



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

5:00 PM Wednesday, June 16, 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 F. Fishburn, General Manager
Thomas Dillon, Board Attorney
Ed R. Castle, Board Engineer
Faith Doyle, Board Clerk
David R. Miles, CFO, via telephone

Guests Present

Steve Gibbs, reporter
Joan Mowery-Barrow, Key Largo resident
David Barrow, Key Largo resident
Ann Henson, reporter
Will English, Project Manager, The Haskell Company

A. Call to Order

Chairman Bauman called the meeting to order at 5:03 p.m.

B. Pledge of Allegiance

The pledge was recited.

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

Commissioner Wilkinson requested that all manager housekeeping items be moved up on the agenda. The Chairman agreed to move the manager items after the G1 action item was acted on.

Commissioner Brooks requested that Item G5 the DCA grant agreement be tabled or moved to the general manager items for discussion. Comm. Brooks made the suggestion because the new item was not available. He had hoped to have some commitment from the County and he doesn't believe it should be acted on until all documentation is received. Chairman Bauman

moved it from action to discussion. Comm. Brooks also requested moving the resolution at G4 that was not prepared for this evening. Mr. Fishburn stated that enough information has been received on direct purchasing to discuss it this evening and then it could be an action item at the next meeting. Mr. Dillon stated that there has been a general understanding of how it would work however a list of the items to be purchased needs to be defined to finalize the resolution.

The chair removed from the action item G4 until Mr. Dillon acquires the additional information needed.

D. Approval of the Draft June 2, 2004 Meeting Minutes

Commissioner Wilkinson moved to approve the June 2, 2004 meeting minutes. Commissioner Brooks seconded the motion. All were in favor and the item was unanimously approved.

E. Public Comment

Mrs. Joan Barrow questioned the Board on their choice of collection systems. Commissioner Wilkinson commented that initial capital costs were comparative but the monthly operating costs were much higher for a vacuum system. Mrs. Barrow suggested reconsidering the issue. Commissioner Brooks stated that we are beyond the selection process and that the 99% system design. Discussion ensued. Commissioner Tobin noted the design and plans were approved by the FKAA prior to the formation of the KLWTD. Chairman Bauman stated that gravity systems would be utilized in the future.

F. Legal Counsel's Report

1. Discussion of Effective Date of Resignation

Mr. Dillon stated that after researching the issue Commissioner Wilkinson can resign effective on November 1, 2004.

2. Discussion of applicability of Florida Public Records Act to certain documents

Mr. Dillon stated that this request was not made to the District so therefore doesn't need action by the District.

3. Update on the Haskell Notice of Delay

Mr. Dillon stated that it would be appropriate to give some time (90 days) as an administrative convenience along with the items listed in his memo. Mr. Dillon stated that a formal response had not been sent to Haskell. Mr. Dillon stated that if the Board were in agreement with the points made in his memo a letter would be drafted and sent to Haskell.

4. Update on Am. No.1 to the Haskell Contract

Mr. Dillon stated that Haskell had requested to ignore the Notice to Proceed. Discussion ensued. Mr. Dillon drafted a letter for Mr. Fishburn to send to clarify the issues. The letter would also inform Haskell that he is now the KLWTD general manager and point of contact.

5. Update on Legislative Change (House Bill 471)

Mr. Dillon stated that the bill would become law by July 1, 2004.

Commissioner Brooks stated that there has been concern expressed by the Monroe County Supervisor of Elections office concerning the filling of vacancies between general elections. Discussion ensued on the seats available and length of terms needed. Commissioner Brooks read suggested motions and the purpose of having the numbered seats in alphabetical order. Discussion ensued on the necessity of the seat numbers.

Mr. Dillon was asked to contact the elections supervisor concerning the issue and report his findings at the next meeting.

G. Action Items

1. Approval of a motion to reconsider the selection of a district manager

Commissioner Brooks moved to reconsider the previous action of selecting a district manager. No second to the motion was made and the motion failed.

2. Approval of the manager-select contract

Mr. Dillon presented the revised documents Version A, starting on June 1, 2004 and Version B, starting on June 20.

It was suggested that the cost of living increase be dropped. Mr. Fishburn agreed. Discussion ensued on the merit raises.

Commissioner Brooks requested the termination notice change from 90 days notice to 30 days. Discussion ensued on the impact of a 90-day notice. A sever ability clause was discussed briefly. It was noted that fraud would be separated from the other dismissal issues.

It was noted that a minor correction to page 1 referring to section 7 should be section 8.

Commissioner Brooks stated concern with the salary and the implications of health insurance benefits. Discussion ensued. It was suggested that a phrase be added to the contract in item 6 that the salary had been increased in lieu of benefits. It was suggested that it be added that health insurance would be at the manager's expense.

Chairman Bauman suggested a compromise of the salary to \$85,000 at this point and once there is more employees and more projects the compensation would then increase.

Mr. Miles stated that the pay date being the last day of every month might incur an additional cost because it was a different pay schedule than the Board's. Mr. Dillon was instructed to check on the pay date issue.

Commissioner Wilkinson moved to approve the contract with a June 1, 2004 starting date, a 90-day termination notice, a salary of \$92,000 per year with section 3. B to be paid at a prorated amount based the time of separation section 3. D would be removed and section 3. 3 would be separate out 'fraud' into its own clause. Commissioner Beaty seconded the motion. The Chairman requested a roll call vote.

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

The motion was approved by a vote of three in favor.

3. Approval of the Pending Payments List for June 16, 2004

Mr. Miles reviewed the list and the memo on the finances. Commissioner Tobin entertained several questions. Mr. Miles addressed the concerns. Mr. Miles noted that another draw had been requested from the FCAA on the FEMA Phase 1 funds. Commissioner Tobin question if GSG costs would be dropping. Mr. Miles confirmed that it would because Mr. Sheets and Mr. Sweats time would no longer be considered. Commissioner Tobin suggested the GSG be held until the back up has been received and reviewed. Mr. Miles stated he would forward the information.

Commissioner Wilkinson moved to approve the pending payments list less the \$10,800 payment to GSG. Commissioner Beaty seconded the motion. All were in favor and the item was unanimously approved.

4. Approval of Resolution 2004-01 of the KLWTD Approving Direct Equipment Purchases

The item was pulled for discussion.

5. Approval of DCA Grant Agreement for FEMA Project 1249-25

The item was pulled for discussion.

H. General Manager's Report

1. Discussion of Commercial Connections (Calusa Camp Resort)

Mr. Fishburn stated that he had talked with the Calusa Camp Resort management and that in his opinion Calusa is having difficulties seeing the big picture. Mr. Fishburn believes that after the rate studies the picture may change. Discussion ensued on the issue with Mr. Castle being requested to email the original Calusa report for review. Mr. Castle stated that he would summarize and resend the document.

Mr. Fishburn stated he would review the Calusa report with the resort management and that Mr. Castle would join him for the meeting.

2. Discussion of a Rate Study

Mr. Fishburn reviewed the information provided. He stated that a scope of service needs to be developed to request a more precise rate study. Mr. Fishburn stated the study is necessary to determine if the present \$2,700 connection and \$35 monthly charge would uphold the budget. Discussion ensued on the rate study process and forecasting. It was noted that \$15,000 was budgeted in the FY2004 budget for a rate study.

Commissioner Brooks stated concern that the information presented at the KLTV meeting on July 22, 2004 would be incorrect.

It was the consensus of the Board that a concept review report is reviewed by Mr. Fishburn and Mr. Castle and a draft a scope of service to procure a rate study be developed.

3. Discussion of the system development charge options

Mr. Fishburn presented the information that had been provided. Mr. Fishburn shares the Board's concern that financing option must be available for Key Largo residents.

Mr. Fishburn noted that the one year to connection notices should be going out soon.

The "Flex Choice" option was discussed. The Board was interested in the concept and would like to learn more about it. Mr. Fishburn would provide more information in the future.

4. Discussion of Rental Space

Mr. Fishburn stated that he had looked at the TIB and Dameron buildings. Mr. Dillon reported that the Bank of America had a minimum one-year lease with a six-months notice to terminate at a cost of \$13,000 per year. It was noted that the Sante building was not progressing.

Mr. Fishburn stated that another option would be to add a second floor to the treatment plant. An approximate cost for 1400 square feet would be \$80-00 thousand. Mr. Will English stated that it would be hurricane proof and a good long-term solution. The Board requested that a change order be presented at the next meeting. Mr. Castle requested that Haskel show how it would impact future development phases.

Mr. Dillon was directed to request a lease with the Bank of America for action at the next meeting.

5. Discussion of an RFP for the next project

Mr. Fishburn recommended that Mr. Castle prepare an RFP for Sexton Cove and that the Mayor be contacted for the funds to cover the cost of preparing the document. Discussion ensued. Mr. Castle stated that he would provide a proposal of the costs for the next agenda. It was suggested that a Board member meet with the Mayor concerning the funding.

6. Discussion of Site Mitigation Plan

Mr. Fishburn stated that he plans to meet with the Mayor, Mr. Castle, Ms. Conaway and Mr. Garrett on settling the mitigation issue. Commissioner Tobin request that an email be sent to him updating him on the issue after the meeting is held. Commissioner Brooks requested that Mr. Fishburn obtain a codified written document as to the County's commitment.

Mr. Fishburn requested the authority to contract with a biologist if necessary when meeting with Fish and Wildlife. The Board gave the authority and asked for a status report at the next meeting.

7. Discussion of Transfer of the Official KLWTD Records from Orlando to Key Largo

Mr. Fishburn stated that all of the official records would be retained by GSG until the transition is complete.

8. Status of the MSTU Funds

Mr. Fishburn suggested that future agendas provide a section for the CFO to report on issues. Mr. Miles stated that the third draw of the MSTU funds had been requested two weeks ago. Commissioner Wilkinson asked how much was left. Mr. Miles stated that there was approximately \$400,000 left.

I. Engineer's Report

1. Design Review Status

Mr. Castle stated that the 99% plans would be received by June 22 and review meeting was scheduled for July 1.

2. Adjustment of WEC Monthly Invoicing

Mr. Castle presented the information and commented the document memorializes the agreement that had been verbal.

J. Public Comment

No one present wished to address the Board.

K. Commissioner's Items

1. Discussion of the CFO and Clerk Positions – Chairman Bauman

It was suggested that a secretary/clerk be hired as soon as possible as a district employee. Commissioner Beaty stated that he would prefer that a CPA provide the CFO function. It was the consensus of the Board that Mr. Fishburn interview for the clerks position and advertise if necessary.

2. Discussion for possible action of the manager/manager-select and attorney to contract for temporary office space on a month-to-month tenancy not to exceed \$1.25 per square foot and a total cost of \$1,000 including utilities monthly – Commissioner Wilkinson


It was the consensus of the Board for Mr. Fishburn to use the Thrifty building on a month-to-month basis at a rate of \$700.00. The Board requested that documentation of the expenses be provided for reimbursement.

2.a. Discussion of Bank of America as temporary office space on a month-to-month basis – Commissioner Tobin

This item had been discussed previously.

3. Discussion for possible action of the manager/manager-select and attorney to contract for communications (telephone/DSL) capability transferable within the

The Board gave its consensus.

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4. Discussion for possible action of the authority of the manager/manager-select to spend not-to-exceed \$5,000.00 for office startup equipment, fixtures, furniture, supplies and other office needed materials – Commissioner Wilkinson


The Board gave its consensus.

5. Discussion for possible action of directing the outgoing manager and staff to prepare a comprehensive list of accounts payable and receivable, insurances, mandated reports with submission dates, etc. accompanied with a contact person, email and mailing address, telephone number and other necessary items necessary for the transition to local management. The intent is that all expected services, tasks, accounts, contacts, etc. necessary for the proper management of the KLWTD whether major or minor be disclosed promptly to the incoming manager and the District – Commissioner Wilkinson

This task was assigned to the general manager with the consensus of the Board.

It was noted that GSG had provided estimated monthly hours and that Chairman Bauman had approved them.

L. Update on past agenda items:

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1. FEMA FONSI Status
 2. Water Quality Testing
 3. Resolution of \$100K Loan repayment issue
 4. Site mitigation
 5. KLP vacant lot resolution
 6. Project request for FEMA deadline extension
 7. CDBG Grants and/or funds for private connections
 8. Procedures
 9. Web Site Development

M. Meeting Adjournment

Chairman Bauman adjourned 8:35 p.m.