

MINUTES
 Key Largo Wastewater Treatment District (KLWTD)
 Board of Commisisoner's Meeting
 September 15, 2004, 5:00 PM,
 Key Largo Civic Club, 209 Ocean Bay Drive

The KLWTD Board of Commissioners met for a regular meeting on Sept 15, 2004 at 5:00 PM. Present were Chairman Gary Bauman, Commissioners Charles Brooks, Andrew Tobin, Jerry Wilkinson and Cris Beaty. Also present were General Manager Charles Fishburn, Board Clerk Carol Simpkins, District Counsel Thomas Dillon and all appropriate District staff.

Chairman Gary Bauman led the Pledge of Allegiance.

ADDITIONS/DELETIONS TO THE AGENDA.

General Manager Charles Fishburn requested that item 2 on the agenda be changed to Resolution No. 05-09-04 instead of Resolution No. 04-09-04.

Motion: Commissioner Charles Brooks made a motion to approve the agenda as amended. The motion was seconded by Commissioner Jerry Wilkinson.

Vote on motion:

Board Member	Yes	No	Other
Commissioner Andrew Tobin	X		
Commissioner Charles Brooks	X		
Commissioner Jerry Wilkinson	X		
Commissioner Cris Beaty	X		
Chairman Gary Bauman	X		

Motion passed 5 to 0

MINUTES

Commissioner Jerry Wilkinson requested that a statement be added that the recording equipment had not been working for the September 1, 2004 meeting.

Motion: Commissioner Cris Beaty made a motion to approve the minutes of September 1, 2004 as amended. Motion was seconded by Commissioner Jerry Wilkinson.

Vote on Motion

Member	Yes	No	Other
Commissioner Tobin	X		
Commissioner Brooks	X		
Commissioner Beaty	X		
Commissioner Wilkinson	X		
Chairman Bauman	X		

Motion passed 5 to 0

PUBLIC COMMENT: The following persons addressed the Commission: Gail Jelinek, resident of the Key Largo Village. She expressed concern over the cost of the installation of sewers to lower income residents. It was explained that there will be grants available for the lower income residents. She will be contacted at a later date.

ACTION ITEMS

Resolutions

RESOLUTION NO. 05-09-04

A RESOLUTION ADOPTED BY THE BOARD OF COMMISSIONERS FOR THE KEY LARGO WASTEWATER TREATMENT DISTRICT ADOPTING THE BUDGET FOR THE FISCAL YEAR ENDING SEPTEMBER 2005 FOR THE DISTRICT LOCATED IN MONROE COUNTY, FLORIDA; PROVIDING FOR THE MANAGER TO EXPEND FUNDS ON BEHALF OF THE DISTRICT; AND PROVIDING FOR APPLICABILITY AND AN EFFECTIVE DATE.

Commissioner Charles Brooks stated that on page two item (G) that the word "contact" should be "contract".

Commissioner Charles Brooks asked if we ran out of funds in one area could funds be transferred in from someplace else. Financial Officer Martin Waits explained that the monies can be redistributed if they stay in the same category.

Commissioner Cris Beaty wanted to know where the Future Expansion revenue for \$1,150,000 would be coming from. General Manager Charles Fishburn stated that some of the monies would be from the system development charges for future projects and some from federal funds. He also wanted to know if the \$20,000 under "Management Contract" on Exhibit "A" was a contingency or does this exist now. Financial Officer Martin Waits said that it is to be used for audits and for GSG services in connection with the audit of fiscal year 2004.

Commissioner Andrew Tobin felt that the \$1,150,000 in the Future Expansion column should not be there under Federal New Grants because it is not definite where the money would be coming from. Mr. Waits was directed to place the \$1,150,000 under a "New Funding" title.

He also wanted to know if the District Counsel had reviewed Resolution No. 05-09-04 and if it was a new resolution or if an old one. District Counsel Thomas Dillon explained that it was one from last year. He made some editorial and typographical changes in the form.

Commissioner Andrew Tobin wanted to know whether Resolution No. 2003-18 used the term "expenditures" or the term "contracts?" District Counsel Thomas Dillon stated that the wording in the budget resolution should be changed to be consistent with the terms of Resolution No. 2003-18.¹

Commissioner Jerry Wilkinson wanted to know if the District has all of the \$3,565,000 now. Financial Officer Martin Waits stated that there could be a short fall of about \$400,000 for Key Largo Park. Commissioner Wilkinson expressed concern over the warranty of the treatment plant if more EDU's were connected. District Counsel Thomas Dillon stated that the District would work with the contractor to ensure that any change orders will not cause warranty problems.

Chairman Gary Bauman stated that the Capital Improvement Budget is an on going document and next year (2005) the numbers will not be the same as in the budget under review.

District Counsel Thomas Dillon said that the budget should be done with the best estimates available, and the best information available, and that the budget may be amended as new information becomes available.

Chairman Gary Bauman would like to have the word "significantly" on page 2, item (F) taken out. The Board agreed.

Commissioner Cris Beaty stated that if there is a known shortfall in the budget then it should shown in the budget.

Financial Officer Martin Waits was directed to:

1. Remove the \$1,150,000 from under Revenue, Federal and place it under a new category, "New Funding"
2. To remove "FEMA Phase I & II Match" from the "Capital Improvement Program" line of the 304 Fund
3. To remove the word "significantly" from item (F) on page two of Resolution No. 05-09-04
4. To use the correct term in place of the word "contract" on page 2 item (G)

¹ The word "contract" was change to "disbursement" to make it compatible with the wording in Resolution No. 2003-18.

5. To add \$413,000 to the "Future Expansion" under KLP and \$413,000 to "Other Funding" under KLP.

Public Comment. Steve Gibbs, Free Press. What is the \$295,000 under mitigation for? Mr. Fishburn explained that it is for mitigation of the Treatment Plant Site. Mr. Gibbs also asked about the \$13,500 for insurance, it was explained that it was for liability insurance. The \$20,000 for the management contract, is it for the audit? Mr. Waits explained that it is for work to be done by GSG in connection with the audit.

Motion: A motion was made by Commissioner Charles Brooks to adopt Resolution No. 05-09-04, adopting the FY 2005 budget as amended. The motion was seconded by Commissioner Cris Beaty.

Vote on motion

Member	Yes	No	Other
Commissioner Tobin	X		
Commissioner Brooks	X		
Commissioner Beaty	X		
Commissioner Wilkinson	X		
Chairman Bauman	X		

Motion passed 5 to 0

RESOLUTION NO. 06-09-04

A RESOLUTION OF THE KEY LARGO WASTEWATER TREATMENT DISTRICT, ESTABLISHING A POLICY REGARDING FUNDING OF GRANT ADMINISTRATION AND IMPLEMENTATION; AND PROVIDING FOR AN EFFECTIVE DATE.

This resolution was submitted pursuant to direction by the Board at an earlier meeting, and expressed the District's intent that, to the extent permitted by law, grants will carry a fair share of the administrative and overhead costs necessary to administer them.

Motion: Commissioner Charles Brooks made a motion to adopt Resolution No. 06-09-04. The motion was seconded by Commissioner Jerry Wilkinson.

Vote on motion

Member	Yes	No	Other
Commissioner Tobin	X		
Commissioner Brooks	X		
Commissioner Beaty	X		
Commissioner Wilkinson	X		
Chairman Bauman	X		

Motion passed 5 to 0

Appointment of Catarineau & Catarineau, LLC, as District auditors

Commissioner Andrew Tobin asked the length of the contract. Financial Officer Martin Waits explained that the contract was for four years and this is the second year of the contract. The request is for approval of an engagement letter for one year.

Chairman Gary Bauman clarified that David Andrews is not a partner but a manager and his fee will be \$150 hourly not \$200.

Commissioner Andrew Tobin asked if the firm of Catarineau & Catarineau, LLC has had any other government experience. Staff will research this matter and review the four year contract.

Motion: A motion to substitute Catarineau & Catarineau, LLC, successor to Mull & Associates, P.A. through reorganization, as the District's auditors in accordance with all terms of the District's written contract with Mull & Associates, P.A. dated July 30, 2003; and to further authorize the Finance Officer to accept the terms of an engagement letter dated September 8, 2004 under which Catarineau & Catarineau, LLC, would perform audit services for FY 2004, and also accept the terms of a separate letter of the same date under which Catarineau & Catarineau, LLC will provide assistance in financial accounting and other matter to the District. Motion was seconded by Commissioner Charles Brooks.

Vote on motion

Member	Yes	No	Other
Commissioner Tobin	X		
Commissioner Brooks	X		
Commissioner Beaty	X		

Commissioner Wilkinson	X		
Chairman Bauman	X		

Motion passed 5 to 0

Collection system & Treatment Plant site signs

The KLWTD Board of Commissioners directed that General Manager Charles Fishburn work with Commissioner Charles Brooks to design the signs and have them placed on site.

Chairman Gary Bauman would like to see a sign smaller than 8 feet by 4 feet at Key Largo Village.

Commissioner Andrew Tobin suggested that the signs should have the year instead of the word "Chairman" because the Chair changes each year, and is of little significance.

Contract for District Inspector

Commissioner Andrew Tobin would like to see a weekly cap of 30 hours in the contract. He would also like to see the "fails to cure breach" within 30 days taken out and the 90 day notice changed to 14 days.

Ed Castle explained that the inspector will be working under his charge, and at his direction but as an employee of the District.

General Manager Charles Fishburn stated that he wanted to start the inspector on a trail basis on September 20, 2004. He also explained that he would like to add a 100 hour a month minimum to the contract at the inspector's request.

Commissioner Charles Brooks said that he has concerns with limiting the inspector to 30 hours a week because there may be times when he is needed for 40 hours a week, or more.

Motion: A motion to approve the District Inspector's contract at \$30 an hour, subject to an appropriate contract, was made by Commissioner Charles Brooks. The motion was seconded by Commissioner Andrew Tobin.

Vote on motion

Member	Yes	No	Other
Commissioner Tobin	X		
Commissioner Brooks	X		
Commissioner Beaty	X		
Commissioner Wilkinson	X		
Chairman Bauman	X		

Motion passed 5 to 0

Approval of Haskell Project Superintendent

Motion: A motion to give General Manager Charles Fishburn the authority to approve the Haskell Project Superintendent was made by Commissioner Andrew Tobin. The motion was seconded by Commissioner Cris Beaty.

Vote on motion

Member	Yes	No	Other
Commissioner Tobin	X		
Commissioner Brooks	X		
Commissioner Beaty	X		
Commissioner Wilkinson	X		
Chairman Bauman	X		

Motion passed 5 to 0

CHIEF FINANCIAL OFFICERS REPORT

Pending Payments

Financial Officer Martin Waits presented the pending payments schedule for Sept 15, 2004. He then explained that the FMIT insurance payment had been received the day before for \$5,941 and he is pursuing an explanation of the high cost but has not yet received any answers.

Commissioner Cris Beaty brought up the point that we should be getting a discount on the insurance because of membership in the Florida Special District Association.

Motion: Commissioner Jerry Wilkinson made a motion to approve the pending payments list for September 15, 2004 with the exception of the FMIT Insurance payment of \$5,941. Commissioner Cris Beaty made the second.

Vote on motion:

Board Member	Yes	No	Other
Commissioner Andrew Tobin	X		
Commissioner Charles Brooks	X		
Commissioner Jerry Wilkinson	X		

Commissioner Cris Beaty	X		
Chairman Gary Bauman	X		

Motion passed 5 to 0

LEGAL COUNSEL REPORT

Draft Contract for Key Largo Park

District Counsel Thomas Dillon reported that he anticipates agreement with Haskell on the direct purchase order form soon. He is still waiting for a response to the exhibits on the Key Largo Park contract.

ENGINEERS REPORT

Ed Castle stated that he expects construction to start next week. The work on the RFQ for Sexton Cove/Lake Surprise Project is progressing and he should be able to give the Commissioners a definite date at the September 29, 2004 meeting for completion of the RFQ.

GENERAL MANAGER'S REPORT

General Manager Charles Fishburn presented the following as suggested topics for the Special Call September 29, 2004 meeting: Rate study direction, Engineering status report, KLP contract, KLVTV escalation change request.

COMMISSIONER COMMENTS

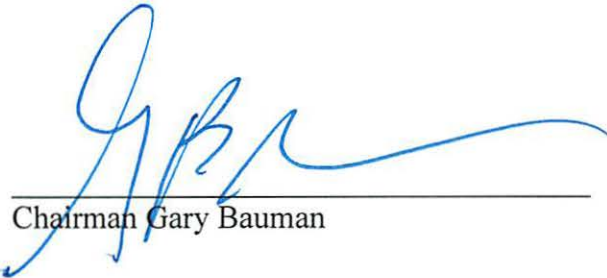
Commissioner Charles Brooks was concerned over the office computer system. Mr. Fishburn said that he would make arrangements for the computer consultant to contact Commissioner Brooks concerning the current computer systems.

Chairman Gary Bauman asked if there would be a ceremony for ground breaking. Mr. Fishburn stated that one will be planned for October 15, 2004.

ADJOURNMENT

After a motion and second to adjourn the meeting adjourned at 7:17 PM.

The KLWTD minutes of September 15, 2004 were approved on Sept. 29, 2004.



Chairman Gary Bauman



Carol Simpkins, CMC
Board Clerk