the consideration of candidates.

3. Approval of the Strategic Framework for the KLWTD

It was noted by Chairman Bauman that a handout was provided of the power point presentation from the March 27, 2004 agenda.

A motion to approve the Strategic Framework for the KLWTD was made by Commissioner Beaty and seconded by Commissioner Wilkinson for discussion.

Commissioner Brooks believes the document should be better prioritized and analyzed prior to the acceptance of the document. He pointed out the reference to Attorney being lead on the temporary office space as an example. Commissioner Tobin stated that he was inclined to revisit the document and update it in the future and suggested 90 days to make this a working document instead of approving it and setting it "in stone". Chairman Bauman stated that it is a working document and it is impressive that one has been done and that it should be updated every 90 days. The Chairman called the question. **Commissioner Beaty amended his motion to accepting the KLWTD Strategic Framework and to update it every 90 days. Commissioner Wilkinson seconded the amended motion. The Chairman requested a roll call vote.**

Commissioner Beaty	Yes
Commissioner Brooks	Yes
Commissioner Tobin	Yes

Commissioner Wilkinson
Chairman Bauman

Yes
Yes

The motion was unanimously approved.

4. Approval of the rental space short list

Commissioner Tobin informed the Board that he had looked at the Bank of America space and that it is a 25' x 45' room and that the Bank stated they would be inclined to have a utility as a tenant.

The present short list was defined as including the:

Maytag Building
Pediatrics Building at MM 103
The Sun Radio 103 Building
The Dameron Building
The Bank of America space was added at a cost of \$1300/mo including utilities that might be able to be negotiated to fit the District's budget.

Discussion ensued on the Board's requirements for office space and if any of the locations could be subdivided. THE BOARDS REQUESTED THE ITEM BE FORWARDED TO THE NEXT AGENDA. Commissioner Tobin suggested the manger to be hired and then the manager be tasked to look at the locations. It was question if these spaces would remain on the market. The Board agreed that rental costs of \$1500 or less be considered. Mr. Dillon suggested the follow up to include sample leases being requested from the facilities. The lease length and terms were discussed and a non-appropriation clause to cancel the lease with a six-month window was suggested.

The refined short list was stated as being the Pediatrics Building, The Dameron Building and the Bank of America space.

5. Approval of the Government Services Group, Inc. letter of agreement

Mr. Sweat requested that the letter be pulled from the agenda and that present a new letter would be presented for consideration at the May 5, 2005 meeting. The Board accepted the request.

H. General Manager's Report

1. Presentation of the Draft Scope of Work for the Financial Component to Implement the Master Plan, which will include the Calusa Camp Resort Connection

Commissioner Tobin requested this item be postponed until the WEC scope was presented.

The Engineer's Report was given at 6:45 p.m. (Please see the notes below)

Mr. Sweat gave the General Manager's Report at 7:30 p.m.

Mr. Sweat presented the scope of work for discussion. Commissioner Tobin believed the scope of work was to focus on the Calusa campground addressing the financing of that segment

specifically. Mr. Miles suggested that the document be separated into a Calusa component and the balance of the work. Chairman Bauman agreed that is what is needed and Mr. Sheets needs to set a meeting with Calusa. Mr. Sweat stated that he would contact the Calusa representatives to set a tentative meeting to be held after the financing facts are determined. Mr. Miles stated that scenarios presented previously should be reviewed before the meeting with Calusa. Mr. Sweat stated that the three feasible options for Calusa campground would be reviewed and the financing options presented to the Board as soon as possible.

Discussion ensued on the Calusa campground financing options. Mr. Miles suggested the issue be presented to the GSG financial consultants for their input.

Commissioner Wilkinson expressed his concern on what is fair for all and that Calusa should not be singled out for discussion.

2. Discussion of the use of a facilitator at the May 15, 2004 workshop

The Chairman brought the item to the floor for discussion. Commissioner Brooks stated that he does not believe one would be needed. Commissioners Tobin and Beaty agreed that one was not necessary. Commissioner Wilkinson made no comments. Chairman Bauman stated that he believed the facilitator was necessary.

3. Update on the Design Team Meeting of 4/21/04

Mr. Sweat stated that he 4/21/04 meeting was rescheduled for 5/4/04 at 3:00 p.m. Mr. Sweat added that all comments on the 60% drawings would be forwarded to Brown and Caldwell prior to the meeting and would not result any loss of time.

4. Update on past agenda items: a. FEMA FONSI Status

Mr. Sweat stated that staff is waiting for documents from Miles Anderson of the DCA.

b. Water Quality Testing

Mr. Sweat stated that this is not a regulatory requirement at this point. Mr. Sweat discussed the issue with the FDEP who stated that if the program implemented (the \$8,000 option) is challenged it may not stand up legally. They suggested that water quality programs should be done by professionals and if a program is done it should be done by qualified individuals selected by an RFP process. Discussion ensued. Commissioner Wilkinson stated this program is supported by the Florida Statutes (Lake Watch). The Board requested that the plan be done as requested to work with Lake Watch. Commissioner Brooks stated that near shore water quality is not likely to improve for years after the sewers are implemented and that water testing would accomplish anything for the District. Mr. Sweat stated that he would communicate with Lake Watch concerning the commitment and present an agreement to the Board at the next meeting.

c. Project Design Protocol

Ed Castle stated that the protocol had been redrafted but the final has not been received.

d. Resolution of \$100K Loan repayment issue

This item remains at the request of Commissioner Wilkinson.

e. Site mitigation

Mr. English contacted Mr. Garrett who was working on the site mitigation plan. Mr. Sweat will contact him and update at the next meeting.

Mr. Dillon stated that he had forwarded Mayor Nelson the biological opinion and the suggested need for an additional 2.6 acres. The Mayor would discuss it with U.S. Representative Ileana Ros-Lehtinen. Commissioner Tobin stated that he has been concerned with this issue and the District needs to leave the door open for negotiation on the balance of the land at the plant site.

Commissioner Brooks is becoming increasingly concerned with the site mitigation plan and the lack of attention by Mr. Garrett and the acceptance of the plan by FEMA in reference to the 2.6 acres. Mr. English believes that he did not see where it was stated that the land had to be purchased. Commissioner Brooks is concerned that the proper agencies have not be coordinated with and may jeopardize the funding.

Commissioner Tobin suggested that Mr. Dillon take the lead on this issue because it is critical and of a legal nature. Discussion ensued on what agency makes the final decision on the issue of accepting the final site mitigation plan. Commissioner Tobin would like to have the administrative file for review by Mr. Dillon to determine the bottom line. Mr. Dillon notes that the letter was part of the draft PSA. Chairman Bauman asked Mr. Dillon if this something that should be addressed and how he would handle the situation. Mr. Dillon would review the file and report back to the Board. The Board gave its consensus that Mr. Dillon should review the file and report to the Board.

f. KLP vacant lot resolution ***Ms. Conaway invited for 4-21-04 meeting**

Please see the notes above under Public Comment.

g. Project request for FEMA deadline extension

Mr. Sweat stated that the Board consider drafting a letter requesting a one year extension. The Board requested postponing the discussion until Mr. Sheets was present to state his reasoning.

h. CDBG Grants and/or funds for private connections

Mr. Sweat stated that County Resolution 407-2003 would be provided to FEMA as verification that the low-income program is funded.

5. Discussion of Monroe County BOCC letter dated 4-8-04

Mr. Sweat presented the letter and requested direction from the Board as to when the meeting should take place. Mr. Dillon stated that a Board member and appropriate staff should attend. Commissioner Tobin volunteered to attend. The Board gave consensus that once an agenda is set they would agree to the meeting. Chairman Bauman meets with the Mayor and would inform him that the District would wait until the County contacts the District.

I. Engineer's Report

1. Letter to KLTV Board of Directors addressing concerns expressed by residents

Mr. Castle presented the letter that had been forwarded to the KLTV Board of Directors and noted that the design plans would include notations addressing these issues.

2. Presentation of the Sanitary Sewer Wastewater Master Plan Refinement and Recommendations – Work Authorization WEC 04-01

Mr. Castle presented the draft work authorization. Commissioner Tobin is concerned with the cost of \$77,000 to update a document (the County Master Plan) and would like a less formal document until it is necessary for funding projects. Mr. Castle stated the work could be done in segments and that most important is pipe sizing and that component should be considered first, however all future development needs to be included to determine the pipe size. Discussion ensued on the schedule of work. Commissioner Wilkinson agreed that the plan should be done in segments by priority and that Lake Surprise, Ocean Isle Estates and Sexton Cove should be targeted. The cost of the project should be determined should that amount of funds become available. Commissioner Beaty clarified that projects of varying sizes should be ready in the event that funding becomes available. Mr. Castle stated that the draft scope was developed to include varied project for this reason. Discussion ensued on a regional facility, package plants and that the document being considered (WEC 04-01) shows various theories of how future decisions could impact the District. Chairman Bauman stated the County has entertained the notion that they would pay for the master plan. Commissioner Brooks questioned if WEC would be using information from the County's Master Plan. Mr. Castle stated that he would but it would need to be updated. Commissioner Brooks believes the \$77,000 is not in the budget and if the work authorization could be paired down. Mr. Castle states the entire scope of work should be used as a final point but it can be done in phases.

Mr. Miles reported that \$120,000 was budgeted for special project. Chairman Bauman asked if the \$77,000 scope could be divided into three phases at a comparable cost. Mr. Castle stated that he would work with WEC staff on breaking the work authorization into three phases to present to the Board.

Discussion ensued on the need for RFP documents for the future projects and if the work product would result in RFP's. Mr. Dillon stated that RFP for future projects should be done. Mr. Castle stated the work product from WEC 04-01 would not result in RFP's for the projects.

Chairman Bauman is concerned that a project won't be ready when funding is available. Discussion ensued on the need for a stand-alone project. Mr. Castle stated that he would give thought to the issue and the costs involved.

Mr. Castle stated that breaking the work authorization into phases would not substantially add to overhead costs and suggested 7-15% of the current cost.

J. Public Comment

Robert Burt stated he is concerned with the permitting for the running of the line from the home to the district lines and the cost of demolition of the septic tanks and if there will be funds

available to the residents to connect to the system. The residents are having difficulty in understanding the process of connecting residents and the funding. Mr. Burt is also concerned with the cost of the letters printing English/Spanish and postage to inform the KLTV homeowners.

Discussion ensued. Commissioner Tobin suggests a future action item to request the county waive the permit fee, to discuss with local contractors on assisting with connecting and other ways to inform the community. Commissioner Tobin suggests this should be a future workshop topic.

Commissioner Brooks stated that the FKAA held community workshops with refreshments to explain the process. The County also offered a blanket permit that alleviated that cost.

Mr. Burt hopes that a package could be developed that offers financing for the homeowners.

K. Commissioner's Items

1. Placement of the personnel ads – Chairman Bauman

Chairman Bauman reports the ads were placed in the Free Press at a cost of \$389 per ad for two ads. The Reporter, The Keynoter and the Miami Herald, Keys Edition also ran the ads. The Board stated that no additional advertisement would be required.

2. Request for information on the status of the District Procedures and Web Site – Chairman Wilkinson

Commissioner Wilkinson suggested this be kept on the punch list. The Board agreed to have a "roll over" section of the agenda in the future. Chairman Bauman would discuss and implement this change to the agenda format with the Clerk.

3. The Haskell Company report of March, 2004

Commissioner Brooks brought the document to the floor. Mr. English states that the document is not intended to be an agenda item for the Board's consideration and that he was not prepared to discuss it this evening. Commissioner Brooks took issue to the comment of "design issues" being left as NONE, he believes they should be itemized. Mr. English asked if he was referring to issues with comments on the 30% and 60% design drawings. Commissioner Brooks believes it is important to address this in light of what has happened in Stock Island and that Haskell has given a notice of delay. Mr. English stated that design issues in this section of the report are major problems with the design. Chairman Bauman comments that the project status report was developed at his request to provide an overall schedule.

Mr. Castle suggested that comments are given to Haskell and Haskell provides a response. Mr. Castle has summaries of all the comments and the resolutions that will be provided to the Board. They are not issues for the "design issues" section of the project status report until the comments cannot be resolved. Mr. Castle suggests the comment/resolution document be attached to Haskell's report. Mr. Dillon comments that the section Commissioner Brooks referred to should be reserved for unresolved issues.

Commissioner Wilkinson commented on the design of the building and the need for the operator's office accommodations to be sufficient. Mr. Castle commented that the building

appears to be operator friendly with an area for an operator to work and as the design continues these issues will be addressed. Discussion ensued on the need for making considerations for the workers being insulated from sound and the building being operator friendly.

L. Meeting Adjournment

Chairman Bauman adjourned the meeting at 8:45 p.m.