

**MINUTES**  
**Key Largo Wastewater Treatment District (KLWTD)**  
**Board of Commisisoners Meeting**

April 20, 2005  
 Key Largo Civic Club, 209 Ocean Bay Drive

The KLWTD Board of Commissioners met for a regular meeting on April 20, 2005 at 5:05 PM. Present were Chairman Charles Brooks, Commissioners, Glenn Patton, and Gary Bauman. Andrew Tobin arrived at 5:07 PM and Claude Bullock arrived at 5:23 PM. Also present were General Manager Charles Fishburn, Board Clerk Carol Simpkins, District Counsel Thomas Dillon, and all other appropriate District staff.

Chairman Brooks led the Pledge of Allegiance.

**ADDITIONS/DELETIONS TO THE AGENDA.**

The following changes were made to the agenda: Commissioner Bauman added two items, Discussion on a Plumber's meeting, and Magnetic Signs for the District Vehicle. Commissioner Patton added Status Reports on PRMG, Key Largo Park, Calusa Campground, and a Discussion on Rules and Procedures. Chairman Brooks added an item on Changing the Second Meeting Date in May.

**Motion: Commissioner Bauman made a motion to approve the agenda as amended. The motion was seconded by Commissioner Patton.**

Vote on motion:

Board Member	Yes	No	Other
Commissioner Gary Bauman	X		
Commissioner Claude Bullock			Absent
Commissioner Glenn Patton	X		
Commissioner Andrew Tobin	X		
Chairman Charles Brooks	X		

Motion passed 4 to 0

**APPROVAL OF MINUTES**

**Motion: Commissioner Patton made a motion to approve the minutes of the March 16, March 30, and April 6, 2005 minutes. The motion was seconded by Commissioner Bauman.**


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Vote on motion:

Board Member	Yes	No	Other
Commissioner Gary Bauman	X		
Commissioner Claude Bullock			Absent
Commissioner Glenn Patton	X		
Commissioner Andrew Tobin	X		
Chairman Charles Brooks	X		

Motion passed 4 to 0

**PUBLIC COMMENT:** The following persons addressed the Commission: Steve Gibbs of Key Largo stated that he thought that Chairman Brooks delivered his message to the Key Largo Homeowners Federation Meeting loud and clear.

**COMMISSIONER'S ITEMS**

*Sign for District Vehicle*

Commissioner Bauman explained why he thinks that the District should have signage on its vehicle. The public should know that there is District personnel on site and they should see a phone number to contact the District.

**Motion:** Commissioner Bauman made a motion to approve staff placing the identity on the District vehicle with a limitation of \$250 in cost. Commissioner Patton seconded the motion.

Vote on motion:

Board Member	Yes	No	Other
Commissioner Gary Bauman	X		
Commissioner Claude Bullock			Absent
Commissioner Glenn Patton	X		
Commissioner Andrew Tobin	X		
Chairman Charles Brooks	X		

Motion passed 4 to 0

**Motion:** Commissioner Bauman made a motion to approve placing the District Logo on all correspondence, documents, memos, business cards, and interagency communications. Commissioner Patton seconded the motion.

Vote on motion:

Board Member	Yes	No	Other
Commissioner Gary Bauman	X		
Commissioner Claude Bullock			Absent
Commissioner Glenn Patton	X		
Commissioner Andrew Tobin	X		
Chairman Charles Brooks	X		

Motion passed 4 to 0

Commissioner Bauman requested that the Monroe County be removed from the Logo. The Board by consensus directed that the Monroe County be removed from the KLWTD official logo.

*What's Next*

Chairman Brooks asked the Board members their thoughts on what the District would do if the 20 million dollars did not come through from the County and/or if the 20 million dollars from the County does come through but there is no other funding after that what do they see the District doing.

Commissioner Bauman stated that he thinks that if no Federal, State, or County grant monies come through in at least a 50 to 60 percent area then the District should close down new projects. There should be no new projects. Nothing should be done until the monies are allocated. If the District only gets 20 million of the 35 million dollar project then the District should bond the connection fees proceeding through the Sexton Cove / Lake Surprise Project.

Commissioner Bullock said he is not sure that he would agree with closing down new projects. He is of the opinion that the District should prepare plans and specification, get the engineering done that is needed for the entire Island of Key Largo. That puts the District in a position that says if more monies come in the District is ready to proceed. The District might be able to bond out the monthly rates to obtain the necessary funding to complete all construction engineering. The rates will have to be compared with the rest of the County for equality. The whole picture needs to be looked at before a decision is made to not go any further.

Commissioner Patton has not contemplated the idea of (to much) not receiving the \$20 million from the Bond from the County. He stated that the Board could be a little bit more pro-active in regards to getting more community support; and be more in your face with the Governor, and the State Legislature and Homeowners Associations. He feels the Board needs to educate the public and let them know what a good package the KLWTD has for them. He stated that the feedback that he has received from Commissioner

Nelson has been very positive of the financial, engineering, and basic total business plan that was presented to him at a meeting on April 18, 2005. Commissioner Nelson needs support to insure that the State will follow through on their portion of the funding. Commissioner Patton feels that the District is in an excellent position to move forward. If the 20 million does not come through the District can still move forward with the engineering and be pro-active in regards to being ready to go when the money does materialize. The District can only do what it has money to do. He does not think that the Community will go for funding the system totally like the rest of the State does.

Chairman Brooks stated that Commissioner Nelson is using the District's 20 million which was promised to the District hooks free. Commissioner Nelson is putting in the hooks. If the State comes through with 30 million dollars then the money would be available but not until then.

Commissioner Tobin stated that he liked Commissioner Nelson's thinking.

Chairman Brooks then stated that there is a possibility (by one Commissioner) that the 20 million may not materialize and it may come in the form of State money not County Bond money through infrastructure in the form of 14 million that may or may not come from the State in 2007 or 2008.

Commissioner Tobin stated that the reason he likes Commissioner Nelson's hurdle is that it is good negotiating tactics if the County is going to put in 20 million dollars then that is a good opportunity for the State to fish or cut bait. Everything that the District has been doing has been premised on the fact the County is going to give the District 20 million dollars. If they are not going to give the District 20 million dollars then the District has to go back to the drawing board and figure it out. We will have to retool and figure out the next step. Chairman Brooks asked Commissioner Tobin what his position would be if he was faced with the fact the District would not be getting the 20 million dollars; would he sign a contract for engineers for the Sexton Cove / Lake Surprise Project. Commissioner Tobin stated that the District could not afford it but he would want to think about it more and talk to staff. He is concerned with getting from 800 EDU's; below 800 EDU's we are not stabilized. He would like to stabilize enough of a sewer district that could maintain itself. The District could not shut down but it cannot go around hiring multi million dollar Engineering firms without cash flow and a larger EDU basis. He would look to take on a smaller project to bring the EDU's up to 2000 to maintain the District and stabilize and figure out where the next funding source would be coming from.

Commissioner Bullock stated that the District could get a good estimate for a special assessment and secure that fund for strictly engineering. He is convinced that at one time or another, the Engineering will have to be done. He feels that as a responsible Board they should be working towards meeting the 2010 mandate. If the District is doing the design work whether or not anything is being built then the Board is working towards that goal. The District needs to do what it takes to be sure that the funding is in place to

take care of operating expenses and design cost to take the District through the next project to where the District will make the award to the Engineers.

*Rules and Procedures*

Commissioner Patton proposes that the Board puts on the next agenda an item for discussion as to what the Boards concerns are with in the Rules and Regulation; for example, vacant lots, laundromats, and commercial connection fees.

Commissioner Tobin is most anxious to get a handle on rates. The rates have to be settled to settle projects and financing. Anything that can be done to settle the rates should be done, the sooner the better.

Commissioner Bullock explained that the Board is right back at the same issue. The Board should sit down knowing what it takes to operate, knowing what it is going to take to continue with projects and operation of the Treatment Plant. He does not see getting rid of any staff at the moment even if the 20 million does not come through. The minimum project that should be planned for is to take care of the operating cost for several years beyond the end of having the present projects on-line. If there is design money available the District should continue doing design work for the next several years and then say this is as far as the District can go and then wait for more funding. This would be his rock bottom as to what the Board should do as a responsible Board trying to achieve the 2010 mandate. If the mandate is changed then the schedule of funding should be reviewed.

Chairman Brooks asked if he meant that the Board should look at what the dollar capacity is and what the design would accomplish and that would be the finish line until additional funding is supplied. Commissioner Bullock agreed.

Commissioner Bauman stated that PRMG has not given the Board any number yet. The Rules and Procedures are needed but no data has been supplied yet.

Commissioner Patton stated that he felt that certain Rules and Procedures can be agreed upon without having the numbers equation related to the actual rates. Commissioner Bauman stated the he would like to know the financial impact each decision will have before it is implemented. PRMG is being paid to provide that information to the Board and it is not available yet.

Chairman Brooks said that he reported to the Federation of Homeowner's meeting that the he said that the connection fee may be \$4770 and he had made it very, very clear that the number is only a hypothetical number and is not cut in stone. Mr. Gibbs picked up on the statement that Commissioner Bauman made concerning that it may be done for less. Commissioner Bauman responded that he has stated that he feels it is premature to talk about the cost until all of the numbers are in.

Chairman Brooks told Staff that the Board is hungry for the information that they need to set the rates, policy, and procedures. The true cost may not be known until the design is

finished and until such time the numbers that the District are working with are hypothetical.

Commissioner Patton said that PRMG is putting together a total build out for the Island based on numbers from Staff. The Rules affect the Rates and the Rates affect the Rules, which comes first. He feels that the Board can move forward with the numbers that are available. When PRMG gives the Board the numbers it is a guess and the Board can do some of that themselves.

Commissioner Bullock explained that to make a decision on a lot tonight or tomorrow the District would need the bold financial expenditure guess. This might mean that the District will have to turn around and say that they have to grab every nickel and dime all the way along the line and it will have to be distributed across the whole board. Concerning giving the laundromats a break he is not sure that is a good idea at this point until he sees what the big project is going to be and what it is going to be funded against. A decision has to be made to go beyond the projects that are currently on the board because that decision is going to be the point that will be scaled to and the designs will be taken through to that point. The District needs the funds for the design for the entire Island; that way the State cannot come back and say that the District gave up on the State. The District will be able to say that they have not given up on the State but have taken the design out to the year 2010 so if the State comes along with some money the District will be able to build.

Chairman Brooks brought to the Board's attention that at the BOCC Meeting Mayor Dixie Spehar had a resolution to create a committee between the FCAA and the County that passed at the BOCC meeting. The document refers to what they are doing for unincorporated Monroe County that includes Key Largo. The Committee would review all RFP and contraction contracts in unincorporated Monroe County. Chairman Brooks is concerned with the confusion that it may cause. He has respectfully requested of the County that the resolution more accurately describes the areas in which the resolution is intended to govern.

The County Administrator had requested that he be authorized to enter into discussions with the incorporated areas and special districts to establish a cooperative purchasing and bid agreement and to offer Countywide services where economy of scale brings financial incentives to both parties.

Chairman would like to change the second meeting date in May to the 26<sup>th</sup> of the month instead of the 18<sup>th</sup>. The Board agreed by consensus to move the second May meeting to the 26<sup>th</sup>.

#### **FINANCIAL OFFICER'S REPORT**

##### *Pending Payments List*

Financial Officer Martin Waits presented the pending payment list for April 20, 2005.

**Motion:** Commissioner Tobin made a motion to approve the pending payments list for April 20, 2005 subject to the availability of funds. The motion was seconded by Commissioner Patton.

Vote on motion:

Board Member	Yes	No	Other
Commissioner Gary Bauman	X		
Commissioner Claude Bullock	X		
Commissioner Glenn Patton	X		
Commissioner Andrew Tobin	X		
Chairman Charles Brooks	X		

Motion passed 5 to 0

#### **LEGAL COUNSEL REPORT**

District Counsel Thomas Dillon reported that the RFQ for a Financial Advisor will be in at the end of the week and a copy of each one will be distributed to the Board Members.

Mr. Dillon said that he has attended his first official Florida Keys National Marine Sanctuary Board meeting as a member on April 19, 2005.

#### **ENGINEERS REPORT**

Ed Castle, District Engineer, reviewed the progress on the Key Largo Trailer Village. The completed streets have been paved and cleaned up. The contractor is still setting pits and trenching vacuum lines. They will be putting vertical steel up at the treatment plant in a week.

There was a complaint from a resident in the Key Largo Trailer Village which was sent to the FDEP. They have responded with favor to the District.

#### *On Site Pilot Project*

General Manager Charles Fishburn reported that there will be a presentation by Eco Smart on May 4 and the application will be submitted on May 15, 2005 for a project.

#### **GENERAL MANAGER'S REPORT**

##### *CDBG Late Application*

There was one application turned in late.

**Motion:** Commissioner Tobin made a motion to accept the late application and it be processed after the "on time" applications have been processed. Commissioner Bullock seconded the motion.



Vote on motion:

Board Member	Yes	No	Other
Commissioner Gary Bauman	X		
Commissioner Claude Bullock	X		
Commissioner Glenn Patton	X		
Commissioner Andrew Tobin	X		
Chairman Charles Brooks	X		

Motion passed 5 to 0

*Septic Tank Abandonment Permits*

General Manager Charles Fishburn gave a report on a meeting that staff had with the Health Department on what the District would have to do to issue the Septic Tank Abandonment Permits.

Commissioner Bullock asked if the aerobic systems could be used as cisterns instead of disabling them. Commissioner Tobin agreed with the idea. Ed Castle reported that he has looked into the abandonment procedures, had met with FDEP and that they were not going to allow use of the tanks as cisterns. The homeowner has to get FDEP to allow them to do it. The tanks could float out of the ground if the water level gets to low. He also stated that the cost of the process could be as high as \$250.00.

Mr. Fishburn explained that the tanks could be core drilled and filled with sand leaving them in a state were the owner could use them at a latter date.

Commissioner Bauman requested a complete report on the true cost of the septic tank abandonment permit process.

Chairman Brooks stated that he is dynamically opposed to taking on the Health Department's responsibility. It is taking on a responsibility that the District does not need.

*Plumber Meeting*

Staff was directed to have the first plumbers meeting late in May.

*PRMG*

General Manager Charles Fishburn reviewed a preliminary schedule from PRMG.

Commissioner Tobin is interested in having a report that would show what would happen if all of the hotels were removed from the commercial, what does that do to the daily flows.

Commissioner Bauman questioned the Government use of water. It was suggested that schools contribute a large amount of the government usage. District Counsel Thomas Dillon is going to look into the question whether a school can be required to connect to the sewer system as well as checking with Bob Feldman on the legality of an onsite system declaring that they are an investor owned utility and therefore do not have to hook up to the system.

The Board discussed the use of deduct meters.

Commissioner Tobin requested that Staff present PRMG with different scenarios to use for calculations.

General Manager Charles Fishburn explained that if the Board would set a connection charge then PRMG could better set up scenarios. The Board stated that they are not comfortable with setting a connection charge yet. Mr. Fishburn said that the commercial will be addressed at the May 4<sup>th</sup> meeting.

Commissioner Bauman would like to see how other places that are similar to Key Largo have handled different scenarios.

General Manager Charles Fishburn explained his concern over the possibility of not getting the \$20 million from the County Bond. Commissioner Patton pointed out that he has had extensive conversations about the \$20 million with Commissioner Nelson and he is assured that the District will get the \$20 million. Commissioner Nelson wants the matching money from the State that was within the DCA agreement: it was in the original resolution.

Chairman Brooks clarified the process that he has gone through. He went to Key West in the beginning of the year (2005) at the County's invitation, with Mr. Fishburn. The County was proposing \$20 million for Key Largo and \$20 for Big Coppitt Key. He asked how fast the process could be done. The County said that it would take 30 or 60 days. They would open an account for Key Largo for \$20 million on a reimbursement basis. There were no strings attached to the \$20 million dollars, none what so ever. Commissioner Tobin explained that there were strings attached to the agreement between the County and the State. Chairman Brooks said that all the negotiations to the current point have been that the \$20 million is coming to the KLWTD. The former County Administrator Jim Roberts, the new County Administrator Tom Willi, the Bonding Agent, and the FKAA were at the meeting and Chairman Brooks raised the question, "Is there anything in this agreement that is connected to the DCA Agreement or is there anything in the agreement that the pending lawsuit on the DCA Agreement that could hold the money up?" He was told that is separate and it was not subject to that.

Chairman Brooks has talked to Commissioner Nelson and he said that he would support Mr. Brook's position but he would need two more votes on the Board. The District is negotiating an agreement with the County at this point which has no mention of the State DCA Agreement and the Environmental lawsuits that may be holding it up. Chairman

Brooks asked Financial Officer Martin Waits to explain what is going on with the SRF funding. Mr. Waits explained that the District had applied to for the SRF funding based on the fact that the District would have the \$20 million dollars from the County which would help justify the total project. Without the \$20 million the District would not have a project and without the project the District could not get the SRF preconstruction loan to design the project.

Chairman Brooks stated that he does not want the taxpayers of Key Largo and the fact that the District needs to move forward to survive to be sacrificed because the County is trying to force the State to fulfill their agreement. At the last BOCC meeting in Key Largo it was stated that the BOCC did not want to hold up the KLWTD and the Inter-local agreement because of what was happening in the Lower Keys.

Commissioner Patton agreed with Chairman Brooks that the \$20 million should not have any strings attached to it. At various public forums the BOCC Board has indicated that they are committed to the \$20 million for Key Largo. Commissioner Patton recommends that the Board should have a resolution presented to the BOCC at the May 18<sup>th</sup> meeting that would fund through the bonding process the engineering phase and say that the District will be back in the Fall for the rest of the monies.

General Manager Charles Fishburn would like to see the Inter-local Agreement presented at the May 18<sup>th</sup> meeting.

Chairman Brooks stated that he does not want to go to the BOCC with a lesser agreement than an agreement for all of the \$20 million. The Board agreed with him. District Counsel Thomas Dillon was directed to proceed on his side to try and get the Inter-local agreement on the BOCC agenda for May 18, 2005.

#### *Key Largo Park*

The contract will be signed after the meeting. There was a soft preconstruction meeting held with the contractor and they will begin the Key Largo Park Project on May 1<sup>st</sup>.


#### *Calusa Campground*

Mr. Fishburn reviewed a letter with three recommendations for the campground including the recommendation from the Engineer on the technically correct way to connect to Calusa Campground.

### **ADJOURNMENT**

After a motion to adjourn by Commissioner Tobin and a second by Commissioner Patton the Board adjourned the meeting at 9:00 PM.

The KLWTD meeting minutes of April 20, 2005 were approved on May 4, 2005.



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Chairman Charles Brooks

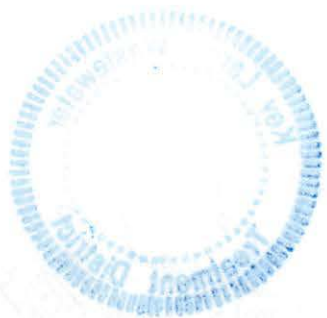


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Carol Simpkins, CMC  
Board Clerk

1. The following is a copy of the original document as received by the Registrar of Companies on 10/10/2011.

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