

MINUTES

Key Largo Wastewater Treatment District (KLWTD) Board of Commissioners Meeting



October 21, 2008
98880 OVERSEAS HWY, KEY LARGO, FL 33037

The Key Largo Wastewater Treatment District Board of Commissioners met for a regular meeting at 4:03 PM. Present were Commissioners Susan Hammaker, Norman Higgins, Claude Bullock, Andrew Tobin, and Chairman Gary Bauman. Also present the General Manager Charles F. Fishburn, District Counsel Thomas Dillon, District Clerk Carol Walker, and other appropriate District Staff.

The Pledge of Allegiance was led by Chairman Bauman.

APPROVAL OF AGENDA

Commissioner Hammaker requested that Items 1 and 2 (Resolution to require the Manager to obtain Board approval before increasing individual salaries above a certain limit; and a Resolution that allows the Manager to increase individual salaries without any Board approval) be combined into one item. Commissioner Hammaker commented that her item under Commissioner's Items, Ric-Man Presentation, was removed from the agenda. Chairman Bauman stated that he removed the item because he did not know what the item was about and that all of the contractors should be contacted to make a presentation. Commissioner Tobin requested that Item 9 (Deep Well Oversight Change Order) be moved to the front of the agenda. Martin Waits, Chief Financial Officer requested time to make a short report.

Motion: Commissioner Higgins made a motion to approve the agenda as amended. Commissioner Bullock seconded the motion.

Vote on Motion

Member	Yes	No	Other
Chairman Bauman	X		
Commissioner Hammaker	X		
Commissioner Higgins	X		
Commissioner Tobin	X		
Commissioner Bullock	X		

Motion passed 5 to 0

PUBLIC COMMENT

The following persons addressed the Commission: Karen Kovarik, Tavernier, (Seven Acres) asked what her gated community's obligations were to hook up and if there would be

any code enforcement action if a house does not hook up. Mr. Fishburn explained that the residence will be charged even if not hooked up and they will be turned over to Monroe County Code Enforcement eventually.

Robbie Majeska, Key Largo, stated that the Manager should be given a task and then allowed to pay staff as he determines as long as it is in the budget and it is legal. He also thinks that the District should wait until the Regional Plant is finished before hiring an operations manager.

Jon and Dale, Key Largo, feel that Ric-Man International is doing a good job in Stillwright Point.

Pauline Klein, Key Largo stated that she feels that Ric-Man International is doing a professional job in Stillwright Point.

George Nyman, Key Largo, was concerned with plans for his neighborhood, Coral Coast, where everyone has an aerobic septic system and the electrical lines are underground.

Steve Gibbs, Key Largo, asked Mr. Castle about the cement pour in the City of Marathon.

Chris Gardner, Tavernier asked Mr. Castle about using coated rebar.

GENERAL MANAGER'S REPORT

Deep Well Oversight Change Order

David Smith from Arcadis explained the work authorization. Arcadis will back up the District's geologist when needed, the contract days have been changed from 280 to 300, and the optional tasks have been clarified.

The Board asked Ed Castle, Weiler Engineering, if he had reviewed the contract.

Mr. Castle stated that he thinks that the man hour estimates and cost that have been quoted for the work presented are appropriate

Motion: Commissioner Tobin made a motion to approve in concept Arcadis Work Authorization No. 2 as it appears in the agenda package including the Oct. 16, 2008 letter and amending the contract to reflect the District's option to employ Arcadis for the additional services on a not to exceed basis (Task 4A, 4B and 4C) and that the operation permit task includes the manual. Commissioner Hammaker seconded the motion.

Vote on Motion

Member	Yes	No	Other
Chairman Bauman		X	
Commissioner Hammaker	X		
Commissioner Higgins	X		
Commissioner Tobin	X		
Commissioner Bullock	X		

Motion passed 4 to 1

Chairman Bauman stated that he has not had enough time to review the contract and would like to see the contract with everything in it before voting on it.

COMMISSIONER’S COMMENTS

Resolution to require the Manager to obtain Board approval before increasing individual salaries above a certain limit. And Resolution that allows the Manager to increase individual salaries without any Board approval.

RESOLUTION 17-10-08

A RESOLUTION OF THE KEY LARGO WASTEWATER TREATMENT DISTRICT, ESTABLISHING THE POLICY OF THE BOARD TO IMPOSE LIMITS ON THE AUTHORITY OF THE DISTRICT GENERAL MANAGER TO MAKE COMPENSATION DECISIONS AND DIRECTING THE MANAGER TO PREPARE RECOMMENDATIONS; AND PROVIDING FOR AN EFFECTIVE DATE

Commissioner Tobin explained that the recommendation for the resolution is to serve as a check and balance for the manager; it asks the Manager to come back to the Board with a recommendation of a range for him to operate in.

Commissioner Hammaker would like to see the Manager’s authority tied to predetermined goals.

Commissioner Higgins likes the limit within the Budget.

Commissioner Bullock would like the cap to be on anything over \$10,000.

Motion: Commissioner Tobin made a motion to adopt resolution No. 17-10-08. Commissioner Higgins seconded the motion.

Vote on Motion

Member	Yes	No	Other
Chairman Bauman	X		
Commissioner Hammaker		X	
Commissioner Higgins	X		
Commissioner Tobin	X		
Commissioner Bullock	X		

Motion passed 4 to 1

Trip to Washington D.C.

Commissioner Bullock and Commissioner Hammaker reported on the trip to Washington D.C. They agreed that it was a very successful trip. Please see Exhibit “A”.

Larry Prather, Chief of Planning, US Army Corps of Engineers and Steve Kopecke, South Atlantic Division, US Army Corps of Engineers Headquarters have said that the District has made great in roads in the ACOE process.

Commissioner Tobin asked Commissioner Bullock and Commissioner Hammaker when they thought that the District should send representatives to Washington D.C. again. They agreed that when Fred Hicks recommended it the District should respond.

Chairman Bauman left the meeting at 5:30 PM and Vice Chairman Tobin took over the meeting.

BULK ITEMS

Minutes of October 7, 2008

Pending Payments

Motion: Commissioner Higgins made a motion to approve Bulk Items, contingent upon the availability of funds for the pending payments. Commissioner Tobin seconded the motion.

Vote on Motion

Member	Yes	No	Other
Chairman Bauman			Absent
Commissioner Hammaker	X		
Commissioner Higgins	X		
Commissioner Tobin	X		
Commissioner Bullock	X		

Motion passed 4 to 0

ENGINEER'S REPORT

Mr. Castle told the Board that the District has put Basin C Phase 2 out to bid. There was a pre-bid meeting on the Regional Plant.

The Board requested that maps and charts with subdivisions be provide to enable the Board Members to more readily identify neighborhoods and the basins that they are in.

Process Tank Change Order

Mr. Castle explained that the building code requires use of 5000 psi concrete for the floor of the wastewater tanks. Due to the high heat of reaction in the high-strength concrete and the large expanse of these monolithic pours, cracking of the slab may occur due to shrinkage caused by heat. The proposed admixture, in conjunction with retardants already included, will greatly reduce the possibility of cracking.

Motion: Commissioner Hammaker made a motion to approve the Process Tank Change Order No. 2. Commissioner Bullock seconded the motion.

Vote on Motion

Member	Yes	No	Other
Chairman Bauman			Absent
Commissioner Hammaker	X		
Commissioner Higgins	X		
Commissioner Tobin	X		
Commissioner Bullock	X		

Motion passed 4 to 0

Wastewater Treatment Plant Trenching Change Order

Mr. Castle explained that after the process tanks are completed it will be very difficult or impossible to excavate the storm water retention ponds around the process tanks. This change order will provide pre-trenching of the retention ponds before the process tanks are completed. Staff will either procure this directly or use a change order with Precon to accomplish the pre-trenching.

Mr. Fishburn stated that he would like approval to spend up to \$120,000 to do the pre-trenching and that amount would be taken out of the Plant Bid..

Motion: Commissioner Higgins made a motion to authorize the Manager to spend up to \$120,000 to pre-trench around the tanks. Commissioner Bullock seconded the motion.

Vote on Motion

Member	Yes	No	Other
Chairman Bauman			Absent
Commissioner Hammaker	X		
Commissioner Higgins	X		
Commissioner Tobin	X		
Commissioner Bullock	X		

Motion passed 4 to 0

FINANCIAL REPORT

Martin Waits informed the Board that the SRF reported that they are obtaining a large bond and there will be a dispersal of funds in January and the District is on the top of the list.

LEGAL COUNSEL REPORT

N/A

GENERAL MANAGER’S REPORT

Basin I, J, & K Engineering Selection

Charles Fishburn told the Board that staff recommends Weiler Engineering for the Basins I, J, and K Engineer.

Motion: Commissioner Higgins made a motion to approve Weiler Engineering as Engineer for Basins I, J, and K. Commissioner Bullock seconded the motion.

Vote on Motion

Member	Yes	No	Other
Chairman Bauman			Absent
Commissioner Hammaker	X		
Commissioner Higgins	X		
Commissioner Tobin	X		
Commissioner Bullock	X		

Motion passed 4 to 0

Contract for Vacuum Station "D"

Charles Fishburn reported that it appears that Marlin Holdings, Inc. will not be able to submit a payment and performance bond as required by the procurement documents and SRF grant. The recommendation is to declare Marlin Holdings in default and to authorize the General Manager to procure the construction by negotiation with Overholt.

Acting Chairman Tobin stated that he would like to table the item to give Marlin Holdings two more weeks to obtain the bond.

The Board directed Mr. Fishburn to start negotiating on a contract with Overholt for Vacuum Station "D".

District Counsel, Thomas Dillon clarified that the District is not taking any action to declare Marlin Holdings in default and there has been no bad faith discussion.

Operations Manager

Mr. Fishburn explained that the position of Operations Manager has been open for coming upon two years. Our Construction Manager has been covering this position on a part time basis with support from Weiler Engineering. With over seventy million dollars of construction planned for next year, the ability of our Construction Manager to continue to oversee operations is not practical. With the start up of the Regional Wastewater Plant and Collections Systems, at least a half time position must be devoted to the Operations Manager function

Mr. Fishburn told the Board that he is planning on filling the position.

Ed Castle asked the Board if they would consider donating the small plant to Marathon for their service area 1. Marathon would pay for the decommissioning and moving of the plant.

ADJOURNMENT

The KLWTD Board adjourned the Board Meeting at 6:29 PM.

The KLWTD meeting minutes of October 21, 2008 were approved on November 4, 2008.



Chairman Gary Bauman



Carol Walker, CMC
District Clerk

EXHIBIT "A"

October 20, 2008

TO: Commissioners, Key Largo Wastewater Treatment District

FROM: Hicks-Richardson Associates

SUBJECT: Report on Florida Keys DC Trip, October 16, 2008

Commissioners Bullock and Hammaker joined with Vice Mayor Bull of Marathon and Washington Representatives for Key Largo Wastewater Treatment District, City of Marathon and City of Key West in a day of meetings in Washington DC. The goal of the trip was to:

- Demonstrate unity among the local sponsors of the Corps of Engineers Florida Keys Water Quality Improvement Program initiative. [FKWQIP]
- Report to staff contacts for Congresswoman Ros-Lehtinen, Senators Nelson and Martinez, and the US Army Corps of Engineers concerning progress with regard to working with the Army Corps of Engineers.
- Make these reports before the Congress returns for its "lame duck session" starting November 17th with the goal of positioning the Keys to succeed both with regard to FY09 Energy and Water Appropriations funding and also any Stimulus 11 package that may be passed by the Congress.

Who We Met With

Sarah Gamino
Legislative Director
Office of Congresswoman Ros-Lehtinen

Roger Cockrell
Majority Staff
Senate Energy and Water Appropriations Committee

Taunja Berquam
Majority Staff
House Energy and Water Appropriations Committee

Larry Prather
Chief of Planning
US Army Corps of Engineers Headquarters

Steve Kopecke
South Atlantic Division
US Army Corps of Engineers Headquarters

Katie Platt
Appropriations Legislative Assistant
Senator Bill Nelson

Spencer Wayne
Appropriations Legislative Assistant
Brydon Ross
Water Resources Legislative Assistant
Senator Mel Martinez

What We Said [please see attached briefing paper]

- All of the Keys Local Sponsors have signed their PCA's.
- Key Largo Wastewater Treatment District has received its first check.
- Marathon and Key West are preparing to invoice the Corps.
- Three of the four entities have "shovels in the ground."
- Commissioners Bullock and Hammaker repeatedly stressed that sewer construction was the #1 construction activity in the Keys.
- The four Local Sponsors remain united and are working together.
- "Shovels in the Ground" means that the Keys Local Sponsors are ready to put people to work immediately and help the economy.
- Photos of construction in Key Largo, Marathon, and Big Coppitt Key were provided to illustrate this fact. Commissioner Bullock also provided each of our contacts with additional and more detailed briefing documents.

What We Learned In Our Meetings

- There is a real possibility that the FY09 Energy and Water Appropriations Bill could be completed before Christmas.
- There is a real and growing possibility that there will be a second Stimulus bill and that this bill will include major funding for infrastructure, including sewers.
- We were told repeatedly by all three Congressional offices and by the Corps officials that the Keys sewer local sponsors are considered role models for regional cooperation on major water projects.
- Although we are not receiving as much money as we need, the FKWQIP is one of only four Corps Environmental Infrastructure Projects, among hundreds that have been authorized, that is not only being funded but also has a multi-year track-record of receiving appropriations.
- There will likely be an increased focus on infrastructure funding in the new Administration and the 111th Congress under the concept that this represents investment and not consumption.
- Again, this message was given to us in each of our meetings.

Conclusion

- We asked that whatever final form the FY09 Energy and Water Development Act may take, that the \$2.5 million in the House version of the bill be allowed to prevail.
- That if a Stimulus 11 package is passed that all parties remember that the Keys have “shovels in the ground” and are ready to spend any additional funding immediate and put people to work.
- We asked that the Congressional delegation help us in the upcoming Water Resources Development Act reauthorization with language that will emphasize the eco-system focus of the FKWQIP.
- We promised that the Local Sponsors would be back in FY10 and would be requesting an increase in funding to help sewer the Keys.