March 26th

2003
A. Call to Order

B. Pledge of Allegiance

C. Additions, Deletions or Corrections to the Agenda

D. Action Items

1. Presentation by the General Manager of the Work Plan for Developing and Implementation of a Non Ad Valorem Assessment Program for administrative and management costs
   a. Approval of the Work Plan for developing and implementation of a Non Ad Valorem Assessment Program

2. Presentation by the General Manager of the Professional Consultant Services Agreement by and between KLVTD and Government Services Group, Inc.
   a. Approval of the Professional Consultant Services Agreement by and between KLVTD and Government Services Group, Inc.

3. Presentation by the General Manager on the Consultants’ Competitive Negotiation Act (CCNA) process
   a. Approval to advertise for Requests for Qualifications from Engineering Firms

4. Presentation by the General Manager of Amendment No. 1 to DEP Agreement LP0338 and KLVTD Resolution 2003-14
   a. Approval of KLVTD Resolution 2003-14 resolving to proceed with project work for the Key Largo Park Project and the Key Largo Trailer Village Project
   b. Approval of Amendment No. 1 to DEP Agreement LP0338

5. Presentation by the Chief Financial Officer of the Pending Payments Schedule
   a. Approval of the Pending Payments Schedule

Page 1 of 2
E. General Manager's Report

1. Status report on the DEP Grant Application Agreement No. LP0338
2. Status report on preparations for March 29, 2003 community meeting
4. Discussion of Key Largo Park project award

F. Chief Financial Officer's Report

1. Discussion of FY2004 Budget Calendar
2. Discussion of the need for an External Auditor

G. Legal Counsel's Report

H. Engineer's Report

I. Commissioner's Items

1. Status report on the Evaluation Committee from Charles Brooks

J. Minutes – February 26 2003

K. Meeting Adjournment
March 14, 2003

VIÀ HAND DELIVERY

Mr. Robert E. Sheets
District Manager
Key Largo Wastewater Treatment District
P.O. Box 491
Key Largo, FL 33037

Re: Workplan for Development and Implementation of Non-Ad Valorem Assessment Program for Administrative and Legal Costs

Dear Robert:

This correspondence is written to present a scope of services for Government Services Group, Inc. (GSG) to provide specialized assistance to the Key Largo Wastewater Treatment District (District) in the development and implementation of an assessment program to fund the annual administrative and legal costs associated with the District. The proposal is based on the assumption that the District intends to collect these proposed assessments using the tax bill collection method beginning with the tax bills to be mailed in November 2003 for Fiscal Year 2003-04.

The objective of this project is to develop non-ad valorem assessments based on public policy set forth by the District’s elected officials within the constraints of readily available data and legal precedent.

To accomplish this objective, we will complete the following tasks:

- Provide implementation services to assist the District to develop a legally defensible method of apportionment that is conducive to using the tax bill collection method;

- Provide assessment rolls that are capable of being efficiently updated annually and used in subsequent years.
The proposed workplan is designed to develop the following deliverables during this project:

- An Assessment Report that will provide (a) the assessment cost calculation, (b) the description of the apportionment methodology, and (c) an implementation schedule.

- Billing algorithms necessary to calculate the assessments pursuant to the approved methodology;

- The statutorily required notice and billing documentation required for using the tax bill collection method for the assessment program;

- The final assessment rates; and

- Assessment rolls in an electronic format capable of merging with the County's ad valorem tax roll.

The attached scope of services is based on the following assumptions:

- The District will provide the necessary budget information required to develop the assessment methodology.

- The District legal counsel will provide all of the legal implementation documents and any legal interpretations required regarding the validity of the assessment methodology.

Attached as Appendix A is a work plan which articulates the services required by the firm to assist the District in implementing the non-ad valorem assessment program in a manner that is conducive to the imposition and collection of the assessments using the tax bill collection method.

For services provided by GSG, we will work under a lump sum professional fee arrangement described in the attached scope of service and receive payment on a monthly basis pursuant to the schedule in Appendix B. A lump sum method of compensation eliminates any uncertainty in the total fee.

We have also attached as Appendix B, a list of project deliverables, delivery schedule and payment schedule. Upon Notice to Proceed we will provide a detailed critical events calendar and a schedule for project deliverables tailored to the specific circumstances that are unique to the District. Appendix C is an hours and fees matrix that illustrates the work effort for each task.
We look forward to working with the District on this very important project. If you, or any other District officials have any questions, please feel free to telephone me.

Sincerely,

Camille Tharpe

/cpt

Enclosures
APPENDIX A

PROPOSED ASSESSMENT PROGRAM

SCOPE OF SERVICES
APPENDIX A
SCOPE OF SERVICES

Task 1: Evaluate Reports and Research Issues

Evaluate the District’s existing legal documents, ad valorem tax roll information, reports and other data pertaining to the provision of administrative and legal services associated with the Wastewater Treatment District.

Task 2: Determine Preliminary Revenue Requirements

Advise the District in determining the total assessment revenue requirements to ensure the District recovers the costs of: (a) net revenue requirements, (b) implementing the program, and (c) collecting the assessments.

Task 3: Develop a Method of Apportionment

Using the current ad valorem tax roll develop a method of apportionment, classification of properties and the use of the data on the ad valorem roll. GSG will perform all field work required to develop a method to address the assessment of vacant lots based on development capability (i.e., Tier 1, Tier 2 and Tier 3). Review the assessment methodology for legal sufficiency and compatibility with the tax bill method of collection.

Task 4: Develop an Assessment Roll Database

Using the District’s ad valorem tax roll, create an assessment roll database. Develop rules and guidelines for the treatment of certain properties to ensure similar treatments. Test the sufficiency of the database by developing reports to access property use information. Assist the District’s Attorney in documenting the rules and procedures regarding the database.

Task 5: Apply Apportionment Methodology to Database

Using database developed in Task 4, apply apportionment methodology to the assessment roll database to test the data validity and legal sufficiency. Revise the apportionment methodology, as necessary.

Task 6: Calculate a Preliminary Pro forma Schedule of Rates

Using assessment roll database, calculate a pro forma schedule of rates based on the apportionment methodology and revenue requirements for the assessment program.
Task 7: Review the Assessment Ordinance

Review the assessment ordinance prepared by the District's Attorney that provides the District with the flexibility to impose and collect the assessments using the tax bill collection method.

Task 8: Review the Initial Assessment Resolution

Review the initial assessment resolution prepared by the District's Attorney that conforms to the assessment ordinance to impose the assessments to implement the District's policy decisions and proposed methodology.

Task 9: Review the Final Assessment Resolution

Review the final assessment resolution prepared by the District's Attorney that conforms to the assessment ordinance to impose the assessments and adopt final assessment rates.

Task 10: Assist with Rate Adoption Process in Conformance with the Uniform Assessment Collection Act

Advise and assist with the legal requirements for the adoption of the final assessment rate resolution(s) and certification of the assessment roll(s) in accordance with section 197.3632, Florida Statutes, including: (a) the development of the first class notice and its distribution, (b) publication of the public hearing, (c) attendance at the public hearing, and (d) the certification of the assessment roll to the Monroe County Tax Collector.

Fee and Costs

For services provided by GSG, the lump sum fee for the proposed scope of services would be $25,116.

Payment will be 1/5 of the lump sum fee each month beginning May 2003, assuming notice to proceed occurs in April 2003. Payment will be pro-rated on the basis of the anticipated number of months included in the project if notice to proceed occurs after April 2003.

Special Note:

The lump sum fee does not include the costs of producing and mailing the statutorily required first class notices for FY 2003-04, which will depend on the number of assessable parcels of property within the District. Mailing and production costs for this program averages approximately $1.25 per parcel, with the amount due and payable at the time of the adoption of the initial assessment resolution.
In addition to one on-site visit by GSG to conduct fieldwork, the lump sum fee for professional services includes a total of three on-site visits to the District by GSG staff. While the purpose of these trips is negotiable, the intent of these meetings is to (1) participate in individual briefing sessions with District elected officials and staff, (2) participate in the adoption of the Assessment Ordinance and the Initial Assessment Resolution and (3) assist in the final rate adoption process. Meetings in excess of these three meetings may be arranged at our standard hourly rates. Expenses related to additional meetings will be billed in conformance with section 112.061, Florida Statutes.

In lieu of on-site visits by GSG, the firm is available to participate in periodic, scheduled telephone conference call to discuss project status.

**Annual Updates**

On a recurring basis, the firm shall also be available to assist the District in the annual update of the District's assessment program for a fee to be determined upon completion of this project. Such annual update assistance would include: assisting in the revisions to the assessment roll to correlate with changes to the ad valorem tax roll, facilitating the public notice requirements of the tax bill collection method including notice to property owners with property use changes, assistance with any transitional or interim assessments for omitted properties, and monitoring of the apportionment methodology relative to continued defensibility.

In recognition that GSG is an organization dedicated to providing specialized assistance to local governments in developing innovative and efficient solutions to public sector issues, the firms shall, on an hourly or negotiated fee basis, also be available to provide additional services to the District on finance, revenue or other local governmental matters. Such services may be provided under a written change order, extension to this scope of services, or by separate agreement mutually acceptable to the parties.
APPENDIX B

DELIVERABLES AND PAYMENT SCHEDULES
<table>
<thead>
<tr>
<th>Deliverable</th>
<th>Schedule</th>
</tr>
</thead>
<tbody>
<tr>
<td>Notice to Proceed by the District</td>
<td>April 2003</td>
</tr>
<tr>
<td>Assessment Report</td>
<td>July 2003</td>
</tr>
<tr>
<td>Proforma Assessment Rates</td>
<td>July 2003</td>
</tr>
<tr>
<td>Adopt Assessment Ordinance</td>
<td>July - August 2003</td>
</tr>
<tr>
<td>Initial Assessment Resolution</td>
<td>July – August 2003</td>
</tr>
<tr>
<td>First Class Notices</td>
<td>August 2003</td>
</tr>
<tr>
<td>Published Notice</td>
<td>August 2003</td>
</tr>
<tr>
<td>Final Assessment Resolution</td>
<td>August – September 2003</td>
</tr>
<tr>
<td>Final Assessment Rates</td>
<td>August – September 2003</td>
</tr>
<tr>
<td>Certified Assessment Roll</td>
<td>by September 15, 2003</td>
</tr>
</tbody>
</table>

Payment will be 1/5 of lump sum fee each month beginning May 2003, assuming notice to proceed occurs in April 2003. Payment will be pro-rated on the basis of the anticipated number of months included in the project if notice to proceed occurs after April 2003.
APPENDIX C

HOURS AND FEES MATRIX
### APPENDIX C

**HOURS AND FEES MATRIX**

<table>
<thead>
<tr>
<th>Tasks</th>
<th>Total Hours</th>
<th>Total Fees</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSESSMENT PROGRAM</strong></td>
<td></td>
<td></td>
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<tr>
<td>Task 1 - Evaluate data/reports; research issues</td>
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<td>$ 1,120</td>
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<td>Task Total</td>
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<td></td>
</tr>
<tr>
<td>Task 2 - Determine preliminary revenue requirements</td>
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<td>Task 3 - Develop apportionment method/data approach</td>
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<td>$ 5,600</td>
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<td>Task Total</td>
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<td>Task 4 - Develop assessment roll database</td>
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<td>Task Total</td>
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<tr>
<td>Task 5 - Apply apportionment methodology to database</td>
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<td>$ 1,680</td>
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<td>Task Total</td>
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<td></td>
</tr>
<tr>
<td>Task 6 - Calculate preliminary proforma assessment rates</td>
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<td>$ 1,680</td>
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<td>Task Total</td>
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<td></td>
</tr>
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<td>Task 7 - Review assessment ordinance</td>
<td>8</td>
<td>$ 1,120</td>
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<tr>
<td>Task Total</td>
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<td></td>
</tr>
<tr>
<td>Task 8 - Review initial assessment resolution</td>
<td>8</td>
<td>$ 1,120</td>
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<td>Task Total</td>
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<td>Task 9 - Review final assessment resolution</td>
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<td>Task Total</td>
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<td>Task 10 - Assist with rate adoption process in conformance with UACA</td>
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<td>$ 2,240</td>
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<td>Task Total</td>
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<td><strong>GSG FEES</strong></td>
<td>156</td>
<td>$ 21,840</td>
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<tr>
<td><strong>Plus travel and related expenses</strong></td>
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<td>$ 3,276</td>
</tr>
<tr>
<td><strong>TOTAL LUMP SUM FEE</strong></td>
<td></td>
<td>$ 25,116</td>
</tr>
</tbody>
</table>
MEMORANDUM TO THE BOARD

TO: BOARD OF DIRECTORS

FROM: ROBERT SHEETS, GENERAL MANAGER

SUBJECT: MANAGEMENT SERVICES AGREEMENT

DATE: 3/21/03

Enclosed for your review and action, is the Management Services Agreement by and between the Key Largo Wastewater Treatment District and Government Services Group, Inc.

This Agreement is consistent with the proposal submitted to the Board via Terry Lewis on January 13, 2003, and describes the services provided and method of compensation. The Management Services Agreement has two basic sections: Section 2 describes the Base Services the General Manager will provide on behalf of the District in carrying out his duties. To summarize, those basic services are as follows:

I. **Board Support:** Carry out all duties and responsibilities necessary for the timely notice of regular and special board meetings. Prepare and distribute all agendas to the District Directors for all Board meetings including appropriate supporting documents.

II. **General Administration:** The General Manager will carry out all duties and responsibilities required for the maintenance of the District's books and records that serve as a governmental liaison between the Board and Local Government and to make sure that all other administrative functions are carried out in a timely and efficient manner.

III. **Accounting:** The General Manager will provide all accounting services for the District necessary to comply with Florida Statute and generally accepted accounting principals. This will include preparation of all accounts payable, accounts receivable, monthly financial reports and the coordination with the external auditor for the District.
IV. **Budget and Financial Reporting:** General Manager will prepare by July 1 of each year a detailed operating and capital improvement program for the Board’s review and approval.

V. **Other Financial Services:** This includes coordination with the District’s utility rate consultant, insurance consultant and other entities necessary to help the District meet its financial obligations and its net fee.

VI. **Operational Oversight:** The General Manager will provide performance monitoring to the operations, contract and billing contractor as necessary. This service will not be utilized for the next two years, but will come into play upon completion of Key Largo Park and Key Largo Trailer Village.

VII. **Capital and Improvement Planning:** The General Manager will be responsible each year for preparation and update of a strategic capital improvement plan for the utility system and will present this by May 1st of each year to the Board. This will identify facilities needing to be repaired, replaced or enhanced to provide service to the District as it grows. In addition, the General Manager will prepare a connection and extension policy to be utilized by the District in meeting the growth related issues.

**Compensation for Basic Services:** It is anticipated that the General Manager, the Clerk to the Board, the Director of Operations and the Accounting Support function necessary to the District operation, will require an excess of 160 professional man hours, per month for all individuals involved. The following table outlines a minimum number of professional hours required by each position:

<table>
<thead>
<tr>
<th>Position</th>
<th>Hours per month</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. General Manager</td>
<td>48-60</td>
</tr>
<tr>
<td>b. Clerk to the Board</td>
<td>48-60</td>
</tr>
<tr>
<td>c. Director of Operations</td>
<td>32-40</td>
</tr>
<tr>
<td>d. Account Support</td>
<td>32-40</td>
</tr>
<tr>
<td>Total</td>
<td>160-232</td>
</tr>
</tbody>
</table>

The above provides a total of 160-192 professional man-hours. If using our standard hourly rate based on these estimated hours, the monthly charges would be approximately $19,000 per month, not including travel. Because of GSG’s desire to develop a long-term relationship with the District and to be involved with the planning, development and implementation of the capital improvements necessary to meet the wastewater needs, we are offering our services at a monthly fixed fee of $10,800. This is inclusive of all travel-related expenses associated with
attending regular Board meetings. As specified in the Agreement, only those expenses directly associated with producing Board materials and information would be charged back against the District's budget.

**Additional Services:** Also outlined in the Agreement is a method in which GSG will be compensated for performing additional services. These additional services are summarized as follows:

a. **Capital Project Administration & Construction Management:** The General Manager would be reimbursed for the actual project management administration of the capital projects that the District undertakes. This includes securing necessary work orders for design and supervision, overseeing consulting engineers, hydrogeologists and the coordination of new facility construction. This includes, in addition to the administration that GSG will perform actual construction management services including, but not limited to; monitoring and observation of all construction progress, submittal of monthly progress and status reports, review shop drawings, diagrams and illustrations and monitor all records.

Section 3.2 describes in detail the services to be provided under construction management including a detailed description of the “observations” conducted for construction management and an example of specific tasks that will be performed.

The main benefit to the District for the treatment of these expenses in this matter, is that this avoids putting a burden on the operational costs to the District for projects that will increase or decrease based on the amount of capital improvement programs. It also allows the District to capitalize these costs as part of project costs.

b. **Developer Agreements and Extension Programs:** Working with specific properties, although unlikely at this point, will be considered additional services and will be based on the work order approved prior to commencement of any such work.

c. **Special Assessments:** The General Manager, as an additional service, will provide special assessment, development and implementation, and administration. Again, no work will be performed prior to the approval of the work order.

d. **Development of Operations Agreement:** The General Manager will be responsible for developing Request For Proposals from operations contracts and building contractors and evaluate those proposals received. In most cases, an RFP preparation by the General Manager
specifies to the respective bidder that they must reimburse the District for any extraordinary costs incurred in procurement of such services.

e. **Other Services**: The Board may request the Manager on occasion to perform services beyond that described in the basic services agreement. Under this provision, no such work can be performed without prior written approval by the District. In most cases, the General Manager will provide a work order to the Board on a fixed fee basis. However, the Board may request that a time and materials arrangement be made and those extended hourly rates are described within the Agreement. As negotiated with Commissioner Bauman, GSG will agree to develop an extensive web site for the District for a fixed fee of $6,500.00. We have, however agreed to continue to maintain the web site, including all enhancements and additions, as long as our contract is in place, as part of the fee for basic services and therefore, no additional charges will be incurred.

This Agreement has been the result of extensive discussions with Commissioner Bauman and the District’s General Counsel. The black-lined version provided for your review, reflects those changes as a result of these discussions and negotiations. I’d like to thank Mr. Bauman and Amy for their diligence and commitment in finalizing this Agreement. I believe that this Agreement reflects the commitment necessary to help advance the District in its ambitious goals and objectives.

I’d also like to thank the Board for your continued support and commitment in addressing this delivery of critical infrastructure in Key Largo.

We look forward to working with the District on a long-term basis and if you have any questions, please do not hesitate to contact me.
MANAGEMENT SERVICES AGREEMENT

by and between

KEY LARGO WASTEWATER TREATMENT DISTRICT

and

GOVERNMENT SERVICES GROUP, INC.
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| SECTION 4.04 | INDEMNIFICATION | 22 |
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MANAGEMENT SERVICES AGREEMENT

THIS AGREEMENT is made and entered into this ___ day of ________, 2003, by and between Key Largo Wastewater Treatment District, (hereinafter referred to as the "District") and Government Services Group, Inc., a Florida corporation, whose business address is 1500 Mahan Drive, Suite 250, Tallahassee, Florida 32308 (hereinafter referred to as the "General Manager").

WITNESSETH:

WHEREAS, the District desires to obtain the professional management and planning services of the General Manager to provide administration, management, and consulting services to the District; and

WHEREAS, the General Manager represents that it has expertise in the type of professional services required by the District;

NOW, THEREFORE, in consideration of the following mutual promises, covenants, provisions, representations, agreements and provisions, the parties hereto agree as follows:
ARTICLE I
DEFINITIONS AND CONSTRUCTION

SECTION 1.01. DEFINITIONS. As used in this Agreement, the following terms shall have the following meanings unless the context hereof otherwise requires.

"Additional Services" means the administration, management and consulting services described in Sections 3.01 through 3.07 hereof.

"Agreement" means this Management Services Agreement, including any amendments and supplements hereto executed and delivered in accordance with the terms hereof.

"Basic Services" means the administration, management and consulting services described in Sections 2.01 through 2.07 hereof.

"Billing Contractor" means the firm contracting with the District to provide customer service and utility billing for the Utility Systems.

"Board" shall mean the governing board of the District.

"Financing Documents" shall mean the resolution or resolutions duly adopted by the Board, as well as any indenture of trust, trust agreement or other instrument relating to the issuance or security of the obligations by the District.

"Fiscal Year" means the period commencing on October 1 of each year and continuing through the next succeeding September 30, or such other period as may be prescribed by law as the fiscal year for the County.

"District" means Key Largo Wastewater Treatment District, a legal entity and public body created pursuant to Chapter 2002-337.

"General Manager" means Government Services Group, Inc., a Florida corporation.

"Operations Contractor" means the firm contracting with the District to operate the Utility Systems.
SECTION 1.02. INTERPRETATION. Words importing the singular number shall include the plural in each case and vice versa, and words importing persons shall include firms and corporations. The terms "herein," "hereunder," "hereby," "hereto," "hereof," and any similar terms, shall refer to this Agreement; the term "heretofore" shall mean before the effective date of this Agreement; and the term "hereafter" shall mean after the effective date of this Agreement. This Agreement shall not be construed more strongly against any party regardless that such party, or its counsel, drafted this Agreement.

SECTION 1.03. SECTION HEADINGS. Any headings preceding the texts of the several Articles and Sections of this Agreement and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall neither constitute a part of this Agreement nor affect its meaning, construction or effect.
ARTICLE II
BASIC SERVICES

SECTION 2.01. BOARD MEETINGS. The General Manager will furnish the following administrative support to meetings of the Board:

(A) [Provide] timely notice of all regular and special Board meetings to the District directors and comply with all applicable public notice requirements;

(B) [Prepare] an agenda to the District directors for all Board meetings, including appropriate supporting documentation; and

(C) Maintain minutes and records of regular and special Board meetings consistent with Florida statutes.

SECTION 2.02. GENERAL ADMINISTRATION. The General Manager will furnish the following general administrative support to the Board:

(A) [Assist] in identifying, selecting and contracting with rate consultants, auditors, insurance consultants, lab service contractors, consulting engineers, hydro-geologists and other consultants or professionals required by the District;

(B) Act as custodian of the District's books and records, which shall be maintained in accordance with Section 189.9, Florida Statutes;

(C) Serve as inter-governmental liaison between the Board and the local governments in which the District provides utility service as follows: (1) coordinate service extensions with the local government's comprehensive plan; (2) communicate with local public officials on all matters that pertain to the District; and (3) attend city and county governing board and staff meetings, when requested, to discuss District issues;

(D) Prepare an annual consumer confidence report, as required by law;

(E) Overseer two customer mailings each year to all District customers regarding Board initiatives;
(F) Provide the Board, or individual members thereof, upon request, with data or information concerning the Utility Systems provide advice and recommendations on Utility System operations to the Board;

(G) Develop and maintain accounting, budgeting and purchasing procedures;

(H) Negotiate leases, contracts, and other agreements, including consultant services, for the District, subject to approval of the Board;

(I) Oversee and advise the District on all local, state or federal filings identified to the General Manager;

### and

(J) Monitor the performance of all terms and conditions in all leases, contracts, and agreements and notify the Board of any noted violation thereof; and

###K) Maintain a web site for the District.]

SECTION 2.03. ACCOUNTING. The General Manager will provide the following accounting services to the District:

(A) The General Manager will oversee the District's accounting system and coordinate the utility billing function with the Billing Contractor to facilitate the management and investment of all cash in accordance with law, the Financing Documents, Board policy, and generally accepted accounting principles.

(B) The General Manager will require the Billing Contractor to provide a daily financial transactions report and a monthly financial report for each Utility System.

(C) The General Manager will prepare statements of accounts payable, reconcile accounts receivable, maintain the general ledger, prepare monthly financial reports for each Utility System and the District in its entirety, and coordinate with outside auditors in conducting an annual audit.

(D) [On or before the 20th of each month][At the second Board Meeting of the District], the General Manager will submit to the Board a statement of income and
expenses for the District Board, together with a list of vouchers [to be] paid, if requested by the Board, and any financial matters requiring Board attention.

SECTION 2.04. BUDGETS AND FINANCIAL REPORTS. The General Manager will provide the following budgeting and reporting services to the District:

###{†A} On or before July 1 of each year, the General Manager will prepare a proposed operating budget and capital improvement program for the ensuing Fiscal Year to be submitted to the Board for its review and approval.

###{†B} Each water and/or wastewater system, designated as such by the Board, shall be maintained as an independent enterprise fund.

(*B) The General Manager will prepare and file all financial reports required by the Financing Documents, Board policy and applicable law.

SECTION 2.05. OTHER FINANCIAL SERVICES. The General Manager will provide the following additional financial services to the District:

###{†A} The General Manager will coordinate with the District’s utility rate consultant to develop rates that comply with the Financing and Grant Documents[:]

###{†B} The General Manager will coordinate with the District’s insurance consultant to insure the District’s assets in accordance with industry standards[: and]

###{†C} The General Manager will actively pursue all Federal and State Grant funding opportunities.[†]

§

SECTION 2.06. OPERATIONAL OVERSIGHT. The General Manager will monitor the performance of the Operations Contractor and Billing Contractor, as follows:

(A) The General Manager shall monitor lab performance of the Operations Contractor to ensure compliance with the Operations and Billing Agreement and the Board’s policy and direction[:]
(B) The Operations Contractor and Billing Contractor will be required to provide the reports as required in the Operations and Billing Agreement.

(C) The General Manager will visit each Utility System and review the following issues with the Operations Contractor and Billing Contractor: (1) customer service, (2) operations and contract performance, (3) annual maintenance needs of the Utility Systems, (4) any unforeseen events that may affect the District's agreement with the Operations Contractor or Billing Contractor.

(D) The General Manager shall manage District's lab service contractor for quality control and performance, shall order necessary sampling events to meet regulatory needs and requirements, shall review all laboratory analyses conducted by District's lab service contractor, and shall require appropriate explanations for all deviations to the permits under which treatment facilities are to be operated.

(E) Not later than April 1 of each year beginning April 1, 2003, the General Manager shall compile and prepare:

1. An annual report summarizing the performance of each treatment facility;
2. A summary of treatment capacity and capacity needs;
3. A status report of all capital projects; and
4. An annual systems report which summarizes:

   a) Work performed by the Operations Contractor and Billing Contractor;
   b) significant operations issues that have arisen during the preceding twelve months;
   c) Intergovernmental coordination issues; and
   d) Acquisition and transition concerns.
The General Manager shall secure any work orders necessary to complete the annual report and manage the activities of the consulting engineers, hydro-geologist - professional services to ensure timely completion of the annual systems report.

SECTION 2.07. CAPITAL IMPROVEMENT PLANNING.

(A) The General Manager shall be responsible for coordinating the development of a capital improvement plan to facilitate compliance with applicable regulatory standards and provide adequate capacity for current and future customers. In this regard, the General Manager shall (1) prepare and update, as needed, a strategic master plan for each Utility System, and (2) not later than May 1, prepare an annual capital improvement program for facilities needed to repair, replace, enhance or provide additional service to District's customers.

(B) The General Manager shall prepare connections and extensions to the Utility Systems. In this regard, the General Manager shall (1) maintain an extension policy for said water and sewer line extensions, (2) maintain standardized specifications for use on all Utility Systems, and (3) provide standardized construction and professional service agreements for use on all Utility Systems.

SECTION 2.08. COMPENSATION FOR BASIC SERVICES.

(A) In consideration for the Basic Services to be provided, the District agrees to pay the General Manager a monthly fee based on the following schedule (until the Operating Budget is full funded):

<table>
<thead>
<tr>
<th>Phase</th>
<th>Description</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Phase I</td>
<td>-</td>
<td>$5,000.00/Monthly</td>
</tr>
<tr>
<td></td>
<td>(Services are described in the Proposed System Manager Agreement, Dated January 13, 2003)</td>
<td></td>
</tr>
<tr>
<td>Phase II</td>
<td>-</td>
<td>$10,800.00/Monthly</td>
</tr>
<tr>
<td></td>
<td>(This fee will begin on April 1, based on the District's fully funded budget of FY 2003; Effective April 1, 2004, this fee will be increased to $11,340.00 per month)</td>
<td></td>
</tr>
<tr>
<td>Phase III</td>
<td>-</td>
<td>To Be Determined</td>
</tr>
</tbody>
</table>
(Prior to completion of the Key Largo Park and the Key Largo Trailer Village, GSG will submit a revised Scope of Fees and Schedule to include managing of Contract Operator)

Monthly fees for Basic Services shall be payable at the end of each monthly period. In addition to the monthly fees for Basic Services, the District shall reimburse the General Manager for its expenses of reproduction, postage and express delivery incurred by the General Manager in connection with the provision of Basic Services. All expenses will be in accordance with Section 112.061, Florida Statutes. Additional Services as described in Section 3.01 through 3.08 will be collected and reimbursed on the same basis.

(B) If a Utility System is sold or otherwise transferred by the District without the timely advance written notice required in this Section, the District shall pay General Manager, in addition to all other fees and costs provided for in this Agreement, an amount equal to the Basic Services fee for that Utility System for 180 days.

(C) If the District acquires a {water and/or} wastewater utility system, District and General Manager agree to negotiate in advance a change order to the Basic Services to be provided hereunder.

{On each October 1, beginning in 2003, Basic Service Fees and the hourly rates for Additional Services performed on an hourly rate basis for the immediately ensuing year shall be adjusted upward or downward on the basis of the percentage of upward or downward change, if any, in the consumer Price Index—U.S. City Average—All Urban Customers—Services (1982-84=100), as published by the U.S. Department of Labor, Bureau of Labor Statistics (the "Index"), from the Index number of the Index most recently published prior to August 31, 2003 (the "Base Index Number"). Utilizing the Index most recently published prior to August 31, thereafter beginning in 2004 (the "Current Index Number"), the foregoing adjustment shall be calculated and become effective for a particular year on October 1st first occurring after each such August 31st beginning in 2003. If at any time of calculation on the Current Index Number is greater or
less than the Base Index Number, the fees for the immediately ensuing year, beginning on
the said April 1st, shall be increased or decreased, as the case may be, form the fees
which were in effect on the Commencement Date of this Agreement by an amount equal
to the percentage by which the Current Index Number exceeds or is less than the Base
Index Number. In the event the U.S. Department of Labor, Bureau of Labor Statistics,
ceases to publish the CPI, the parties hereto agree to substitute another equally
authoritative measure of change in the purchasing power of the U.S. dollar as may be
then available as to carry out the intent of this provision. In no event shall the annual
adjustment exceed four and one-half (4½) percent.)
ARTICLE III
ADDITIONAL SERVICES

SECTION 3.01. [FUTURE] UTILITY SYSTEM IMPROVEMENTS. The parties acknowledge that capital improvements to the Utility Systems may be required during the term of this Agreement. In connection therewith, the General Manager shall perform the following tasks:

(A) Secure necessary work orders for design and supervision of construction of capital improvements from District's consulting engineers, hydro-geologists and other professionals for Board approval;

(B) Manage activities of the consulting engineers, hydro-geologists and other professionals to facilitate timely completion and permitting of capital improvement facilities;

(C) Coordinate new facility construction with activities of the Operations Contractor in order to minimize service disruptions; and

(D) Secure bids for the construction of said capital improvement facilities in accordance with Florida law and Board policy.

SECTION 3.02. CONSTRUCTION MANAGEMENT. [Government Services Group, Inc., (“GSG”) hereinafter referred to as GSG] [The General Manager] will consult with the District and [Contractor] as reasonably required and necessary with regard to construction of [the Project] [Capital Projects], including but not limited to pre-construction conference and monthly coordination [meeting with District and Contractor].

[meetings with District and Contractor. Specifically, the General Manager will perform the following tasks:
(A) Review materials and workmanship of the Project and report to District any deviations from the Contract Documents which may come to the [General Manager's] attention; determine;

(B) Determine the acceptability of work and materials and make recommendation to District to reject items not meeting the requirements of the Contract Documents;

(C) Recommend to the District in writing that the work, or designated portions thereof, be stopped if, in the [General Manager's] judgment, such action is necessary to allow proper inspections, avoid irreparable damage to the work, or avoid subsequent rejection of work which could not be readily replaced or restored to an acceptable condition. Such stoppage to be only for a period reasonably necessary for the determination of whether or not the work will in fact comply with the requirements of the Contract Documents;

(D) Require that any work that is covered up without being properly observed be uncovered for examination and restored at contractor's expense if deemed appropriate by the [General Manager];

(E) Issue interpretations and clarifications of Contract Documents during construction, and evaluate requests for substitutions or deviations [there from Notify] [there from and notify] District of any such requested deviations or substitutions[,] and when reasonably necessary[,] provide District with a recommendation concerning the same;
(F) Prepare work change orders as directed by District.

(G) Submit to District in a format acceptable to District monthly progress and status reports, including but not limited to manpower, amount of work performed and by whom, equipment problems encountered, method to correct problems, errors, omissions, deviations from Contract Documents and weather conditions.

(H) Review shop drawings, diagrams, illustrations, catalog data, schedules and samples, the results of laboratory tests and inspections, and other data which contractors are required to submit for conformance with the design concept of the Project and compliance with the provisions of the Contract Documents.

(I) Monitor all required Project records, including but not limited to delivery schedules, inventories and construction reports. Based upon the Project records, as well as General Manager observations at the site and evaluation of the data reflected in contractor's application for payment, General Manager shall render a recommendation to District concerning the amount owed to the contractor(s) and shall forward the contractor's application for such amount to District. Such approval of the application for payment shall constitute a representation by General Manager to District, based on observations and evaluations, that:

(a) the work has progressed to the point indicated;

(b) the work is in substantial accordance with the Contract Documents; and

(c) the contractor(s) is (are) entitled to payment in the
recommended amount.

[(J)] Receive and review all items to be delivered by the contractor(s) pursuant to the Contract Documents, including but not limited to all maintenance and operating instructions, schedules, guarantees, warranties, bonds and certifications of inspection, tests and approvals. [General Manager] shall transmit all such deliverables to District with [General Manager's] written comments and recommendations concerning their completeness under the Contract documents.

[(K)] Negotiate with the contractor(s) the scope and cost of any necessary contract change orders using as a basis for such negotiations data or other information emanating from the Contract documents, including but not limited to the bid sheet, technical specifications, plans, shop drawings, material specifications, and proposed material and labor costs. Prepare, recommend and submit for District's approval such change orders.

[(L)] Upon receiving notice from the [Contractor] advising [General Manager] that the Project is substantially complete, [General Manager] shall schedule and, in conjunction with District, conduct a comprehensive inspection of the Project, develop a list of items needing completion or correction, forward said list to the contractor and provide written recommendations to District concerning the acceptability of work done and the use of the Project. For the purposes of this provision, substantial completion shall be deemed to be the stage in construction of the Project where the Project can be utilized for the purposes for which it was intended and whether minor items need not be fully completed, but all
items that affect the operational integrity and function of the Project are capable of continuous use.

[(M)] Perform final inspection in conjunction with District, and assist District in closing out construction contract, including but not limited to, providing recommendations concerning acceptance of Project and preparing all necessary documents, including but not limited to, lien waivers, contractor's final affidavit, close-out change orders, and final payment application.

[(N)] Prepare and submit to District upon completion of construction of the Project, five (5) sets of record drawings and one (1) set of reproducible record drawing Mylars of the work constructed, including those changes made during the construction process, using information supplied by the contractors and other data, which can reasonably be verified by [GSGs] [General Manager's] personnel.

[(O)] Prepare and submit to District upon completion of construction of Project a final report of variations from the construction Contract Documents, including reasons for the variations.

[SECTION 3.03.] DETAILED OBSERVATION OF CONSTRUCTION[.]

Construction work shall be done under the full-time observation of at least one representative of [GSG] [General Manager,] or by such additional representatives of the [GSG's] [General Manager's] as may be necessary for observing the construction of the Project, as may be authorized and approved by the District. +

+ During detailed observation of construction [GSG], [General Manager] shall act to protect District's interests in Project and [shall perform the following tasks:] ++

15
Take 3 x 5 35 mm color photographs of important aspects of the Project process and submit same together with corresponding negatives on a continuous basis to District, such pictures to be properly categorized and identified as to date, time, location, direction and photographer, with subsequent notations on drawings;

Maintain appropriate field notes from which record drawings can be generated;

Maintain appropriate field records to document any and all disputes or claims, whether actual or potential[,] with respect to construction of the Project; and

Observe operations or performance testing and report findings to District and Contractor (optional insert i.e. including copies of pressure tests).

[SECTION 3.04.] PROFESSIONAL CONSTRUCTION SERVICES

TASKS.

(A) Construction Administration Phase[: ] GSG will provide construction administration services. The activities that will be performed during this task {are:}

[include the following:]

1. Attend the pre-construction meeting with the Authority,

District and Contractor;

2. Review shop drawings; and

3. Review monthly requests {CONSTRUCTION OBSERVATION CERTIFICATION PHASE} [: ]
Construction Observation [Certification Phase: General Manager shall perform the following observation tasks:]

Concrete slab [1.] (a) Concrete slab;
(b) Tanks and appurtenances;
(c) Pump enclosure, pumps and controls;
(d) Piping and appurtenances;
(e) Observe Tests;
(f) Substantial completion;
(g) Final Completion; and
(h) Contractor's as built plans.

The Contractor shall supply the [Authority] [District] with marked up drawings, recording the actual construction of the improvements. [GSG] [General Manager] will prepare record drawings of the [Project] based upon the field record drawings provided by the Contractor. [GSG] [General Manager] will provide the [Authority] [District] with one (1) set of reproducible and electronic CADD files in AutoCAD format.

SECTION 3.03 [3.05]. CONNECTIONS AND EXTENSIONS. The parties acknowledge that it may be necessary to make service extensions or enter into service or improvement agreements with developers during the term of this Agreement. The
General Manager will be responsible for negotiating the terms of such agreements and making recommendations to the Board on matters relating to specific service extensions or developer agreements.

**SECTION 3.04 [3.06]. SPECIAL ASSESSMENTS.** The parties acknowledge that the District may desire to implement special assessment programs during the term of this Agreement to finance the installation, rehabilitation and maintenance of water and wastewater facilities. The General Manager will prepare information necessary for development of the apportionment methodology, calculation of rates, and the data processing and mechanical implementation required to collect special assessments on the ad-valorem tax bill.

**SECTION 3.05 [3.07]. UTILITY OPERATIONS AGREEMENT.** The General Manager will be responsible for developing a request for proposals from Operations Contractors and Billing Contractors, evaluating the proposals received and making recommendations to the Board for selection.

**SECTION 3.06 [3.08]. OTHER SERVICES.**

+++(A) The District may request the General Manager to serve as a general rate consultant for the District or to independently review and make recommendations on specific fees and charges.

+++(B) The General Manager shall be responsible for development of any emergency preparation plans and pretreatment programs required by the Utility Systems.

+++(C) The General Manager will assist the District's consulting engineers, if required, in connection with the renewal of water withdrawal, operating or other permits required by the Utility Systems.

+++(D) The General Manager will perform construction inspection on all capital projects and supervise District engineers to aid in such services.
The General Manager will develop for the District a web site for a fixed fee of $6,500.00. The Manager, however, will maintain the web site as part of the monthly fee for basic services.

SECTION 3.09 [SECTION 3.07]. COMPENSATION FOR ADDITIONAL SERVICES.

(A) The General Manager shall be responsible for submitting a written proposal to the District specifying any Additional Services to be performed and the method of compensation therefore. The Agreement between the General Manager and the District shall be set forth in a Memorandum of Understanding ("MOU") that shall constitute a supplement to this Agreement and become binding upon the General Manager and the District. The General Manager shall not be entitled to compensation for Additional Services provided without prior authorization from the Board.

(B) Additional Services may be provided on a negotiated lump sum professional fee or hourly basis. Whenever work is done on an hourly basis the following hourly rates will apply:

(1) General Manager $150/hour;
(2) Director of Operation $140/hour;
(3) Chief Financial Officer $130/hour;
(4) Consultants $80/hour, and
(5) Secretarial or administrative support $35/hour.

Where applicable, all expenses will be in accordance with Section 112.061, Florida Statutes.
ARTICLE IV
GENERAL PROVISIONS

SECTION 4.01. DISTRICT RESPONSIBILITIES.

(A) The Board shall timely transmit instructions, receive information, interpret and define District policies and provide policy direction on decisions with respect to General Manager's services for a project.

(B) The Board shall:

(1) Review and make appropriate recommendations on all requests submitted by the General Manager for payment for services and work provided and performed in accordance with this Agreement;

(2) Provide all criteria and information requested by General Manager as to District requirements for any Basic Services or Additional Services, including inter-local matters, policy and policy direction;

(3) Upon request from General Manager, assist General Manager by placing at General Manager's disposal all information available to the District;

(4) Arrange for access to and make all provisions for General Manager to enter the District facilities to perform the services to be provided by General Manager under this Agreement;

(5) Appropriately direct and delegate management oversight to the General Manager concerning all contract and relations of the District. For all such purposes General Manager is hereby and shall hereafter be deemed the "District Representative" or "District General Manager" as such terms may be defined elsewhere, including the Financing Documents.

(6) Provide notice to General Manager of any deficiencies or defects discovered by the District with respect to the services to be rendered by the General Manager hereunder as well as all notices received or provided under any operations,
billing, financing, acquisition or other agreements entered into which in any way affect or pertain to the Utility Systems.

SECTION 4.02. TERM OF AGREEMENT. This Agreement shall be for a term commencing on the date first above written and ending on {September 30} [April 1], 2005. However, the term hereof may be extended by mutual agreement of the parties for successive {36} [24]-month periods. Upon any renewal the parties agree that the monthly fee for Basic Services and the applicable hourly rates for Additional Services will be subject to an adjustment based on the increase in the Consumer Price Index, the deletion or addition of Utility Systems, and the most current hourly rate of the General Manager.

SECTION 4.03. INSURANCE.

(A) During the term of this Agreement, the General Manager shall provide, pay for, and maintain, with companies satisfactory to the District, the types of insurance described herein. All insurance shall be from responsible companies duly authorized to do business in the State of Florida and/or responsible risk retention group insurance companies registered with the State of Florida. The insurance coverages and limits required must be evidenced by properly executed certificates of insurance on forms, which are acceptable to the District. The certificates must be personally, manually signed by the authorized representatives of the insurance company/companies shown on the certificates with proof that he/she is an authorized representative thereof. In addition, certified, true and exact copies of all insurance policies required shall be provided to the District, on a timely basis, if required by the District. These certificates and policies shall contain provisions that thirty days' written notice by registered or certified mail shall be given the District of any cancellation, intent not to renew, or reduction in the policies' coverages, except in the application of the aggregate limits provisions. In the event of a reduction in the aggregate limit of any policy, the General Manager shall immediately take steps to have the aggregate limit reinstated to the full extent permitted under such
policy. The acceptance by the District of any certificate of insurance evidencing the insurance coverages and limits required in this Agreement does not constitute approval or agreement by the District that the insurance requirements have been met or that the insurance policies shown on the certificates of insurance are in compliance with the requirements of this Agreement.

(B) All liability insurance policies, other than the Professional Liability, Worker's Compensation and Employers' Liability policies, obtained by General Manager to meet the requirements of this Agreement shall name District as an additional insured as to the operations of the General Manager under this Agreement and shall contain severability of interests provisions.

(C) Commercial General Liability Insurance shall be maintained to cover liability for bodily injury and property damage. Exposures to be covered are: premises, operations, products/completed operations, and contractual. Coverage must be written on an occurrence basis, with no less than the following limits of liability:

1. Single Limit Bodily Injury & Property Damage
   (a) Each Occurrence $500,000
   (b) Annual Aggregate 1,000,000

2. Personal Injury (Annual Aggregate) — $1,000,000

(D) Comprehensive Automobile Liability shall be maintained for all vehicles in the performance of this Agreement:

1. Single Limit Bodily Injury & Property Damage (Each Occurrence) — $1,000,000

2. Coverage shall include owned, hired and/or non-owned vehicles. The District must be named as an additional insured for the Automobile and Commercial General Liability coverage.

(E) Professional Liability shall be maintained with limits not less than $2,000,000. If coverage is provided on a "claims made" basis then coverage must be
continued for the duration of this Agreement and for not less than one year thereafter, or in lieu of continuation, provide an "extended reporting clause" for one year.

(F) Workers' Compensation Insurance shall be maintained during the life of this Agreement to comply with statutory limits for all employees, and in the case any work is subject, the General Manager shall require any subcontractors similarly to provide Workers' Compensation Insurance for all the latter's employees unless such employees are covered by the protection afforded by the General Manager. The General Manager and his subcontractors shall maintain during the life of this Agreement Employer's Liability Insurance. The following must be maintained:

(1) Workers' Compensation - Statutory
(2) Employer's Liability - $100,000 per accident

(G) If any insurance provided pursuant to this Agreement expires during the term hereof, renewal certificates of insurance and, if requested by District, certified, true copies of the renewal policies shall be furnished by General Manager thirty days prior to the date of expiration.

SECTION 4.04. INDEMNIFICATION. [The Consultant] [GSG] agrees to indemnify and hold harmless the [Authority] [District], its officers, agents and employees against any loss, damage or expense (including all costs and reasonable attorneys' fees) suffered by [Authority] [District] from any claim, demand, judgment, decree, or cause of action of any kind or nature arising out of any negligent error, omission, or acts [acts] of [Consultant] [GSG], its agents, servants, or employees in the performance of services under this Contract.

SECTION 4.05. SUBCONTRACTORS. The services to be performed hereunder shall be performed by General Manager's staff unless otherwise authorized in writing by the District, which shall not be unreasonably withheld. The employment of, contract with, or use of the services of any other person or firm by General Manager, as independent contractor or otherwise, shall be subject to the prior written approval of the
District. No provision of this Agreement shall, however, be construed as constituting an agreement between the District and any such other person or firm. Nor shall anything contained herein be deemed to give any such party or any third party any claim or right of action against the District beyond such as may otherwise exist without regard to this Agreement.

SECTION 4.06. DEFAULT AND TERMINATION. Either party shall have the right to terminate this Agreement upon 180 calendar days' written notice to the other party. The General Manager shall be entitled to payment for professional fees earned and reimbursable costs incurred prior to the date of such termination.

SECTION 4.07. DISCLOSURE.

(A) The General Manager represents that it presently has no interest and shall acquire no interest, either direct or indirect, which would conflict in any manner with the performance of services required hereunder. General Manager further represents that no persons having such interest shall be employed to perform those services.

SECTION 4.08. GENERAL COUNSEL APPROVAL REQUIRED. This Agreement, although executed by the District and the General Manager, shall not become a binding contract between the parties unless and until the District General Counsel has reviewed and approved the Agreement. Should the General Manager, at the request of the Board, render services contemplated by this Agreement prior to approval of the Agreement by the General Counsel, the District shall compensate the General Manager for said services rendered and expenses as contemplated by this Agreement, but no other requirements or conditions of the Agreement shall apply unless and until the General Counsel approves the Agreement.

SECTION 4.09. ENTIRE AGREEMENT. This Agreement constitutes the entire agreement among the parties pertaining to the subject matter hereof, and supersedes all prior other and contemporaneous agreements, understandings, negotiations and discussions of the parties, whether oral or written, and there are no warranties,
representations or other agreements between the parties in connection with the subject matter hereof, except as specifically set forth herein.

SECTION {4.10} [4.09] AMENDMENTS AND WAIVERS. No amendment, supplement, modification or waiver of this Agreement shall be binding unless executed in writing by all parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision of this Agreement, whether or not similar, unless otherwise expressly provided.

SECTION {4.11} [4.10] NOTICES. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when hand delivered or mailed by registered or certified mail, postage prepaid, to the parties at the following addresses:

District: Terry Lewis
Attorney at Law
Lewis, Longman & Walker
1700 Palm Beach Lakes Blvd., Suite 1000
West Palm Beach, FL 33401

General Manager: Government Services Group, Inc.
1500 Mahan Drive, Suite 250
Tallahassee, Florida 32308

Attention: Robert E. Sheets, CEO

Either of the parties may, by notice in writing given to the other party, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent. Any notice shall be deemed given on the date such notice is delivered by hand or facsimile transmission or three days after the date mailed.

SECTION {4.12} [4.11]. ASSIGNMENT AND BINDING EFFECT. This Agreement may not be assigned by either party without the prior written consent of the other party. To the extent provided herein, this Agreement shall be binding upon the
parties, their respective successors and assigns and shall inure to the benefit of the parties, their respective successors and assigns. This Agreement shall not become effective until reviewed and approved by General Counsel for the District.

SECTION 4.12 SEVERABILITY. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

SECTION 4.13 EXECUTION IN COUNTERPARTS. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 4.14 APPLICABLE LAW. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida.
IN WITNESS WHEREOF, the parties hereto have executed this Management Services Agreement on the day and year first written above.

KEY LARGO WASTEWATER TREATMENT DISTRICT

(SEAL)

ATTEST

By: _____________________________
Chairman

Secretary-Treasurer

Reviewed by:

______________________________
General Counsel

GOVERNMENT SERVICES GROUP, INC.

(SEAL)

ATTEST

By: _____________________________
Chief Executive Officer

Secretary
KEY LARGO WASTEWATER TREATMENT DISTRICT
POST OFFICE BOX 491; KEY LARGO, FLORIDA 33037
(305) 451-5105

TO: Key Largo Wastewater Treatment District Board of Commissioners

FROM: Robert E. Sheets, General Manager

SUBJECT: Procurement of Engineering Services for KLWTD

DATE: March 20, 2003

As promised at the March 5, 2003 meeting, I am presenting for your review and consideration a proposed schedule of events and a Requests for Qualifications ("RFQ") for engineering services consistent with the Consultants' Competitive Negotiation Act ("CCNA") section 287.055, Florida Statutes.

As you are aware the Key Largo Wastewater Treatment District is proceeding with both the Key Largo Park Project and the Key Largo Trailer Village Project and need to retain, on a long term basis, engineering services for these and future district projects.

I am requesting that the Board authorize the General Manager to issue an RFQ consistent with attached schedule of events.

Please feel free to contact me should you have any questions or concerns.

Board of Directors: Chairman Andrew Tobin, Gary Bauman, Cris Beaty, Charles Brooks, Jerry Wilkinson
Proposed

CCNA SCHEDULE OF EVENTS

3-26-03 Receive approval from the Board to advertise for Request for Qualifications (RFQ) for professional engineering services

4-02-03 Public notice is advertised requesting RFQ’s by 4-30-03

4-30-03 SOQ’s received and reviewed by staff for recommendation to the Board

5-14-03 KLWTD Board issues invitations to negotiate at the regular meeting

5-15-03 Invitations to negotiate forwarded to qualified firms

5-28-03 Negotiated contracts presented to the KLWTD Board for approval
REQUEST FOR STATEMENT OF QUALIFICATIONS FOR WASTEWATER
PROFESSIONAL ENGINEERING SERVICES

In accordance with the Consultants' Competitive Negotiation Act ("CCNA"), section 287.055, Florida Statutes, the Key Largo Wastewater Treatment District, a legal entity and public body created by Chapter 02-337, Laws of Florida, 2003 ("KLWTD"), is seeking the services of qualified firms or individuals to provide continuing professional engineering services for the KLWTD's wastewater utility system. The scope of professional services includes the following:

(1) Construction Feasibility Reviews - Provide an independent and detailed review of design drawings and construction documents related to the rehabilitation, modification, expansion and/or repair of existing and proposed KLWTD owned or operated buildings, facilities, wastewater treatment plants, pumping facilities, and wastewater collection facilities.

(2) Construction Scheduling - Evaluate scheduling requirements related to rehabilitation, modification, expansion and/or repair of the above referenced facilities.

(3) Value Analysis - Provide an independent review of design drawings and/or construction cost estimates of projects at various stages of design related to rehabilitation, modification, expansion and/or repair of the above referenced facilities.

(4) Training - Provide training sessions, workshops, meeting and reports related to rehabilitation, modification, expansion and/or repair of the above referenced facilities when said service is not provided by the project lead design firm.

(5) Architectural Services - Perform preliminary design, final design, specifications, bid documents, bid analysis, services during construction, permitting, regulatory agency liaison services, and inspection services related to rehabilitation, modification, expansion and/or repair of the above referenced facilities.

(6) General Engineering Studies and Acquisition Services - Develop master plans, capacity studies and other studies pertaining to any utility facility operation required by the KLWTD and perform any needed engineering due diligence requested by the KLWTD.

(7) Construction Services - Construction and inspection/management services as requested by the KLWTD.
(8) **Other** - Attend various KLWTD Board of Commissioners, community, regulatory agency and staff meetings on issues related to the above work.

The KLWTD anticipates selecting at least three firms that will be required to execute the KLWTD’s standard consulting services agreement for professional services within thirty (30) days of selection. It is intended that this agreement will be for a term of three (3) years with optional renewal periods and subject to an annual performance review. Task assignments will be subject to scope definition and fee negotiation on a case-by-case basis. The KLWTD may choose to select another firm or use in-house staff to perform any of the above services in whole or in part. No minimum amount of professional services or compensation is guaranteed to the selected firms.

**Proposals must be mailed or delivered in a sealed envelope marked "Continuing Professional Engineering Services RFQ" to the KLWTD’s office, 614 N. Wymore Road, Winter Park, Florida, 32789, by 2 p.m., E.S.T., April 30, 2003.** Interested parties should submit an original and eight (8) copies of a letter of interest and qualifications package for consideration. Any proposal received after this advertised deadline will not be considered.

Proposals must include:

(1) Letter of interest;

(2) Name and address of applicant and location of the office from which the work is to be performed;

(3) Detailed listing and examples of relevant experience and qualifications for the requested services;

(4) Listing of key personnel to be assigned for these services. Resumes for individual team members must indicate position, number of years with the submitting firm, amount of relevant experience, education, and professional qualifications;

(5) Information on three (3) similar projects completed within the past five (5) years, including a project description, location, name of project manager, project time line, scheduled and actual completion date, cost of the project and a client reference;

(6) Proof of professional liability insurance and business insurance coverage;

(7) Recent, current and projected workload of the submitting firm;

(8) Supporting statements indicating that the firm has an Affirmative Action Program and a completed Drug Free Workplace form and Public Entity Crime Statement;

(9) Statement of litigation that the firm or staff is currently involved in or has been
involved in as a plaintiff or defendant in the past five (5) years; and

(10) Any other information that the applicant believes is essential to performance of the above services.

Failure to provide the required copies and information shall result in the proposal being deemed nonresponsive. The KLWTD reserves the right to reject all proposals, waive any informalities and to request additional information from the applicant is necessary. The evaluation of all proposals and awarding of contracts will be done in accordance with the CCNA. The KLWTD anticipates issuing invitations to negotiate at its May Board of Commissioner's meeting, which will be held at 4 p.m. on May 14, 2003, Key Largo Civic Club, 209 Ocean Bay Drive, Key Largo, Florida.

Proposers may contact Mr. Charles Sweat, at the address below, to receive a copy of the KLWTD’s evaluation criteria, a copy of the proposed standard contract and a copy of the KLWTD’s procurement policy. Questions regarding this RFQ must be in writing and submitted to:

Charles Sweat
KLWTD Director of Operations
614 North Wymore Road
Winter Park, Florida 32789
(305) 451-5105 - local telephone
(407) 629-6900 - telephone
(407) 629-6963 - facsimile
csweat@govserv.com

THE KEY LARGO WASTEWATER TREATMENT DISTRICT
As requested by the Board at the March 5, 2003 meeting, I am providing you with the comments received from Mr. Dick Smith of the Department of Environmental Protection on the KLWTD’s grant submittal (State Financial Assistance Agreement, DEP Agreement No. LP0338).

Updated copies of the grant submittal that reflect staff’s responses to Mr. Smith’s request for clarification were provided to the Board members under separate cover.
RESOLUTION 2003-14

A RESOLUTION OF THE KEY LARGO WASTEWATER TREATMENT DISTRICT EVIDENCING ITS INTENTION TO PROCEED WITH THE DISTRICT'S PROJECT WORK

WHEREAS, the District’s Capital Projects include the Key Largo Trailer Village and Key Largo Park (“Project Work”);

WHEREAS, the District is currently in the process reviewing and evaluating bids for Key Largo Park and cost proposals for Key Largo Trailer Village;

WHEREAS, the Board of Commissioners of the Key Largo Wastewater Treatment District desire to evidence their intent to proceed with the District’s Project Work;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE KEY LARGO WASTEWATER TREATMENT DISTRICT THAT:

1. The Board intends to proceed with the Project Work, including both the Key Largo Trailer Village and Key Largo Park projects.

2. The Technical Evaluation Committee will make its recommendations to the Board as to the contractor to be chosen for both projects. No later than April 30, 2003, the Board will then proceed with entering into negotiations with the selected contractor for both projects.

PASSED AND ADOPTED this 26th day of March, 2003.
FAILED this ☑ day of March, 2003.

KEY LARGO WASTEWATER TREATMENT DISTRICT GOVERNING BOARD

Chair, Key Largo Wastewater Treatment District

Secretary
STATE FINANCIAL ASSISTANCE AGREEMENT
MONROE COUNTY
DEP AGREEMENT NO. LP0338
AMENDMENT NO. 1

STATE OF FLORIDA GRANT ASSISTANCE
PURSUANT TO SPECIFIC APPROPRIATION 1765A OF THE 2002 - 2003 GENERAL APPROPRIATIONS ACT (CHAPTER 2002-334, LAWS OF FLORIDA)

This Amendment No. 1 is executed by the STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION (hereinafter referred to as “Department”) and the Key Largo Wastewater Treatment District (hereinafter referred to as “Grantee” or "Recipient" or “Contractor"), the address for which is Post Office Box 491, Key Largo, Florida 33037, existing as a local government agency under the laws of the State of Florida.

WHEREAS, the Department and the Recipient entered into a Grant Agreement providing for amendment upon completion of certain Project Work and such activity has been completed satisfactorily;

WHEREAS, the Grantee has reviewed the Key Largo Park construction bids and the Key Largo Trailer Park cost proposals and evidenced its intention to proceed with the Project Work as evidenced by its Resolution 2003-14; and

WHEREAS, the Recipient is entitled to grant funds in the amount of $1,660,000 for Project Work subject to the terms of this Grant Agreement as may be amended from time to time.

THEREFORE, in consideration of the mutual benefits to be derived herefrom, the Department and the Recipient do hereby agree as follows:

1. The Grantee shall perform in accordance with the terms and conditions set forth in the amended Grant Agreement, and all attachments and exhibits named which are attached thereto or hereto, respectively, and incorporated by reference. Attachment A – Revised supersedes Attachment A as incorporated into the original Grant Agreement.

2. There is no change to Attachment B as originally issued.

3. Grant funds shall be disbursed to the Recipient on a cost reimbursement basis for Project Work, designated for funding under this amended Grant Agreement in Section A (Project Budget) of Attachment A – Revised, provided the following conditions are met:

A. Project Work activities shall be completed in accordance with Section C (Project Schedule) of Attachment A – Revised;
B. Properly completed Disbursement Request Form(s), provided as Attachment C, shall be submitted to the Department; and

C. Records of sufficiently itemized invoices for the materials, labor, or services to identify the nature of the work performed, the cost or charges for such work, and the person or entity providing the service or performing the work shall be maintained by the Grantee.

4. The final disbursement request shall be submitted to the Department no later than February 28, 2005.

5. In the event that no funds are disbursed prior to October 31, 2003, the Grant Agreement shall be unilaterally terminated by the Department.

REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK
ATTACHMENT A - REVISED

KEY LARGO WASTEWATER TREATMENT DISTRICT
Key Largo Park Subdivision

SECTION A. PROJECT BUDGET

<table>
<thead>
<tr>
<th>Category of Expenditure</th>
<th>DEP Funds FY 02/03</th>
<th>FY 03/04</th>
<th>FY 04/05</th>
<th>Other Funds</th>
<th>Total Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Key Largo Park</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Preliminary Engineering</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$325,000</td>
<td>$325,000</td>
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<td>$446,200</td>
<td>$0</td>
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<tr>
<td>Contingency</td>
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<td>$213,800</td>
<td>$0</td>
<td>$213,800</td>
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<tr>
<td>Treatment Capacity</td>
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<td>$0</td>
<td>$0</td>
<td>$600,000</td>
<td>$600,000</td>
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<td>$150,000</td>
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<td>$0</td>
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<tr>
<td>Other</td>
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<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
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<tr>
<td>SUBTOTAL</td>
<td>$0</td>
<td>$850,000</td>
<td>$810,000</td>
<td>$925,000</td>
<td>$2,585,000</td>
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<tr>
<td>Key Largo Trailer Village</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Preliminary Engineering</td>
<td></td>
<td></td>
<td></td>
<td>$620,000</td>
<td>$620,000</td>
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<tr>
<td>Design/Build</td>
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<td></td>
<td>$6,962,000</td>
<td>$6,962,000</td>
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<tr>
<td>Contingency</td>
<td></td>
<td></td>
<td></td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Construction Management</td>
<td></td>
<td></td>
<td></td>
<td>$1,120,000</td>
<td>$1,120,000</td>
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<td>$826,234</td>
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<tr>
<td>Other</td>
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<td>$9,528,234</td>
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<tr>
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<td>$850,000</td>
<td>$810,000</td>
<td>$10,453,234</td>
<td>$12,113,234</td>
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</table>

SECTION B. SCOPE OF PROJECT WORK:

A collection system serving the Key Largo Park subdivision will be constructed. The collection system consists of vacuum mains, vacuum pits, buffer tanks, vacuum valves, and gravity lines. While Appropriation 1765A funding is not being provided for the decommissioning of on-site treatment and disposal systems or the installation of building laterals on private property, such work must be undertaken to achieve a functional system. The Grantee must ensure that the work on private property is accomplished in a timely manner. Functioning of the Key Largo Park collection system is dependent upon the construction of a vacuum station, transmission facilities, treatment plant and injection well disposal system that will be part of the Key Largo Trailer Village subdivision wastewater management
IN WITNESS WHEREOF, the parties have caused this Amendment No. 1 to be duly executed, the day and year last written below.

KEY LARGO WASTEWATER TREATMENT DISTRICT

By: [Signature]
Chairman

Date: March 25, 2003

FEID No.: 83-0344274

STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION

By: [Signature]
Director, Division of Water Resource Management

Date: __________________________

Attest:

[Signature]

By: [Signature]

List of attachments/exhibits included as part of this amended Agreement:

<table>
<thead>
<tr>
<th>Specify Type</th>
<th>Letter/ Number</th>
<th>Description (include number of pages)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attachment</td>
<td>A-Revised</td>
<td>Project Budget, Scope, and Schedule (2 Pages)</td>
</tr>
<tr>
<td>Attachment</td>
<td>B</td>
<td>Audit Requirements (5 Pages)</td>
</tr>
<tr>
<td>Attachment</td>
<td>C</td>
<td>Disbursement Request Forms (3 pages)</td>
</tr>
</tbody>
</table>
system. Therefore, the Grantee must ensure that all construction necessary for a complete and operable wastewater management system is undertaken in a timely manner.

SECTION C. PROJECT SCHEDULE:

After activity items (1) through (3) have been completed, the schedule for completion of the remaining Project Work activities may be adjusted by mutual agreement of the Department and the Grantee. All submittals documenting completion of the activities shall be made by the Recipient’s Grant Manager to the Department’s Grant Manager.

1. Formal Resolution for award of Key Largo Park construction contract not later than April 30, 2003.
2. Formal Resolution for award of Key Largo Trailer Village design/build not later than May 14, 2003.
3. Update the above Section A (Project Budget) information based on proposed contract award amounts. Identification of the available Federal, State, and Local funding that will be required to accomplish construction not later than May 15, 2003.
5. Certification of availability of all Key Largo Park wastewater collection/transmission system sites, including easements and rights-of-way not later than June 30, 2003.
6. Initiate design/build work for Key Largo Trailer Village not later than July 15, 2003.
8. Formal adoption of District Rules or equivalent legal means for enforcing sewer connections, sewer use requirements, as well the imposition of wastewater utility tariffs and collections not later than March 1, 2004.
15. Certification of wastewater management system operability not later than February 28, 2005.
ATTACHMENT C
Disbursement Request Forms – Disbursement Details

1. Grantee/Recipient

2. Project Number LP0338 Date of Request

3. Disbursement Request Number Required Match % NONE

4. Type of Request: Partial Final

5. Federal Employer Identification Number

6. Mail ☐ EFT ☐ Send Remittance to:

Disbursement Details
(cumulative amounts rounded to the nearest dollar)

1. Construction $________________

2. Technical Services during Construction $________________

3. Total Cumulative to Date $________________

4. Disbursements Previously Requested $________________

5. Amount Requested for Disbursement (Line 3 minus Line 4) $________________

** SUBMIT ONE ORIGINAL COPY OF THIS FORM AND SUPPORTING DOCUMENTATION TO: **

Florida Department of Environmental Protection
Bureau of Water Facilities Funding MS 3505
2600 Blair Stone Road
Tallahassee, Florida 32399-2400

DEP Agreement No. LP0338, Attachment C, Page 1 of 3
ATTACHMENT C
Disbursement Request Forms -Grant Manager’s Certification

I, ____________________________ ,
(name of Grant Manager designated in the Agreement)
on behalf of ____________________________, do hereby certify that:
(name of Grantee/Recipient)

1. The disbursement amount requested on page 1 of this form is for allowable costs for the Project described in the Agreement.

2. Materials, labor, equipment, and/or services representing costs included in the amount requested have been satisfactorily purchased, performed or received, and applied toward completing the project; such costs are documented by invoices or other appropriate documentation which are filed in the Grantee’s permanent records.

3. The Grantee is required to pay such costs under the terms and provisions of contracts relating directly to the Project, and the Grantee is in compliance with all terms or provisions of the contracts.

4. All funds received to date under the Agreement have been applied toward completing the project.

5. All permits and approvals required for the construction that is underway have been obtained.

6. Any changes in State or Federal funding (since the effective date of the Agreement) have been identified in writing to the Department or are identified on the attachment hereto. (Attachment included: Yes ☐ No ☐)

__________________________
(Signature of Grant Manager)

__________________________
(Date)

** SUBMIT ONE ORIGINAL COPY OF THIS FORM AND SUPPORTING DOCUMENTATION TO: **

Florida Department of Environmental Protection
Bureau of Water Facilities Funding MS 3505
2600 Blair Stone Road
Tallahassee, Florida 32399-2400

DEP Agreement No. LP0338, Attachment C, Page 2 of 3
TO: Key Largo Wastewater Treatment District Board Members

CC: Robert E. Sheets, General Manager
Faith Doyle, Clerk to the Board
Charles Sweat, Director of Operations
Terry Lewis, Board Attorney
Amy Dukes, Board Attorney

FROM: David R. Miles, Chief Financial Officer

DATE: March 19, 2003

RE: Pending Payments, Key Largo Wastewater Treatment District

Dear Commissioners:

This agenda item is designed to provide an update on the financial status of the Key Largo Wastewater Treatment District. As of March 19, 2003, the District had $55,981.85 in its bank account. All payments authorized at the March 5, 2002 meeting have been disbursed. The payment to Gartek Engineering was not approved and is shown on the list of pending payments. In order to bind our insurance, a check in the amount of $7,500.00 was issued March 17, 2003 to Florida League of Cities. Attached at exhibit A is the list of currently outstanding invoices in-hand pending payment. Deducting the FLC payment already made, we have $56,181.61 in invoices in-hand for payment by March 31, 2003. They exceed the available balance by $199.73. Direction from the Board is requested to defer or reduce one payment until additional resources are received. Staff is requesting the next $50,000.00 draw from Monroe County. This should provide liquidity through the end of April in the operating accounts.

Payment of the first payroll checks totaling $14,532.75 including related payroll taxes, are included in this approval request. This catch up payroll will be paid March 27, 2003, if approved by the Board. Subsequent payrolls will be smaller as they will only cover a one-month period.

Board of Directors: Chairman Andrew Tobin, Gary Bauman, Cris Beaty, Charles Brooks, Jerry Wilkinson
<table>
<thead>
<tr>
<th>Date of Invoice</th>
<th>Vendor</th>
<th>Invoice #</th>
<th>Description</th>
<th>Invoice Amount</th>
<th>Due Date</th>
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<td>Payroll</td>
<td>Nov 02-Feb 03</td>
<td>$2,700.00</td>
<td>03/27/03</td>
</tr>
<tr>
<td>03/21/03</td>
<td>Gary Bauman</td>
<td>Payroll</td>
<td>Nov 02-Feb 03</td>
<td>$2,700.00</td>
<td>03/27/03</td>
</tr>
<tr>
<td>03/21/03</td>
<td>Cris Beaty</td>
<td>Payroll</td>
<td>Nov 02-Feb 03</td>
<td>$2,700.00</td>
<td>03/27/03</td>
</tr>
<tr>
<td>03/21/03</td>
<td>Charles Brooks</td>
<td>Payroll</td>
<td>Nov 02-Feb 03</td>
<td>$2,700.00</td>
<td>03/27/03</td>
</tr>
<tr>
<td>03/21/03</td>
<td>Jerry Wilkinson</td>
<td>Payroll</td>
<td>Nov 02-Feb 03</td>
<td>$2,700.00</td>
<td>03/27/03</td>
</tr>
<tr>
<td>03/21/03</td>
<td>Internal Revenue Service</td>
<td>FICA &amp; Medicare</td>
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<td>03/27/03</td>
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<td>03/12/03</td>
<td>Florida Municipal Insur. Trust</td>
<td>Gen. Liab-2003</td>
<td>FY2003-General Liability Insurance</td>
<td>$7,500.00</td>
<td>03/17/03</td>
</tr>
</tbody>
</table>

Total: $63,681.61
TO: Key Largo Wastewater Treatment District Board of Commissioners
FROM: Robert E. Sheets, General Manager
SUBJECT: Procurement of Engineering Services for KLWTD
DATE: March 20, 2003

As promised at the March 5, 2003 meeting, I am presenting for your review and consideration a proposed schedule of events and a Requests for Qualifications ("RFQ") for engineering services consistent with the Consultants' Competitive Negotiation Act ("CCNA") section 287.055, Florida Statues.

As you are aware the Key Largo Wastewater Treatment District is proceeding with both the Key Largo Park Project and the Key Largo Trailer Village Project and need to retain, on a long term basis, engineering services for these and future district projects.

I am requesting that the Board authorize the General Manager to issue an RFQ consistent with attached schedule of events.

Please feel free to contact me should you have any questions or concerns.
REQUEST FOR STATEMENT OF QUALIFICATIONS FOR WASTEWATER
PROFESSIONAL ENGINEERING SERVICES

In accordance with the Consultants’ Competitive Negotiation Act ("CCNA"), section 287.055, Florida Statutes, the Key Largo Wastewater Treatment District, a legal entity and public body created by Chapter 02-337, Laws of Florida, 2003 ("KLWTD"), is seeking the services of qualified firms or individuals to provide continuing professional engineering services for the KLWTD’s wastewater utility system. The scope of professional services includes the following:

(1) **Construction Feasibility Reviews** - Provide an independent and detailed review of design drawings and construction documents related to the rehabilitation, modification, expansion and/or repair of existing and proposed KLWTD owned or operated buildings, facilities, wastewater treatment plants, pumping facilities, and wastewater collection facilities.

(2) **Construction Scheduling** - Evaluate scheduling requirements related to rehabilitation, modification, expansion and/or repair of the above referenced facilities.

(3) **Value Analysis** - Provide an independent review of design drawings and/or construction cost estimates of projects at various stages of design related to rehabilitation, modification, expansion and/or repair of the above referenced facilities.

(4) **Training** - Provide training sessions, workshops, meeting and reports related to rehabilitation, modification, expansion and/or repair of the above referenced facilities when said service is not provided by the project lead design firm.

(5) **Architectural Services** - Perform preliminary design, final design, specifications, bid documents, bid analysis, services during construction, permitting, regulatory agency liaison services, and inspection services related to rehabilitation, modification, expansion and/or repair of the above referenced facilities.

(6) **General Engineering Studies and Acquisition Services** - Develop master plans, capacity studies and other studies pertaining to any utility facility operation required by the KLWTD and perform any needed engineering due diligence requested by the KLWTD.

(7) **Construction Services** - Construction and inspection/management services as requested by the KLWTD.
(8) **Other** - Attend various KLWTD Board of Commissioners, community, regulatory agency and staff meetings on issues related to the above work.

The KLWTD anticipates selecting at least three firms that will be required to execute the KLWTD’s standard consulting services agreement for professional services within thirty (30) days of selection. It is intended that this agreement will be for a term of three (3) years with optional renewal periods and subject to an annual performance review. Task assignments will be subject to scope definition and fee negotiation on a case-by-case basis. The KLWTD may choose to select another firm or use in-house staff to perform any of the above services in whole or in part. No minimum amount of professional services or compensation is guaranteed to the selected firms.

**Proposals must be mailed or delivered in a sealed envelope marked "Continuing Professional Engineering Services RFQ" to the KLWTD’s office, 614 N. Wymore Road, Winter Park, Florida, 32789, by 2 p.m., E.S.T., April 30, 2003.** Interested parties should submit an original and eight (8) copies of a letter of interest and qualifications package for consideration. Any proposal received after this advertised deadline will not be considered.

Proposals must include:

(1) Letter of interest;

(2) Name and address of applicant and location of the office from which the work is to be performed;

(3) Detailed listing and examples of relevant experience and qualifications for the requested services;

(4) Listing of key personnel to be assigned for these services. Resumes for individual team members must indicate position, number of years with the submitting firm, amount of relevant experience, education, and professional qualifications;

(5) Information on three (3) similar projects completed within the past five (5) years, including a project description, location, name of project manager, project time line, scheduled and actual completion date, cost of the project and a client reference;

(6) Proof of professional liability insurance and business insurance coverage;

(7) Recent, current and projected workload of the submitting firm;

(8) Supporting statements indicating that the firm has an Affirmative Action Program and a completed Drug Free Workplace form and Public Entity Crime Statement;

(9) Statement of litigation that the firm or staff is currently involved in or has been
involved in as a plaintiff or defendant in the past five (5) years; and

(10) Any other information that the applicant believes is essential to performance of the above services.

Failure to provide the required copies and information shall result in the proposal being deemed nonresponsive. The KLWTD reserves the right to reject all proposals, waive any informalities and to request additional information from the applicant is necessary. The evaluation of all proposals and awarding of contracts will be done in accordance with the CCNA. The KLWTD anticipates issuing invitations to negotiate at its May Board of Commissioner’s meeting, which will be held at 4 p.m. on May 14, 2003, Key Largo Civic Club, 209 Ocean Bay Drive, Key Largo, Florida.

Proposers may contact Mr. Charles Sweat, at the address below, to receive a copy of the KLWTD’s evaluation criteria, a copy of the proposed standard contract and a copy of the KLWTD’s procurement policy. Questions regarding this RFQ must be in writing and submitted to:

Charles Sweat
KLWTD Director of Operations
614 North Wymore Road
Winter Park, Florida 32789
(305) 451-5105 - local telephone
(407) 629-6900 - telephone
(407) 629-6963 - facsimile
esweat@govserv.com

THE KEY LARGO WASTEWATER TREATMENT DISTRICT
TO: Key Largo Wastewater Treatment District Board Members

CC: Robert E. Sheets, General Manager
Faith Doyle, Clerk to the Board
Charles Sweat, Director of Operations
Terry Lewis, Board Attorney
Amy Dukes, Board Attorney

FROM: David R. Miles, Chief Financial Officer

DATE: March 21, 2003

RE: Key Largo Wastewater Treatment District Budget Calendar, FY 2004

Dear Commissioners:

The attached draft budget calendar is provided for your consideration. It is prepared in a manner consistent with other governmental budget processes and Florida Statutes to allow for the application of a non-ad valorem assessment on property tax bills, should the Board determine to pursue this method of financing in FY 2004.

I will be happy to adjust the schedule at the Board’s direction, consistent with statutory timelines.

Board of Directors: Chairman Andrew Tobin, Gary Bauman, Cris Beaty, Charles Brooks, Jerry Wilkinson
<table>
<thead>
<tr>
<th>Date</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mar. 26-Apr. 11, 2003</td>
<td>Visit County staffs to coordinate CIP Plan for consistency with County Comp. Plans, and to address funding sources and timing.</td>
</tr>
<tr>
<td>April 18, 2003</td>
<td>Preliminary FY 2004 revenue estimate completed by CFO.</td>
</tr>
<tr>
<td>Apr. 24-28, 2003</td>
<td>Detail Staff Review O&amp;M Budget by CFO &amp; Director of Operations</td>
</tr>
<tr>
<td>Apr. 28-30, 2003</td>
<td>Detail Staff Review with engineers, CFO and Dir. of Operations of Capital Plan.</td>
</tr>
<tr>
<td>May 1-30, 2003</td>
<td>Rate studies prepared if required, to determine usage rates when service is available.</td>
</tr>
<tr>
<td>May 5-9, 2003</td>
<td>Preliminary Operating Budget completed.</td>
</tr>
<tr>
<td>May 14, 2003</td>
<td>Budget Workshop with Board of Directors</td>
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<tr>
<td>May 12-16, 2003</td>
<td>Preliminary Capital Budget completed.</td>
</tr>
<tr>
<td>May 19-23, 2003</td>
<td>Revise revenue estimates.</td>
</tr>
<tr>
<td>June 4-6, 2003</td>
<td>Final revision staff Capital &amp; Operating Budgets.</td>
</tr>
<tr>
<td>June 9, 2003</td>
<td>Staff presents draft budget to General Manager</td>
</tr>
</tbody>
</table>
June 13, 2003  General Manager Approves staff budget and CIP for Presentation to Board.

June 20, 2003  Budget books forwarded with Board Agenda to Directors.


July 23, 2003  Staff presents revised budget document to Board of Directors. Board approves preliminary millage rate, if MSTU is contemplated.

July 31, 2003  Staff transmits tentative MSTU millage to Monroe County (if applicable).

July 31, 2003  Advertise rate hearings in newspaper (if applicable).


Sept. 1-5, 2003  Rate Hearing (if applicable).

Sept. 10, 2003  Public Hearing and Approval of Budget Resolution.

Sept. 15, 2003  Submission of Special Assessment schedules to Tax Collector (if applicable).

October 1, 2003  Begin FY 2004 Budget Execution.
March 12, 2003

Steering Committee
Water Quality Protection Program
Florida Keys National Marine Sanctuary

Dear Steering Committee Members:

The purpose of this letter is to transmit the draft minutes of the August 14, 2002, Steering Committee meeting. Please review the minutes and the other enclosures provided herewith before the next Steering Committee meeting scheduled for April 3, 2003, at the Garden Club in Marathon, Florida.

I am also enclosing for your review the revised draft agenda for the upcoming meeting, an updated Steering Committee membership list, and the proposed FY 2004 budget for the Water Quality Protection Program.

If you have any questions or comments concerning the minutes or the other enclosures, please do not hesitate to contact me at the address above, call (404) 562-9385, send a fax to (404) 562-9343, or send an e-mail to mcmanus.fred@epa.gov.

Sincerely,

Fred McManus
Florida Keys Coordinator

Enclosures (4)

cc: Management Committee
FLORIDA KEYS NATIONAL MARINE SANCTUARY
Water Quality Protection Program Steering Committee Meeting

August 14, 2002
Marathon Garden Club

DRAFT MINUTES


I. Opening Remarks: Jimmy Palmer – Regional Administrator, U.S. Environmental Protection Agency, Region 4 and Richard W. Cantrell – Director, Fort Myers District, Florida Department of Environmental Protection

Chair Palmer introduced himself as someone familiar with coastal wastewater/growth issues and welcomed all those present, thanking the meeting organizers, and the State of Florida for their presence representing Secretary David Struhs. He introduced Rick Cantrell as his co-chair for the meeting.

Rick Cantrell, on behalf of Deputy Secretary Bedwell, recognized Mimi Drew, Director of the Division of Water Resources, Geof Mansfield of the same division in Tallahassee and Gus Rios the Branch Office Manager for FDEP in Marathon.

Chair Palmer welcomed two new members to the Steering Committee, Dixie Spehar from the Board of County Commissioners of Monroe County and George Geisler from the Village Council of Islamorada, Village of Islands. He invited Committee members to introduce themselves.

A. Discussion and Approval of Minutes: Jimmy Palmer

The Minutes were approved upon motion as presented, without discussion.

B. Review and Take Action on the City of Marathon’s Request that a Representative of the City be Allowed to Sit on the Steering Committee: Fred McManus – Florida Keys Coordinator, U.S. EPA, Region 4

Fred McManus thanked the Steering Committee for their work through the years and achievements associated with the implementation of Water Quality Protection Program. He referred to the April 3, 2002 letter from Craig Wrathell, City Manager for Marathon to Mimi Drew, acting co-chair at the Steering Committee meeting of the same date, requesting that a member of the City Council be allowed to sit on the Steering Committee. He noted that the amended Committee bylaws provide for the situation, and
a precedent exists. He therefore recommended that the Steering Committee entertain the motion to approve the request.

Upon motion and following brief discussion, the request was carried unanimously by voice vote, and Councilman Pete Worthington of the City of Marathon took his seat on the Steering Committee.

C. Review Agenda: Fred McManus

Fred McManus reviewed the agenda, and specifically noted that Item II - FY 2003 Budget is a carry over from the last agenda. He described correspondence with Dan Basta which lead to the inclusion of a review of the status of wastewater upgrades in the two years since the completion of the Monroe County Wastewater Master Plan.

Mr. McManus said that he has asked presenters for each agenda item to identify major impediments to the implementation of the Master Plan in a timely manner for that particular project. He informed the Committee that he and Dr. Bill Kruczynski intend to produce a list of impediments by the end of the meeting with a view to developing strategies, after discussion, for solving those problems.

Jim Reynolds, on behalf of the Florida Keys Aqueduct Authority, requested that members of the Steering Committee support a resolution on behalf of FKAA, regarding the elimination of the requirement of FKAA to act under the Administrative Procedure Act, Chapter 120, Florida Statutes. The item was added to the agenda.

Karl Lessard requested and was granted five minutes at the end of the meeting.

II. Review the Proposed FY 2003 Budget for the Water Quality Protection Program: Fred McManus

Fred McManus presented the Budget for FY2003. He noted the continuation of funding for all the long-term comprehensive monitoring projects, education and outreach, and the citizens water quality monitoring project, as well as the addition, upon request by the Steering Committee at the last meeting, for adequate funds for the Special Studies Program, despite a budget reduction. He pointed out that over 62% of EPA Region 4 funds for the South Florida Geographic Initiative are dedicated to the Water Quality Protection Program for the FKNMS. Mr. McManus described the funding provided by each agency as well as the cumulative investments for the lifetime of the Program, with an accounting of the scope and the outcomes of the Program, which are available through individual monitoring websites. He informed the Committee that the Florida Marine Research Institute (FMRI) is the data
management entity for the Program. FMRI provides an executive summary to the Committee on an annual basis.

Upon motion, the budget was unanimously approved as presented by voice vote without discussion.

III. Discuss Next Steps in the Process of Review of the Florida Keys Carrying Capacity Study: Jim Duck, U.S. Army Corps of Engineers

Jim Duck said that criticism of the model was due to the inability to model nearshore waters in the Keys and that a canal analysis model has been substituted, which is to be incorporated in a final draft for review by early October.

Bill Kruczenski, while commending the Corps and DCA for their initial ambitious undertaking and subsequent responsiveness to review by the National Academy of Sciences panel, observed that the new loading analysis of wastewater and storm water into ten representative canal systems in the Keys has not been subject to any review. He recognized that in the absence of funds on the part of the Corps and DCA, EPA and The Nature Conservancy have developed a consortium of agency and non-profit organizations willing to finance an additional review. The consortium has produced a Scope of Work for distribution to the Committee.

Charlie Causey, after affirmation of general Corps support for further review, read the Resolution. He observed that the principal message is that it is a supplement to the work completed by the Corps and DCA that is essential for the credibility of the Study and will bring it to conclusion.

Dr. Kruczenski clarified, upon questioning, that the date for completion of the NAS review panel report is December 2002, and that its mandate is to ensure that tasks and recommendations made by the original NAS panel are incorporated into the final document.

Jim Quinn requested clarification concerning the informal group of stakeholders mentioned by Mr. Duck, versus a panel of experts from NAS as the medium for review. Dr. Kruczenski explained that the NAS panel will prepare a final report for distribution to the project sponsors, the Corps and DCA, for their final comments. Dan Basta asked if this proposed Scope of Work is the appropriate point to include the planners for whom the model is intended and Dr. Kruczenski responded that after further refinement a workshop between users and the panel is likely.

Rick Cantrell expressed concern about endorsing an unspecific Scope of Work with funds from the budget just approved. Mr. Causey opined that only areas
of concern to the original NAS panel would be reviewed, along with the new canal study and offered sponsorship of a final review on behalf of the Florida Keys Environmental Fund.

Jody Thomas of The Nature Conservancy was recognized by the Chair, and clarified that the intention of the consortium is to see how the recommendations of the NAS reviewers have been incorporated into the document and to assess the new work. She stated that there is sufficient funding for the entire original NAS review panel.

Mr. Quinn expressed concern that the State DCA and Corps might be bound by some decision from the Steering Committee. Dr. Kruczynski assured him that the Committee is an advisory body that provides guidance through the membership of representatives of all stakeholders in the Florida Keys at the federal, State, regional and local level, as well as public representation.

Chair Palmer commented on the discussion and presented the Committee with the option for interested parties to revisit the language of the Resolution during recess and bring the matter back before the full Committee after public comment for further action.

IV. Monroe County Wastewater Master Plan

A. Brief Review of Process of Development and Approval:
George Garrett – Director, Monroe County Department of Marine Resources

George Garrett presented the report entitled, “Workshop on Wastewater Management Implementation”.

Mr. Garrett listed three issues that he believed impeded timely implementation of the Monroe County Wastewater Master Plan:

- political resolve and agreement over philosophical issues, as to whether wastewater improvements should be big systems or small systems; the Master Plan primarily suggests large/centralized systems
- funding; who pays for the costly systems
- wide differences in public opinion over political issues

He added that there is still a perception in some sectors of the public that there is no water quality problem in the Keys and also that there are still some legal issues surrounding the technicalities of adoption of F.S. Chapter 99-395.

Mr. Causey revisited the Key Largo RFP process and observed that funding is the major issue throughout the Keys. He voiced the opinion that State unmet needs money should be spent on hotspot projects until federal funding becomes
available for larger projects. He expressed concern about the financial impact of implementing wastewater projects on the lowest income sector of the community. Discussion among group members followed concerning the learning process in implementing the Master Plan incrementally, environmental justice issues, and the impact on small businesses.

V. **Update on the Little Venice Wastewater Management System/EPA Title II Construction Grant:** Roger Braun, Executive Director, Florida Keys Aqueduct Authority

Mr. Braun reviewed a handout that described the chronological sequence of events concerning the Little Venice project and its present status.

VI. **Status of Request for Proposals (RFP) for a Wastewater Management System for the City of Marathon:** Jack Teague – Wastewater Administrator, Florida Keys Aqueduct Authority, Jim Reynolds, Florida Keys Aqueduct Authority and Craig Wrathell – City Manager, City of Marathon.

Mr. Teague said that the State Revolving Fund loan will serve as the structure for the RFP for a city-wide system for the City of Marathon.

Mr. Wrathell stated that the City of Marathon is working on an ordinance to implement a city-wide central wastewater system in a three or four phase approach.

Mr. Reynolds noted that the Aqueduct Authority is proceeding with a bond validation for borrowing money from the State for the entire project, and that there is a court hearing scheduled.

Mr. Causey asked whether an RFP will go out before funding is secured. Mr. Wrathell said that is an engineering problem and that probably the goal is for an overall larger design with a phased approach for the plant.

VII. **Report on Islamorada’s Wastewater Activities:** Councilman George Geisler – Islamorada, Village of Islands

Councilman Geisler presented a detailed report to the Steering Committee. He added that a grant application has been made for hookup costs for lower income people, and that water re-use will be a priority in this project.

VIII. **Status and Effect of Establishment of Key Largo Sewer Board:** Jim Roberts – County Administrator and Wastewater Point Person, Monroe County

Mr. Roberts identified the principle impediment in going ahead with wastewater treatment in the County: “money”. He said that through his
collaboration with the Aqueduct Authority point person, Mary Rice, progress is being made. The County is paying the Aqueduct costs for producing designs and putting out RFPs for the reduced Key Largo project with the $6 million in FEMA money and $1.66 million in State money. He noted that the County has already purchased the property for the plant.

Mr. Roberts described the formation of a separate Key Largo Sewer District through State legislation; the District will be represented by five elected officials and have responsibility for implementing the entire wastewater program in Key Largo. The County and FKAA are moving ahead rapidly on the design of the Key Largo project in order to utilize available funding before it expires. He discussed the options facing the newly elected Board, particularly if the electorate does not approve the referendum for taxes to fund the District. The County Commission has shown support for the creation of assistance to the District Board and there is a cooperative agreement pending with FKAA. He noted that State legislation Section 15 determines that if the District is terminated, any property interest of any kind becomes the property of the County.

Discussion followed concerning hookup costs for low income citizens and monthly operating costs.

IX. Status of EPA Grant ($3.8 Million) to Monroe County for Innovative Decentralized Wastewater Demonstration Project: Bob Freeman – EPA, Region 4

Mr. Freeman discussed the background of the demonstration grant project, which was included in EPA fiscal year 2000 appropriations legislation, eventually for a grant of $3.8 million to Monroe County. He said that it was a grant for the demonstration of decentralized management of decentralized systems, including septic, onsite and clustered systems, since approximately 25% of all households in the US are served by these systems. There is a lack of management for these systems. The consensus within Monroe County is that FKAA is the likely management entity for wastewater, with EPA providing management guidelines, specifically an Onsite Wastewater Treatment Systems Package. Discussion followed and Mr. Freeman recommended that the Committee support the County staff in working with FKAA on what EPA has identified as an “innovation initiative”. Chair Palmer said that it is important to move ahead with this initiative in order to make the resources available. Mr. Reynolds added that FKAA is interested in doing things for the County in the most cost effective manner.

Mr. Teague reviewed the current status. He said that a bond validation law suit has been filed for August 26, 2002.

Mr. Mansfield noted that although there is some uncertainty concerning the constitutionality of 99-395, there is a lot of case law to support it.

XI. Current Status of the Deutsch Legislation, HR 673, $100M to Support Upgrades to Wastewater and Storm Water Infrastructure:
Cheryl Ulrich – Project Management Division, U.S. Army Corps Of Engineers and Rhonda Haag – South Florida Water Management District

Ms. Ulrich gave a PowerPoint presentation. She mentioned that as part of the NEPA process a Draft Programmatic Environmental Impact Statement has to be published in the Federal Register before the Project Cooperation Agreement can be executed between the Army Corps of Engineers and the South Florida Water Management District. This can only occur after a construction appropriation has been made by Congress, which can be as little as one dollar, and needs to take place before July 2003. She recommended that the Steering Committee merge with representatives from the Monroe County Intergovernmental Task Force, and introduced the new Project Manager for the Keys area, Shelley Trulock.

Ms. Haag said that this project is separate from CERP projects, but will be following on the same guidelines. She recommended that a sub-group from the Steering Committee combine with members of the Intergovernmental Task Force to form a Project Delivery Team (PDT) for the Water Management District to assist in prioritizing Corps projects. Discussion concerned a mechanism for getting a “dollar” into the appropriations bill, and it was clarified that South Florida Water Management District, as the non-federal sponsor, and Monroe County are the appropriate bodies, since government agencies cannot lobby for their own funds. Further discussion concerned the role of the proposed PDT in the process, timeliness and bylaws of the Steering Committee. Chair Palmer expressed reservations about decisions taken by the sub-committee reflecting the views of the full Committee.

Mr. Quinn moved that the Steering Committee approve the Resolution distributed by Ms. Haag, with Mr. Causey’s amendment to remove paragraph 6. Mr. Neugent seconded the Motion and moved to lay it on the table. Upon being seconded, this was unanimously approved.

XI. A. Status of State Funding for Wastewater Upgrades in the Florida Keys: Geof Mansfield – Florida Department of Environmental Protection
Mr. Mansfield reviewed a handout with the Committee. He said that agencies responsible to the Governor’s Office need to convene and agree on an approach to be taken with respect to pursuing an appropriation. He noted that the $11.8M in matching funds from the State is a single-year appropriation for local construction projects. All requirements of F.S. Chapter 99-395 need to be in place by March 1, 2003. Discussion concerned funding and compliance in Monroe County. Mr. Mansfield clarified that within the State of Florida, Monroe County is collectively better-off, and that the State will ensure that whatever money is made available is distributed in the most rational way.

XII. Public Comment Period

Dec Von Quirolo of Reef Relief made comments supportive of the Steering Committee. She said that the most important thing to protect coral reefs is improved water quality through advanced wastewater treatment systems. She said she is in favor of bonding as a local funding mechanism. She noted the implementation of a Storm Water Plan for the City of Key West and the establishment of a No Discharge Zone in State waters of the Florida Keys National Marine Sanctuary. She said that there is a need for a final peer review of the Florida Keys Carrying Capacity Study.

Mary Rice of the Florida Keys Aqueduct Authority said that the Authority will bring before the Committee some procedural information about Florida Statute 120, which is currently an impediment to moving forward with wastewater projects. She requested that the Committee give consideration to the Authority’s proposal.

Jerry Wilkinson, a candidate for the Key Largo Wastewater Board, reviewed some of the forthcoming issues before the electorate and the proposed Board regarding funding.

Roger Braun of the Florida Keys Aqueduct Authority mentioned economies of scale with regard to smaller projects. He said that most of the funding sources deal with capital costs and that one of the potential obstacles to be observed is “cost reasonableness” of the smaller projects with regard to the monthly service fee.

Debbie Harrison with the Florida Keys Program of the World Wildlife Fund said regarding the Florida Keys Carrying Capacity Study that it is important not to compromise the $250,000 that went to the National Academy of Sciences panel, nor the $6M analysis. She said that an independent review of the final draft is imperative.

Ms. Harrison said regarding the Florida Keys Water Quality Improvement Act that the cost in the Keys of improving water quality is higher because of the
need for lower nutrient level standards in wastewater than other communities are required to meet. She said that the additional $1 appropriation is unfair to the State and to local communities and asked the Committee to consider recommending that the Army Corps of Engineers eliminate the $1.

Ed Schrank with EarthSaver Systems said that his company provides on-site wastewater treatment up to AWT standards that can handle surges in the system and can dispose of the effluent through irrigation reuse.

Chris Schrader of the Islamorada Water Quality Advisory Committee asked Mr. Mansfield whether the State grant money was only for AWT; if systems under 100,000 gallons per day are used would the 10-10-10-1 standard apply?

Mr. Mansfield said that the requirement is in addition to F.S. Chapter 99-395; for systems under 100,000 gallons a day the 10-10-10-1 standard applies; for systems greater than 100,000 gallons a day 5-5-3-1 standard applies.

XIV. Results from Ongoing Little Venice Canal Monitoring Project:
Fred McManus – U.S. EPA, Region 4

Mr. McManus reviewed the project and said that over the course of a year of weekly sampling at 9 sites there have been 26 exceedences of the EPA recommended standard for enterococcus. Overall there have been exceedences of the States water quality standards for fecal coliform bacteria. Enterococcus and nutrient levels in the canals were elevated relative to near-shore waters. He said that the heads of the canal systems have higher levels of nutrients relative to the mouths of those canals and that after completion of the construction of the Little Venice wastewater management system, it is predicted that these levels will go down.

XV. Review New Scientific Information Regarding Effects of Pathogens Associated with Wastewater on Corals: Bill Kruczynski - U.S. EPA, Region 4

Dr. Kruczynski reviewed a recent article in the National Academy of Sciences Journal which summarizes work done by a group from the University of Georgia, who have isolated the bacterial pathogen of a coral disease, white pox, afflicting elkhorn corals in the Florida Keys. He described the coral monitoring program in the Florida Keys National Marine Sanctuary that has detected a 38% decline in live coral cover since 1996, with 70% loss of the major reef building elkhorn coral. Dr. Kruczynski discussed stressors other than disease that may be contributing to this decline.

A. Additional/Future Studies: Bill Kruczynski

Dr. Kruczynski said that there is $300,000 in the budget this year for Special Studies, which upon the recommendation of the Technical
Advisory Committee will go towards determining the causes of biological decline system-wide. A list of prioritized research projects, drawn from the Draft Science Plan for the Sanctuary, will be taken to the Technical Advisory Committee in the Fall, with recommendations that funding go towards research on:

- coral diseases
- mosquito spraying and the effects of spraying on non-target organisms
- public health issues in nearshore waters.

Discussion concerned the effects of turbidity on corals and data from monitoring stations.

**Deferred Items: Carrying Capacity**

Mr. Quinn referred to the three-page Resolution that has been revised. He said that consensus has been reached on the focus of the review which is to be the recommendations that came out of the National Academy of Sciences study and the new module that has not been reviewed by the NAS panel. The Corps of Engineers and the Department of Community Affairs (DCA) agreed to cooperate with the review. Jody Thomas volunteered The Nature Conservancy to take the lead on issuing contracts for a total of $20-25,000 to the same panel members to complete a final review.

Dr. Kruczynski said that changes have been made to the Resolution and that the Scope of Work will be determined after this meeting, involving DCA and the Corps of Engineers. He stated that $5,000 will come from EPA, $5,000 from The Nature Conservancy, $10,000 from the South Florida Water Management District, $1,000 from The Ocean Conservancy, and that NOAA will also contribute.

Commissioner Spehar moved that the Committee pass the revised Resolution as presented. The motion was seconded by Mr. Botten and passed unanimously upon voice vote.

**Deferred Items: Project Delivery Team**

Chair Palmer moved to take the PDT initiative off the table for consideration. The motion was seconded by Councilman Geisler and passed unanimously upon voice vote.

Ms. Haag detailed wording changes and deletions that have been made to the Resolution. Further discussion followed to clarify the language.

Mr. Neugent, upon the recommendation of Chair Palmer to offer a substitute motion, moved to accept the entire revised resolution. The motion was seconded
by Mr. Basta and passed unanimously upon voice vote.

XVI. Identify and Discuss Factors that have Impeded the Implementation of the Monroe County Wastewater Master Plan and/or Delayed Upgrades to Inadequate Wastewater Infrastructure: Steering Committee, Staffs, and Other Attendees

Dr. Kruczynski presented a list of impediments derived from discussions in the morning:

- political resolve
- public opinion
- funding
- legal issues
- lack of suitable contractors
- scale of income vs. costs (impact on small businesses)
- managing onsite systems

Discussion followed, and composition of the Steering Committee and interagency conflict were added to the list. Further discussion followed regarding the use of environmental degradation (ghost of growth) as a growth management tool and the effects of the tourism industry on the environment. Conflict between State and federal regulations concerning matching funds was also added to the list.

Mr. Basta noted the difficulty of isolating wastewater as an issue in the Keys and asked how the list of impediments can be related to this difficulty and pondered the role of the Steering Committee with regard to this complex issue. He posed the question, "How do we get the most out of every dollar that is coming through the process?" He suggested using a Venn diagram; that the numerous agencies and entities involved in implementing the County Wastewater Master Plan have different priorities. He proposed, through the development of a priority matrix, the formation of an integrated system of priorities and outlined the process for arriving at that system.

Mr. Basta recommended to the Steering Committee the creation of an additional subcommittee or working group to implement a resolution process for the impediments to funding, with a view to attracting funding for wastewater projects in the Keys. He clarified that the Steering Committee should be developing an overall strategy to implement the Wastewater Master Plan, given the context that it now reflects all the agency perspectives and federal funding caps.

Discussion followed concerning the need to take immediate action, the possibility of filling in the matrix, and recommendations to the Army Corps and EPA to undertake an integration project. Mr. Basta clarified that his proposal and the Army Corps/SFWMD Project Cooperation Agreement are different. Further discussion followed regarding appropriate staff to undertake the project. A
proposal was made to both integrate priorities while at the same time use existing funds for immediate projects.

Chair Palmer asked if a Critical Path Chart has been drawn up detailing federal funding, State funding and the respective time lines, and if not, then EPA could undertake to do this. Mr. Basta clarified that matching requirements manifest themselves in specific projects. Discussion followed concerning prioritization of projects for funds as they become available and the need for a time frame. It was agreed to hold the next meeting in early October, if necessary. Discussion followed concerning the composition of the PDT.

Chair Palmer clarified that, while government employees may not lobby Congress, local officials can lobby legislators to put their projects in the EPA non-discretionary budget as an earmark.

Deferred Items: Aqueduct Authority Request to Consider Chapter 120

Mr. Reynolds detailed the proposed changes to legislation regulating FKAA operations, making it more of a resolution rule adoption agency, while still allowing the public the same access to the Governing Board. He agreed to defer requesting action on the part of the Steering Committee to the next meeting.

Deferred Items: Mr. Karl Lessard

Mr. Lessard resigned from the Committee to pursue personal interests after 10 years of service on the Committee. He has also served on the Florida Keys National Marine Sanctuary Advisory Council, the Gulf of Mexico Fisheries Management Council, and the Governor’s Coastal Advisory Committee. Chair Palmer thanked him on behalf of the Committee.

XVII. Public Comment Period

Nancy Klingener, Florida Keys Program Manager of The Ocean Conservancy and member of the Sanctuary Advisory Council thanked the Committee, especially those who had traveled long distances to attend the meeting, for actions taken today and for the commitment to the Keys which aids Keys residents.

Jody Thomas, Director of the Florida Keys Program of The Nature Conservancy and member of the Sanctuary Advisory Council thanked the Committee for focusing on the wastewater issue at this meeting. She noted the spirit of cooperation at the meeting which will make lobbying for wastewater funding at the federal level a more serious proposition. She also thanked Karl Lessard for his many years of service.
XVIII. Adjourn

Chair Palmer thanked all participants in closing remarks and adjourned the meeting at 4:42 p.m.
FLORIDA KEYS NATIONAL MARINE SANCTUARY
WATER QUALITY PROTECTION PROGRAM

STEERING COMMITTEE MEETING

April 3, 2003

Marathon Garden Club
Mile Marker 49.7 - 5270 Overseas Highway, Marathon, Florida 33050

REVISED DRAFT AGENDA - 3/7/03

Thursday

8:30 I. Opening Remarks: Mr. Rick Cantrell - Director, Fort Myers District, Florida Department of Environmental Protection and Mr. Jim Giattina - Director, Water Management Division, U.S. Environmental Protection Agency, Region 4

A. Discussion and Approval of Minutes: Mr. Rick Cantrell - Steering Committee Vote

B. Review Agenda: Mr. Rick Cantrell

9:00 II. Annual Reports on the Comprehensive Monitoring Projects for the Florida Keys National Marine Sanctuary: Mr. Fred McManus - U.S. EPA, Region 4

A. Water Quality Monitoring Projects: Dr. Joe Boyer - Florida International University

B. Seagrass Monitoring Project: Dr. Jim Fourqurean - Florida International University

C. Coral Reef Evaluation and Monitoring Project: Mr. Walt Jaap - Florida Marine Research Institute

10:00 III. Report on the Florida Keys National Marine Sanctuary Zone Monitoring Program: Mr. Billy Causey - NOAA/Florida Keys National Marine Sanctuary

10:20 IV. Report on Florida Keys Watch Program: Mr. Brad Rosov - The Nature Conservancy

10:40 V. Update on the FY 2003-2004 Round of Special Studies Associated with the Water Quality Protection Program for the Florida Keys National Marine Sanctuary: Dr. Bill Kruczynski - U.S. EPA, Region 4

11:00 VI. Update on the Florida Keys Carrying Capacity Study: Mr. Jim Duck - U.S. Army Corps of Engineers, Dr. Bill Kruczynski - U.S. EPA, Region 4, and a Representative of the Carrying Capacity Technical Review Panel
11:30 VII. Public Comment Period

12:00 VIII. Lunch Break

1:15 IX. Review the Proposed FY 2004 Budget for the Water Quality Protection Program: Mr. Fred McManus - U.S. EPA, Region 4, Steering Committee Vote

1:30 X. Current Status of Deutsch Legislation, HR 673 ($100 Million to Support Upgrades to Wastewater and Storm Water Infrastructure) and Section 109 of Public Law 106-554 (Florida Keys Water Quality Improvements Program): Ms. Shelley Trulock - U.S. Army Corps of Engineers

A. Status of State Funding for Wastewater Upgrades in the Florida Keys: Mr. Geof Mansfield/Mr. Dick Smith - Florida Department of Environmental Protection

B. Status of EPA Grant ($3.8 Million) to Monroe County for Innovative Decentralized Wastewater Demonstration Project: Mr. Bob Freeman - EPA, Region 4

C. General Discussion on Possible Future Funding Sources/Opportunities/Activities: All Attendees

2:00 XI. Report on Activities of the Florida Keys Water Quality Improvements Program Delivery Team: Ms. Cecelia Weaver - South Florida Water Management District

2:15 XII. Report on the Establishment of a Florida Keys Wastewater/Storm Water Workgroup: Mr. Fred McManus - U.S. EPA, Region 4

2:30 XIII. Status of Implementation of the Monroe County Wastewater Master Plan: Mr. George Garrett - Director, Monroe County Department of Marine Resources

2:45 XIV. Update on the Little Venice Wastewater Management System/EPA Title II Construction Grant: Mr. Jack Teague - Florida Keys Aqueduct Authority

3:00 XV. Status of Request for Proposals (RFP) for a Wastewater Management System for the City of Marathon: Mr. Jack Teague - Florida Keys Aqueduct Authority and Mr. Scott Jenke - City Manager, City of Marathon

3:30 XVI. Report on Islamorada’s Wastewater and Storm Water Activities: Councilman George Geisler - Islamorada, Village of Islands

3:45 XVII. Status of the Key Largo Sewer Board and Associated Activities: Mr. Robert Sheets - Key Largo Wastewater Treatment District
4:00 XVIII. Update on Status of Legal Concerns/Challenges Associated with F.S. Chapter 99-395 (Wastewater Treatment Requirements - 10-10-10-1): Mr. Jack Teague - Florida Keys Aqueduct Authority and Mr. Geof Mansfield - Florida Department of Environmental Protection

4:15 XIX. Status of Key West Storm Water Plan: Mr. Gus Rios - Florida Department of Environmental Protection and David Fernandez - City of Key West

4:30 XX. Public Comment Period

5:00 XXI. Adjourn
WATER QUALITY PROTECTION PROGRAM
FOR THE
FLORIDA KEYS NATIONAL MARINE SANCTUARY

STEERING COMMITTEE MEMBERSHIP LIST - Updated 2/25/03

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MR. GEORGE NEUGENT, CHAIRMAN
SANCTUARY ADVISORY COUNCIL
FLORIDA KEYS NATIONAL MARINE SANCTUARY
25 SHIPS WAY
BIG PINE KEY, FL 33043

(305) 292-4512
FAX (305) 872-9195

MR. CHARLES W. CAUSEY
FLORIDA KEYS ENVIRONMENTAL FUND
P.O. Box 1169
ISLAMORADA, FL 33036

(305) 664-9779
FAX (305) 664-4066
## Proposed FY 2004 Budget

<table>
<thead>
<tr>
<th>Activity</th>
<th>Funding Source</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Water Quality Monitoring</td>
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<tr>
<td></td>
<td>Monroe County/FKTDC</td>
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<td>NOAA - 2 Quarters</td>
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<td>Seagrass Monitoring</td>
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<td>FDEP</td>
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<td><strong>Total</strong></td>
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<td>$1,570,000</td>
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**EPA Total** - $987,500 - 62.89%
**NOAA Total** - $282,500 - 17.99%
**Monroe County Total** - $100,000 - 6.37%
**SFWMD Total** - $100,000 - 6.37%
**FDEP Total** - $100,000 - 6.37%

**EPA South Florida Geographic Initiative Funds**

FY 2003 Funds Available - $1,600,400?
WQPP - 61.70%
## KLTV COST PROPOSAL BID TABULATION SHEET

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<tr>
<th></th>
<th>WIS/CPH</th>
<th>H PEPPER</th>
<th>HARTMAN United</th>
<th>HASKELL Brown, Caldwell Higgins</th>
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<td>Construction of KLTV Vacuum Collection System and AWT Facility</td>
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<td><strong>C. Guaranteed Maximum Price GMP</strong></td>
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<td>% of GMP proposed</td>
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<td><strong>F. Indemnification (per Florida Statutes)</strong></td>
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<td><strong>TOTAL COMBINED PROJECT COST</strong></td>
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# Summary Scoring Sheet

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<th>Submitting D-B Team</th>
<th>Beaty</th>
<th>Brooks</th>
<th>Fishbun</th>
<th>Refling</th>
<th>Sweat</th>
<th>Wilkinson</th>
<th>Total points</th>
<th>Average Technical Proposal Score</th>
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Key Largo Wastewater Treatment District
Board of Commissioners Meeting Minutes
4:00 PM Wednesday, February 26, 2003
Key Largo Civic Center
209 Océan Bay Drive
Key Largo, Monroe County, Florida

Commissioners Present

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

Staff Present

Robert Sheets, General Manager, Government Services Group
Charles L. Sweat, Director of Operations, Government Services Group
Richard Betancourt, P.E., Gartek Engineering
Faith Doyle, Board Clerk

Guests Present

Milton Vost, Boyle Engineering
Doug Eckman, Boyle Engineering
Charles Fishburn, Gartek Engineering
Kevin Matick
John Stone, Resident KLP
Robert Burt, Resident KLTV
Gaile Jelinek, Resident KLTV
Eva Richards, Resident KLTV
John Henry Scheidel, I, Resident KLP
Fred O. Ackerman, Resident KLP
Ovida Bell, Resident KLP
Harlen Brown, Resident KLTV
Alice Butler, Resident KLTV
Vivian H. Crawford, Resident KLTV
Irene Gajdós, Resident KLTV
Doyle G. Bailey, Resident KLTV
Georgina Foster, Resident KLTV
Esther Fletcher, Resident KLTV
Margaret Walston, Resident KLTV
Werner Basch, Resident KLTV
Dottie Moses, Key Largo Resident
David Adamusko, Resident KLP
Linda Mallison, Resident KLP
A. Public Hearing to consider and to obtain public comment on the plan to construct and maintain Wastewater Treatment Facilities in the Key Largo Trailer Village and Key Largo Park per DEP Agreement No. LP0338 and as detailed in the Transitional Interlocal Agreement by and between the KLWTD, Monroe County and Florida Keys Aqueduct Authority.

1. KLWTD Staff presentation
   a. Introduction – Robert Sheets

Robert Sheets, General Manager of the KLWTD opened the hearing and stated the agenda to those assembled. Mr. Sheets presented information which is included as part of this document as “Attachment A”.

   b. Project Descriptions – Doug Eckman & Ray Vost

Mr. Doug Eckman of Boyle Engineering, Fort Myers, Florida the engineer of record that was hired under an agreement with the Florida Keys Aqueduct Association. Stated that there are two separate projects the Key Largo Trailer Village (KLT) project and the Key Largo Park (KLP) project. The KLT proposal was a request for design build proposals and the submitting firm who is selected will do the design. The KLP project has already been designed and is a construction project only. The projects were designed per the master plan of the county, which states that vacuum systems should be used. A vacuum system was explained to those assembled. There were location maps and plan drawing available for those assembled to review.

Mr. Milton Vost of Boyle Engineering was also present to answer questions on the KLP project.
Mr. John Stone a resident of KLP asked how the vacuum pits would be designed. He is concerned because after viewing the preliminary plans his property, which is located on the bay, shows the connection pipe as being two feet under seawater. Mill Voss of Boyle Engineering explained that there will be a way of handling this difficulty and that there is flexibility to cover odd situations.

c. Funding – Robert Sheets

Mr. Sheets stated that the county had formed the KLWTD Board and the commissioners elected on 11/19/03. The Board has moved quickly and accomplished a great deal since its inception. The KLWTD is a local government entity and is required to have an approved budget to operate. The budget could only be approved by the Board after a public hearing. Further details on the budget were presented and are included in Attachment A to this document.

d. Mandatory Connection Program - Charles L. Sweat

Mr. Charles Sweat was introduced and presented information on the mandatory connection program. The information is made part of this document and is included in Attachment A.

e. Question and Answer Session

Ms. Martha Richard a resident asked if each property would have a 'candy cane' (vacuum interface sump pump). Mr. Sweat stated most would have two houses on one pump and the pump would be located in the right of way. Jim Van Tassel asked if when connecting to the pump would it be possible for the individual to design and install it, to save money. Mr. Sweat stated that it would be best to check with the local health department.

A resident asked if odors vent from the pump. Mr. Sweat stated that no, odors do not vent from the pump.

Mr. Jeff Gossweiller asked if those who were mandated by Monroe County to install septic systems could expect any reimbursement for their efforts and would those with working septic systems be required to connect to the sewage system. Mr. Sweat stated that connection is mandatory. Discussion ensued concerning the options available in this situation. The Board requested that staff contact the county to verify if there are any remedies for this situation.

Kent Van Winkle asked how long the MSTU would be collected if it is enacted. Mr. Sheets stated that it could be indefinitely. He added that the MSTU is for covering the systems operations and once more customers come on line it may not be needed. It was asked if the MSTU is charged against all property owners. Mr. Sheets stated that all property owners are charged no matter where the property owner resides.

Mr. David Adamusko asked if one home were located on four lots would four capacity fees be charged. Mr. Sheets stated that the capacity fee is charged per buildable lot. It was asked if all for lots had buildings on them would the capacity fee be charged. Mr. Sheets stated that if they are built on then the capacity fee applies.
Mr. John Stone stated that if Key Largo residents are to be wastewater ‘guinea pigs’ the homeowners should not be required to pay $2,700 to finance those who connect in the future.

It was asked why Key Largo had been chosen to be the first wastewater system. Commissioner Brooks stated that the County’s Master Wastewater Plan that included a study on the entire Keys had developed priority areas and Key Largo had twenty-one high priority polluters. KLTV was second on the list combined with the fact that the FEMA has approved the best place for a plant as mile marker 100.5, KLTV was the most practical location to hook up first.

It was asked if because this is a first time projects would there be problems because the system is not tested. Commissioner Brooks stated that we are in a position to use top technology that has been used in other areas. It was asked if because Key Largo Park was not as high on the priority list could be removed from the project. Mr. Sheets stated that the projects have been planned and have to be implemented to secure the funding.

Mr. Sheets stated that for the March 29, 2003 meeting a comparison of impact fees and connection costs charged in other communities would be available.

It was asked if any vacuum systems had been installed in a coral rock bed. Boyle Engineering stated that one is being built in Marathon. Mr. Vost stated that one advantage of a vacuum system is that it is not as deep as other systems adding that the Marathon system has been very successful. Another advantage is that a vacuum system is sealed so that during a hurricane there is not water intrusion. Also, there is a working plant in Ocean Reef and that was on completed on schedule and under budget.

Mr. Dottie Moses of Harbor Drive in the Sunset Water Ways subdivision asked if it was to be included in this phase of the project. Mr. Sheets stated that, no they are not even though they are located between the KLTV and KLP.

Mr. John Stone asked that if the 12.3 million dollars for the project is coming from government grant money, which comes from tax dollars, why do the resident have to pay an additional $2,700 impact fee.

Commissioner Wilkinson stated his opinion as basically the same, however, if every one in the district pays on a water meter assessment that would keep residents paying way into the future. He added that Key Largo maybe the guinea pigs and the KLWTD is moving quickly there are 13, 000 EDU’s in the district to potentially hook up with a mandate for it to be done by 2010. Commissioner Wilkinson stated that KLWTD would proceed at the speed of money and that the $2,700 capacity fee was mid point of the suggested hook-up fees outlined in the master plan.

Mr. Stone asked why with KLP being on the priorities list at number fifteen was it chosen before other higher priority areas. Commissioner Brooks stated that it was because of the proximity to the plant that was being built and to use the balance of funding available. Also, he stated that part of the reason why residents are required to pay $2,700 if because federal agencies require a local share and if there are no local dollars there would be no grant.
A concern was stated that for those who live in Monroe County and the Keys would be subsidizing the people visiting to Keys. Mr. Sheets stated that presently it appears there is a funding equity issue however, once commercial connections take place the commercial entities capacity would be charged by EDU’s and if the business is using 100 EDU’s the charge would be 100 times the $2,700 capacity fee.

It was asked how much of $2,700 is used for construction of the plant. Mr. Sheets stated that the $2,700 is all for capital projects (no administrative fees, etc). Boyle Engineering stated concerning growth capacity for the plant that it has been initially sized for the park and village without extra capacity but it is being designed for later expansion.

Mr. Sheets concluded the program and stated that if those in attendance require additional information or have any other questions to forward them to the clerk. Mr. Sheets stated that there would be a program at the KLTV community picnic being held on March 29, 2003 along with other community programs to be scheduled in the future.

Chairman Tobin thanked those who participated.

Kevin Matick a member of the local council stated that no one likes the process, but the council believed the KLWTD Board would be able to do a better job from a local level. He stated that he would also be looking at options for those mandated to install septic systems by the County.

2. Board Discussion

Commissioner Wilkinson stated that the cost of decommissioning the septic systems listed on page 10 of the handout was unrealistic and requested it be changed.

Commissioner Brooks thanked the staff for their presentations stating that the information was well prepared and the public is accepting the idea of Key Largo becoming sewered even with the costs as outlined. Commissioner Brooks is pleased with the spirit of cooperation that is being demonstrated.

The Board requested that a letter of thanks be drafted to the KLTV Homeowners Association for their assistance with distributing the meeting flyers.

Chairman Tobin stated that the presentation was extremely informative. The issue of reimbursing residents who were affected by the mandatory septic system program promoted by the County will be a recurring issue in his opinion. Chairman Tobin stated that staff should contact Marlene Conaway the Planning Director of Monroe County to determine what lots are considered build-able. Chairman Tobin would also like to look at an alternative to destroying septic tanks, if there is a way to maintain the septic tanks for emergency use only. Commissioner Wilkinson believes it is possible to install an emergency switchover in a septic system.

Commissioner Tobin would like staff to look at financing plans that would spread the burden more evenly among all the residents of Key Largo. Mr. Sheets stated that capacity fees can
be amortized and they can be assessed against undeveloped properties. Mr. Sheets will perform a cost of service analysis that would show what a true impact fee should be.

3. Public Comments

Please see the question and answer section above.

4. Close Public Hearing

Chairman Tobin closed the public hearing at 6:06 PM.

B. Call to Order – KLWTD Regular Meeting

Chairman Tobin called the regular meeting to order at 6:07 PM.

C. Pledge of Allegiance

All stood and recited the pledge of allegiance.

D. Minutes – February 5, 2003 and February 12, 2003

It was requested that the minutes be considered later in the meeting.

E. Additions, Deletions or Corrections to the Agenda

The following correction to the agenda was made.

Add action item number six authorizing signatory for FDEP and county permits.

A request was made by Gartek Engineering to discuss the status of the invoice submitted for payment of services rendered. The request was denied because of the legal nature of the item it would be placed on a future agenda.

F. Action Items

1. Ratification of the Transitional Interlocal Agreement by and between the Key Largo Wastewater Treatment District, Monroe County and the Florida Keys Aqueduct Authority

COMMISSIONER BEATY MOVED TO APPROVE ITEM ONE. COMMISSIONER BAUMAN SECONDED. DISCUSSION ENSUED WITH COMMISSIONER WILKINSON VOICING HIS CONCERN WITH THE ISSUE OF THE COUNTY REQUIRING THE MATCHING GRANT MONEY TO BE PAID BACK AS A LOAN. THE OTHER BOARD MEMBERS AGREED ADDING THAT IT IS IMPARITIVE TO APPROVE THE AGREEMENT SO THAT THE PROJECT COULD PROCEED. COMMISSIONER BAUMAN STATED THAT THERE IS NINETY DAYS TO RESOLVE THIS ISSUE WITH THE COUNTY. THE BOARD REQUESTED STAFF TO BEGIN FORMULATING A STRATEGY TO RESOLVE THE ISSUE. THE BOARD APPOINTED COMMISSIONER BROOKS TO ACCOMPANY STAFF WHEN MEETING WITH MONROE COUNTY. THE QUESTION WAS CALLED.
COMMISSIONER WILKINSON WAS NOT IN FAVOR. COMMISSIONERS TOBIN, BAUMAN, BEATY AND BROOKS WERE IN FAVOR. THE MOTION CARRIED.

2. Approval of Florida Department of Environmental Protection Agreement LP0338 with Key Largo Wastewater Treatment District

Mr. Sheets stated that the item presented was the State Financial Assistance Agreement between Key Largo and the FDEP. The agreement and attachments presented included all information requested by the FDEP for items one through ten. The document would satisfy the requirements for the March 1st deadline.

Commissioner Wilkinson requested on correction to the septic system decommissioning charge chart. Commissioner Bauman asked if the manager had reviewed the loan/grant issue with the FDEP. Mr. Sheets stated that it had been reviewed with Mr. Smith who was aware of the issue.

COMMISSIONER BAUMAN MADE A MOTION TO APPROVE ACTION ITEM 2 WITH A REVISION TO THE SEPTIC SYSTEM DECOMMISSIONING CHARGE ATTACHMENT AS REQUESTED BY COMMISSIONER WILKINSON. COMMISSIONER WILKINSON SECONDED THE MOTION. ALL WERE IN FAVOR AND THE MOTION WAS UNANIMOUSLY APPROVED.

3. Approval of South Florida Water Management District Agreement with Key Largo Wastewater Treatment District

4. Adoption of Monroe County’s Mandatory Connection Ordinance as non-rule policy Key Largo Wastewater Treatment District Resolution No. 2003-12

5. Approval of Key Largo Wastewater Treatment District Resolution No. 2003-13 designating the general manager and chief financial officer as signatories of the KLWTD bank accounts

COMMISSIONER BROOKS MOTIONED TO APPROVE ACTION ITEMS 3, 4 AND 5. COMMISSIONER WILKINSON SECONDED THE MOTION. ALL WERE IN FAVOR AND THE MOTION CARRIED.

G. General Manager’s Report

1. Discussion of KLWTD Board meeting schedule March, April and May 2003

Mr. Sheets stated that the suggested schedule presented showed the regular meetings as being held on the first and third Wednesdays of the month for the next ninety days. Discussion ensued concerning the frequency of the meetings in relationship to the various tasks the Board is required to accomplish and if the coincide with BOCC meetings.

COMMISSIONER BAUMAN MOTIONED TO HOLD THE MARCH 2003 REGULAR MEETINGS ON THE 5TH AND 26TH THEN ON THE SECOND AND FOURTH WEDNESDAYS FOR APRIL AND MAY 2003. COMMISSIONER BROOKS SECONDED THE MOTION. ALL WERE IN FAVOR AND THE MOTION WAS UNANIMOUSLY APPROVED.
H. Legal Counsel’s Report

There was not a Legal Counsel report presented.

I. Engineer’s Report

1. Discussion of official signatory for federal, state and local permits and responsibility of permit fees

Mr. Doug Eckman of Boyle Engineering stated that signatures are required on permits by at the owner/applicant or their authorized representative for the KLP project. Mr. Eckman requires signatures on several documents to be included in the submittal to the FDEP. The Board must also designate the engineer who is to sign and seal the designs for the project. Letters stating the desire of the Board are required to be sent with the permit application. The manager recommends the Board approve Boyle Engineering’s request to sign and seal the designs and appoint the manager to sign permits on behalf of the KLWTD.

COMMISSIONER BAUMAN MOTIONED TO APPOINT THE GENERAL MANAGER, ROBERT SHEETS OF GSG AS THE SIGNATORY FOR FDEP PERMITS AND FOR BOYLE ENGINEERING TO SIGN AND SEAL THE DESIGN PLANS. LETTERS STATING THE DIRECTION OF BOARD IN THIS RESPECT ARE TO BE DRAFTED BY STAFF AND FORWARD TO THE FDEP AS SOON AS POSSIBLE. COMMISSIONER BEATY SECONDED THE MOTION. ALL WERE IN FAVOR AND THE MOTION WAS UNANIMOUSLY APPROVED.

Mr. Eckman stated that the bids were received on the KLP Project. The five bidders were close on cost with the apparent low bidder being D.L. Higgins. A letter of recommendation would be forwarded to the KLWTD manager after Boyle reviews the bids.

Commissioner Wilkinson requested that information be provided detailing the cost of the various alternatives for the March 5, 2003 meeting as a discussion item, adding that the Board has ninety days to award a contract and this would give time to see what might happen with the KLTV bids.

Mr. Eckman stated that four technical proposals had been received on the KLTV project, which, are being considered by the Evaluation Committee that was appointed by the KLWTD Board. Mr. Eckman was pleased with the response and is familiar with all the firms and that they are all qualified in his opinion. Mr. Eckman stated the cost proposals were received and forwarded to the manager and would be held until the KLWTD Evaluation Committee finishes the technical review. The cost proposals would then be opened at a public meeting.

Mr. Robert Betancourt of Gartek Engineering reported that he has completed the Key Largo Park 100% design review and cost estimates and had submitted the comments to Boyle Engineering some had been addressed and some had not. Mr. Betancourt is waiting for a written response. Mr. Milt Voss of Boyle stated that he has drafted a response to Gartek and would provide it to them as soon as possible.

J. Commissioner’s Items
1. Discussion of the costs for a special assessment, requested by Commissioner Wilkinson

Commissioner Wilkinson does not want to spend a great deal of money to conduct studies for a special assessment. He asked when the deadline was to initiate a special assessment for 2004. Mr. Sheets stated the deadline would not be until late summer 2003 and that if the Board was inclined a proposal and work plan detailing the critical items needed to implement an assessment could be developed, however, a special assessment would fund the same thing the MSTU would and he suggested looking at a special assessment if the MSTU fails.

Chairman Tobin requested the item be placed on the March 5, 2003 agenda as a discussion item.

The Board requested an update on the progress of the South Florida Water Management District (SWFMD) grant. Mr. Sheets stated that the information provided to the Board would begin the grant process. The scope of work would be used for the grant application and the SFWMD would forward it to us.

K. Meeting Adjournment

Commissioner Brooks motioned to adjourn the meeting and Commissioner Bauman seconded. The meeting adjourned at 7:21 PM.
Key Largo Wastewater Treatment District
Board of Commissioners Meeting Agenda
4:00 PM Wednesday, March 26, 2003
Key Largo Civic Club
209 Ocean Bay Drive
Key Largo, Monroe County, Florida

A. Call to Order
B. Pledge of Allegiance
C. Additions, Deletions or Corrections to the Agenda
D. Action Items

1. Presentation by the General Manager of the Work Plan for Developing and Implementation of a Non Ad Valorem Assessment Program for administrative and management costs
   Tabled till 4/9
   a. Approval of the Work Plan for developing and implementation of a Non Ad Valorem Assessment Program

2. Presentation by the General Manager of the Professional Consultant Services Agreement by and between K LWTD and Government Services Group, Inc.
   Tabled till 4/9
   a. Approval of the Professional Consultant Services Agreement by and between K LWTD and Government Services Group, Inc.

3. Presentation by the General Manager on the Consultants’ Competitive Negotiation Act (CCNA) process
   Approved to advertise
   a. Approval to advertise for Requests for Qualifications from Engineering Firms

4. Presentation by the General Manger of Amendment No. 1 to DEP Agreement LP0338 and KLWTD Resolution 2003-14
   a. Approval of KLWTD Resolution 2003-14 resolving to proceed with project work for the Key Largo Park Project and the Key Largo Trailer Village Project
   b. Approval of Amendment No. 1 to DEP Agreement LP0338

5. Presentation by the Chief Financial Officer of the Pending Payments Schedule
   a. Approval of the Pending Payments Schedule
   Approved amended
E. General Manager's Report

1. Status report on the DEP Grant Application Agreement No. LP0338
2. Status report on preparations for March 29, 2003 community meeting
4. Discussion of Key Largo Park project award

F. Chief Financial Officer's Report

1. Discussion of FY2004 Budget Calendar
2. Discussion of the need for an External Auditor

G. Legal Counsel's Report

H. Engineer's Report

I. Commissioner's Items

1. Status report on the Evaluation Committee from Charles Brooks

J. Minutes – February 26 2003

K. Meeting Adjournment
MEMORANDUM

TO: Key Largo Wastewater Treatment District Commissioners

FROM: Terry F. Lewis
Amy M. Dukes

DATE: March 27, 2003

SUBJECT: Key Largo Wastewater Treatment District Legal Report for March 26, 2003

I. CHAPTER 120 LEGISLATION

KLWTD’s bill passed the House Local Government Subcommittee last week and will be heard by the full Committee tomorrow. Representative Ken Sorensen is chair of that Committee, so we do not foresee any problems there. We expect the bill to pass towards the end of Session. At that point, the District will not be subject to the Administrative Procedures Act.

II. GSG MANAGEMENT SERVICES AGREEMENT

We worked with Robert Sheets and his assistant Tammei in finalizing the drafts of the Management Services Agreement, the end result of which you should have before you today.

III. RESOLUTION 2003-14

We worked with Robert Sheets on putting together a draft of this Resolution, which as you know pertains to the District’s intent to proceed with both the Key Largo Trailer Village and Key Largo Park projects and relates to Amendment No. 1 to the State Financial Assistance Agreement. Robert will tell you more about that when the issue arises on the agenda.
We have also been working with Robert Sheets on various other matters and have been keeping up to date on the evaluation committee issues when necessary. Faith has been forwarding us the minutes and agendas from the meetings.
### Key Largo Wastewater Treatment District

#### Guest Sign In Sheet

**Wednesday, March 26, 2003**

**Please Print**

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<tr>
<th>Name &amp; Title</th>
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<tr>
<td><strong>1.</strong> DOUGLAS H. ECKMANN BOYLE</td>
<td></td>
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<tr>
<td><strong>2.</strong> ROBERT E. BURT</td>
<td>Key Largo Village</td>
<td>305-451-4894</td>
</tr>
<tr>
<td><strong>3.</strong> MICHAEL LONGENECKER</td>
<td>Boyle</td>
<td>305-451-0589</td>
</tr>
<tr>
<td><strong>4.</strong> BURKE GARRISON</td>
<td>1AFLHA</td>
<td>305-852-6129</td>
</tr>
<tr>
<td><strong>5.</strong> PATRICIA CARNEY</td>
<td>EPJV</td>
<td>305-514-3218</td>
</tr>
<tr>
<td><strong>6.</strong> STEVE CRIBBS</td>
<td>Free Press</td>
<td></td>
</tr>
<tr>
<td><strong>7.</strong> TIM BROWN</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>8.</strong></td>
<td></td>
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<td><strong>9.</strong></td>
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<td><strong>10.</strong></td>
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<td><strong>11.</strong></td>
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<td><strong>12.</strong></td>
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<td><strong>13.</strong></td>
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<td><strong>14.</strong></td>
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<td><strong>17.</strong></td>
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<td><strong>18.</strong></td>
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<tr>
<td><strong>19.</strong></td>
<td></td>
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<tr>
<td><strong>20.</strong></td>
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</tbody>
</table>
Robert:

I revised the spreadsheet since we spoke at 1:30 pm. Hopefully it helps. Also attached are Boyle invoices for period ending 2/28/03. As discussed, our scopes include misc. "as needed" engineering ($27,940 for KLP, and $20k for KLTV). These tasks require separate authorization from the FKAA/KLWWTD/GSG.

<<KLTV Summary Update 032403.xls>>

Fred Mittl
Boyle Engineering Corporation
4415 Metro Parkway, Suite 404
Fort Myers, FL 33916
239-278-7996 voice
239-278-0913 fax
239-464-4418 cell
fmittl@boyleengineering.com
<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land Purchase (Acres)</td>
<td>$1,900,000</td>
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<tr>
<td>Construction Administration &amp; Project Administration</td>
<td>$1,200,000</td>
<td>1.00</td>
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<tr>
<td>Project Planning, Design, Engineering &amp; Permitting</td>
<td>$2,000,000</td>
<td>1.00</td>
</tr>
<tr>
<td>Total Estimated Project Costs</td>
<td>$4,300,000</td>
<td>1.00</td>
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<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
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<tbody>
<tr>
<td>Environmental Studies</td>
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<tr>
<td>Environmental Assessment</td>
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<td>Total Estimated Project Costs</td>
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<tbody>
<tr>
<td>Project Management &amp; Project Administration</td>
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<tr>
<td>Environmental Assessment</td>
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<tr>
<td>Total Estimated Project Costs</td>
<td>$300,000</td>
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<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Excess/Residual</td>
<td>$50,000</td>
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<tr>
<td>Total Estimated Project Costs</td>
<td>$50,000</td>
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</table>

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Key Largo Park</td>
<td>$140,000</td>
<td>1.00</td>
</tr>
<tr>
<td>Total Estimated Project Costs</td>
<td>$140,000</td>
<td>1.00</td>
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</table>

<table>
<thead>
<tr>
<th>Category</th>
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<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Miscellaneous</td>
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<td>Total Estimated Project Costs</td>
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</table>

<table>
<thead>
<tr>
<th>Category</th>
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</thead>
<tbody>
<tr>
<td>Total Estimated Combined Costs</td>
<td>$4,536,000</td>
<td>1.00</td>
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*Cost Updated: 3/24/03*
FLORIDA KEYS AQUEDUCT AUTHORITY
ATTN: Kerry G. Shelby, Assistant Director of Administration
P O Box 1239
Key West, FL  33041-1239

February 1 thru February 28, 2003

Professional services in connection with Key Largo Trailer Village Wastewater System.

<table>
<thead>
<tr>
<th>TASK</th>
<th>DESCRIPTION</th>
<th>CONTRACT FEE</th>
<th>APPROXIMATE % COMPLETE</th>
<th>FEE EARNED</th>
<th>FEE PREVIOUSLY INVOICED</th>
<th>FEE DUE THIS INVOICE</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Preliminary Planning Phase</td>
<td>$10,000.00</td>
<td>100%</td>
<td>$10,000.00</td>
<td>$10,000.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>B</td>
<td>Preliminary Design Report</td>
<td>$95,769.00</td>
<td>100%</td>
<td>$95,769.00</td>
<td>$95,769.00</td>
<td>$0.00</td>
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<tr>
<td>C</td>
<td>Prepare RFP Documents</td>
<td>$41,041.00</td>
<td>100%</td>
<td>$41,041.00</td>
<td>$41,041.00</td>
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<tr>
<td>D</td>
<td>Services During RFP Solicitation</td>
<td>$61,767.00</td>
<td>WCM</td>
<td>$28,013.38</td>
<td>$21,790.61</td>
<td>$6,222.77</td>
</tr>
<tr>
<td>E</td>
<td>Additional Project Coordination Services</td>
<td>$20,000.00</td>
<td>WCM</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td></td>
<td><strong>Totals</strong></td>
<td><strong>$228,577.00</strong></td>
<td><strong>76.48%</strong></td>
<td><strong>$174,823.38</strong></td>
<td><strong>$168,600.61</strong></td>
<td><strong>$6,222.77</strong></td>
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</table>

AMOUNT DUE AND PAYABLE

$6,222.77

AJM/jlb

cc: Kerry Shelby, FKAA
FLORIDA KEYS AQUEDUCT AUTHORITY

ATTN: Kerry G. Shelby, Assistant Director of Administration
P O Box 1239
Key West, FL. 33041-1239

March __, 2003
FW-F76-305-01
Task Order BEC 4-02A
Invoice Five

February 1 thru February 28, 2003

Professional services in connection with Key Largo Park Wastewater System.

<table>
<thead>
<tr>
<th>TASK</th>
<th>DESCRIPTION</th>
<th>CONTRACT FEE</th>
<th>APPROXIMATE % COMPLETE</th>
<th>FEE EARNED</th>
<th>FEE PREVIOUSLY INVOICED</th>
<th>FEE DUE THIS INVOICE</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>FDEP Grant Pre-Application Submittal</td>
<td>$10,000.00</td>
<td>100%</td>
<td>$10,000.00</td>
<td>$10,000.00</td>
<td>$0.00</td>
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<tr>
<td>B</td>
<td>FDEP Grant Final Application Submittal</td>
<td>$4,895.00</td>
<td>90.00%</td>
<td>$4,405.50</td>
<td>$4,405.50</td>
<td>$0.00</td>
</tr>
<tr>
<td>C</td>
<td>Preliminary Design</td>
<td>$78,205.00</td>
<td>90.00%</td>
<td>$70,384.50</td>
<td>$70,384.50</td>
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<tr>
<td>D-1</td>
<td>Final Design Phase I Service Area</td>
<td>$108,456.00</td>
<td>90.00%</td>
<td>$97,610.40</td>
<td>$86,764.80</td>
<td>$10,845.60</td>
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<tr>
<td>D-2</td>
<td>Final Design Phase II Service Area</td>
<td>$100,690.00</td>
<td>90.00%</td>
<td>$90,621.00</td>
<td>$80,552.00</td>
<td>$10,069.00</td>
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<tr>
<td>E</td>
<td>Permitting</td>
<td>$8,492.00</td>
<td>60.00%</td>
<td>$5,095.20</td>
<td>$4,246.00</td>
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<td>F</td>
<td>Bid Phase</td>
<td>$16,484.00</td>
<td>50.00%</td>
<td>$8,242.00</td>
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<tr>
<td>G</td>
<td>Additional State and Federal Agency Grant Coordination</td>
<td>$27,940.00</td>
<td>WCM</td>
<td>$0.00</td>
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<td>$0.00</td>
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<tr>
<td></td>
<td><strong>Totals</strong></td>
<td><strong>$355,162.00</strong></td>
<td><strong>80.63%</strong></td>
<td><strong>$286,358.60</strong></td>
<td><strong>$256,352.80</strong></td>
<td><strong>$30,005.80</strong></td>
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</table>

AMOUNT DUE AND PAYABLE

$30,005.80

AJM/jfb
TO: Key Largo Wastewater Treatment District Board Members

CC: Robert E. Sheets, General Manager
    Faith Doyle, Clerk to the Board
    Charles Sweat, Director of Operations
    Terry Lewis, Board Attorney
    Amy Dukes, Board Attorney

FROM: David R. Miles, Chief Financial Officer

DATE: March 21, 2003

RE: Key Largo Wastewater Treatment District Budget Calendar, FY 2004

Dear Commissioners:

The attached draft budget calendar is provided for your consideration. It is prepared in a manner consistent with other governmental budget processes and Florida Statutes to allow for the application of a non-ad valorem assessment on property tax bills, should the Board determine to pursue this method of financing in FY 2004.

I will be happy to adjust the schedule at the Board’s direction, consistent with statutory timelines.

Board of Directors: Chairman Andrew Tobin, Gary Bauman, Cris Beaty, Charles Brooks, Jerry Wilkinson
<table>
<thead>
<tr>
<th>Date</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mar. 26-Apr. 11, 2003</td>
<td>Visit County staffs to coordinate CIP Plan for consistency with County Comp. Plans, and to address funding sources and timing.</td>
</tr>
<tr>
<td>April 18, 2003</td>
<td>Preliminary FY 2004 revenue estimate completed by CFO.</td>
</tr>
<tr>
<td>Apr. 24-28, 2003</td>
<td>Detail Staff Review O&amp;M Budget by CFO &amp; Director of Operations</td>
</tr>
<tr>
<td>Apr. 28-30, 2003</td>
<td>Detail Staff Review with engineers, CFO and Dir. of Operations of Capital Plan.</td>
</tr>
<tr>
<td>May 1-30, 2003</td>
<td>Rate studies prepared if required, to determine usage rates when service is available.</td>
</tr>
<tr>
<td>May 5-9, 2003</td>
<td>Preliminary Operating Budget completed.</td>
</tr>
<tr>
<td>May 14, 2003</td>
<td>Budget Workshop with Board of Directors</td>
</tr>
<tr>
<td>May 12-16, 2003</td>
<td>Preliminary Capital Budget completed.</td>
</tr>
<tr>
<td>May 19-23, 2003</td>
<td>Revise revenue estimates.</td>
</tr>
<tr>
<td>June 4-6, 2003</td>
<td>Final revision staff Capital &amp; Operating Budgets.</td>
</tr>
<tr>
<td>June 9, 2003</td>
<td>Staff presents draft budget to General Manager</td>
</tr>
<tr>
<td>Date</td>
<td>Event</td>
</tr>
<tr>
<td>------------------</td>
<td>----------------------------------------------------------------------</td>
</tr>
<tr>
<td>June 13, 2003</td>
<td>General Manager Approves staff budget and CIP for Presentation to Board.</td>
</tr>
<tr>
<td>June 20, 2003</td>
<td>Budget books forwarded with Board Agenda to Directors.</td>
</tr>
<tr>
<td>July 23, 2003</td>
<td>Staff presents revised budget document to Board of Directors. Board approves preliminary millage rate, if MSTU is contemplated.</td>
</tr>
<tr>
<td>July 31, 2003</td>
<td>Staff transmits tentative MSTU millage to Monroe County (if applicable).</td>
</tr>
<tr>
<td>July 31, 2003</td>
<td>Advertise rate hearings in newspaper (if applicable).</td>
</tr>
<tr>
<td>August 10, 2003</td>
<td>Advertise Public Hearing on FY 2004 Budget</td>
</tr>
<tr>
<td>Sept. 1-5, 2003</td>
<td>Rate Hearing (if applicable).</td>
</tr>
<tr>
<td>Sept. 10, 2003</td>
<td>Public Hearing and Approval of Budget Resolution.</td>
</tr>
<tr>
<td>Sept. 15, 2003</td>
<td>Submission of Special Assessment schedules to Tax Collector (if applicable).</td>
</tr>
<tr>
<td>October 1, 2003</td>
<td>Begin FY 2004 Budget Execution.</td>
</tr>
<tr>
<td>Description</td>
<td>WIS/CPH</td>
</tr>
<tr>
<td>-----------------------------------------------------------------------------</td>
<td>---------------</td>
</tr>
<tr>
<td><strong>A. Design Phase Services</strong></td>
<td>$480,000.00</td>
</tr>
<tr>
<td><strong>B. Guaranteed Maximum Price GMP</strong></td>
<td></td>
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<tr>
<td>Construction of KLTV Vacuum Collection System and AWT Facility</td>
<td>7,136,000.00</td>
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<tr>
<td><strong>C. Guaranteed Maximum Price GMP</strong></td>
<td></td>
</tr>
<tr>
<td>Tie-in of KLPark Vacuum Mains, Furnishing and installing vacuum vales as described in Section 4.T</td>
<td>244,000.00</td>
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<tr>
<td><strong>D. Construction Phase Engineering Services</strong></td>
<td>275,000.00</td>
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<tr>
<td><strong>E. Contractor's Fee (maximum 15% of GMP)</strong></td>
<td>1,107,000.00</td>
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<tr>
<td>( % ) of GMP proposed</td>
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<tr>
<td><strong>F. Indemnification (per Florida Statutes)</strong></td>
<td>$1,000.00</td>
</tr>
<tr>
<td><strong>TOTAL COMBINED PROJECT COST</strong></td>
<td>$9,243,000.00</td>
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# Summary Scoring Sheet

<table>
<thead>
<tr>
<th>Submitting D-B Team</th>
<th>Beaty</th>
<th>Brooks</th>
<th>Fishburn</th>
<th>Refling</th>
<th>Sweat</th>
<th>Wilkinson</th>
<th>Total points</th>
<th>Average Technical Proposal Score</th>
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<td>CPH</td>
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<td>95</td>
<td>87.5</td>
<td>95.5</td>
<td>87</td>
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<td>H Pepper</td>
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<td>58.5</td>
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<td>511</td>
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Key Largo Wastewater Treatment District
Board of Commissioners Meeting Agenda
4:00 PM Wednesday, March 26, 2003
Key Largo Civic Club
209 Ocean Bay Drive
Key Largo, Monroe County, Florida

A. Call to Order

B. Pledge of Allegiance

C. Additions, Deletions or Corrections to the Agenda

D. Action Items

1. Presentation by the General Manager of the Work Plan for Developing and Implementation of a Non Ad Valorem Assessment Program for administrative and management costs
   a. Approval of the Work Plan for developing and implementation of a Non Ad Valorem Assessment Program

2. Presentation by the General Manager of the Professional Consultant Services Agreement by and between K LWTD and Government Services Group, Inc.
   a. Approval of the Professional Consultant Services Agreement by and between K LWTD and Government Services Group, Inc.

3. Presentation by the General Manager on the Consultants’ Competitive Negotiation Act (CCNA) process
   a. Approval to advertise for Requests for Qualifications from Engineering Firms

4. Presentation by the General Manager of Amendment No. 1 to DEP Agreement LP0338 and K LWTD Resolution 2003-14
   a. Approval of K LWTD Resolution 2003-14 resolving to proceed with project work for the Key Largo Park Project and the Key Largo Trailer Village Project
   b. Approval of Amendment No. 1 to DEP Agreement LP0338

5. Presentation by the Chief Financial Officer of the Pending Payments Schedule
   a. Approval of the Pending Payments Schedule
E. General Manager's Report

1. Status report on the DEP Grant Application Agreement No. LP0338
2. Status report on preparations for March 29, 2003 community meeting
4. Discussion of Key Largo Park project award

F. Chief Financial Officer's Report

1. Discussion of FY2004 Budget Calendar
2. Discussion of the need for an External Auditor

G. Legal Counsel's Report

H. Engineer's Report

I. Commissioner's Items

1. Status report on the Evaluation Committee from Charles Brooks

J. Minutes – February 26, 2003

K. Meeting Adjournment
Key Largo Wastewater Treatment District
Board of Commissioners Meeting Minutes
4:00 PM Wednesday, February 26, 2003
Key Largo Civic Center
209 Ocean Bay Drive
Key Largo, Monroe County, Florida

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

Staff Present
Robert Sheets, General Manager, Government Services Group
Charles L. Sweat, Director of Operations, Government Services Group
Richard Betancourt, P.E., Gartek Engineering
Faith Doyle, Board Clerk

Guests Present
Milton Vost, Boyle Engineering
Doug Eckman, Boyle Engineering
Charles Fishburn, Gartek Engineering
Kevin Matick
John Stone, Resident KLP
Robert Burt, Resident KLT
Gaile Jelinek, Resident KLT
Eva Richards, Resident KLT
John Henry Scheidel, I, Resident KLP
Fred O. Ackerman, Resident KLP
Ovida Bell, Resident KLP
Harlen Brown, Resident KLT
Alice Butler, Resident KLT
Vivian H. Crawford, Resident KLT
Irene Gajdos, Resident KLT
Doyle G. Bailey, Resident KLT
Georgina Foster, Resident KLT
Esther Fletcher, Resident KLT
Margaret Walston, Resident KLT
Werner Basch, Resident KLT
Dottie Moses, Key Largo Resident
David Adamusko, Resident KLP
Linda Mallison, Resident KLP
Pauline Cray, Resident KLP
Jeff Gossweiler, Resident KLP
Martha Richard, Resident KLP
James Gallagher, Resident Key Largo
Lee Ellsworth, Resident KLP
Winifred Ellsworth, Resident KLP
Jim Van Tassel, Resident KLTV
Lewis Fletcher, Key Largo Resident
Janet Woodward, Resident KLTV
Kent Van Winkle, Resident KLTV
Walter Lasbury, Resident KLP
Dave Shine, Resident KLTV
Eileen Albury, of KLP Investment
Priscilla Stone, Resident KLP
Bob Maxey, Resident KLTV
Robert Dash, Resident KLP
Jose Fernandez, Resident KLTV
John E. Gannaway, Resident KLP

A. Public Hearing to consider and to obtain public comment on the plan to construct and maintain Wastewater Treatment Facilities in the Key Largo Trailer Village and Key Largo Park per DEP Agreement No. LP0338 and as detailed in the Transitional Interlocal Agreement by and between the KLWTD, Monroe County and Florida Keys Aqueduct Authority

1. KLWTD Staff presentation
   a. Introduction – Robert Sheets

Robert Sheets, General Manager of the KLWTD opened the hearing and stated the agenda to those assembled. Mr. Sheets presented information which is included as part of this document as “Attachment A”.

   b. Project Descriptions – Doug Eckman & Ray Vost

Mr. Doug Eckman of Boyle Engineering, Fort Myers, Florida the engineer of record that was hired under an agreement with the Florida Keys Aqueduct Association. Stated that there are two separate projects the Key Largo Trailer Village (KLTV) project and the Key Largo Park (KLP) project. The KLTV proposal was a request for design build proposals and the submitting firm who is selected will do the design. The KLP project has already been designed and is a construction project only. The projects were designed per the master plan of the county, which states that vacuum systems should be used. A vacuum system was explained to those assembled. There were location maps and plan drawing available for those assembled to review.

Mr. Milton Vost of Boyle Engineering was also present to answer questions on the KLP project.
Mr. John Stone a resident of KLP asked how the vacuum pits would be designed. He is concerned because after viewing the preliminary plans his property, which is located on the bay, shows the connection pipe as being two feet under seawater. Milt Voss of Boyle Engineering explained that there will be a way of handling this difficulty and that there is flexibility to cover odd situations.

c. Funding – Robert Sheets

Mr. Sheets stated that the county had formed the KLWTD Board and the commissioners elected on 11/19/03. The Board has moved quickly and accomplished a great deal since its inception. The KLWTD is a local government entity and is required to have an approved budget to operate. The budget could only be approved by the Board after a public hearing. Further details on the budget were presented and are included in Attachment A to this document.

d. Mandatory Connection Program - Charles L. Sweat

Mr. Charles Sweat was introduced and presented information on the mandatory connection program. The information is made part of this document and is included in Attachment A.

e. Question and Answer Session

Ms. Martha Richard a resident asked if each property would have a ‘candy cane’ (vacuum interface sump pump). Mr. Sweat stated most would have two houses on one pump and the pump would be located in the right of way. Jim Van Tassel asked if when connecting to the pump would it be possible for the individual to design and install it, to save money. Mr. Sweat stated that it would be best to check with the local health department.

A resident asked if odors vent from the pump. Mr. Sweat stated that no, odors do not vent from the pump.

Mr. Jeff Gossweiller asked if those who where mandated by Monroe County to install septic systems could expect any reimbursement for their efforts and would those with working septic systems be required to connect to the sewage system. Mr. Sweat stated that connection is mandatory. Discussion ensued concerning the options available in this situation. The Board requested that staff contact the county to verify if there are any remedies for this situation.

Kent Van Winkle asked how long the MSTU would be collected if it is enacted. Mr. Sheets stated that it could be indefinitely. He added that the MSTU is for covering the systems operations and once more customers come on line it may not be needed. It was asked if the MSTU is charged against all property owners. Mr. Sheets stated that all property owners are charged no matter where the property owner resides.

Mr. David Adamusko asked if one home were located on four lots would four capacity fees be charged. Mr. Sheets stated that the capacity fee is charged per buildable lot. It was asked if all for lots had buildings on them would the capacity fee be charged. Mr. Sheets stated that if they are built on then the capacity fee applies.
Mr. John Stone stated that if Key Largo residents are to be wastewater ‘guinea pigs’ the
homeowners should not be required to pay $2,700 to finance those who connect in the
future.

It was asked why Key Largo had been chosen to be the first wastewater system.
Commissioner Brooks stated that the County’s Master Wastewater Plan that included a
study on the entire Keys had developed priority areas and Key Largo had twenty-one high
priority polluters. KLTV was second on the list combined with the fact that the FEMA has
approved the best place for a plant as mile marker 100.5, KLTV was the most practical
location to hook up first.

It was asked if because this is a first time projects would there be problems because the
system is not tested. Commissioner Brooks stated that we are in a position to use top
technology that has been used in other areas. It was asked if because Key Largo Park was
not as high on the priority list could be removed from the project. Mr. Sheets stated that the
projects have been planned and have to be implemented to secure the funding.

Mr. Sheets stated that for the March 29 2003 meeting a comparison of impact fees and
connection costs charged in other communities would be available.

It was asked if any vacuum systems had been installed in a coral rock bed. Boyle
Engineering stated that one is being built in Marathon. Mr. Vost stated that one advantage
of a vacuum system is that it is not as deep as other systems adding that the Marathon
system has been very successful. Another advantage is that a vacuum system is sealed so
that during a hurricane there is not water intrusion. Also, there is a working plant in Ocean
Reef and that was on completed on schedule and under budget.

Mr. Dottie Moses of Harbor Drive in the Sunset Water Ways subdivision asked if it was to be
included in this phase of the project. Mr. Sheets stated that, no they are not even though
they are located between the KLTV and KLP.

Mr. John Stone asked that if the 12.3 million dollars for the project is coming from
government grant money, which comes from tax dollars, why do the resident have to pay an
additional $2,700 impact fee.

Commissioner Wilkinson stated his opinion as basically the same, however, if every one in
the district pays on a water meter assessment that would keep residents paying way into the
future. He added that Key Large maybe the guinea pigs and the KLVTD is moving quickly
there are 13,000 EDU’s in the district to potentially hook up with a mandate for it to be done
by 2010. Commissioner Wilkinson stated that KLVTD would proceed at the speed of
money and that the $2,700 capacity fee was mid point of the suggested hook-up fees
outlined in the master plan.

Mr. Stone asked why with KLP being on the priorities list at number fifteen was it chosen
before other higher priority areas. Commissioner Brooks stated that it was because of the
proximity to the plant that was being built and to use the balance of funding available. Also,
he stated that part of the reason why residents are required to pay $2,700 if because
federal agencies require a local share and if there are no local dollars there would be no
grant.
A concern was stated that for those who live in Monroe County and the Keys would be subsidizing the people visiting to Keys. Mr. Sheets stated that presently it appears there is a funding equity issue however, once commercial connections take place the commercial entities capacity would be charged by EDU’s and if the business is using 100 EDU’s the charge would be 100 times the $2,700 capacity fee.

It was asked how much of $2,700 is used for construction of the plant. Mr. Sheets stated that the $2,700 is all for capital projects (no administrative fees, etc). Boyle Engineering stated concerning growth capacity for the plant that it has been initially sized for the park and village without extra capacity but it is being designed for later expansion.

Mr. Sheets concluded the program and stated that if those in attendance require additional information or have any other questions to forward them to the clerk. Mr. Sheets stated that there would be a program at the KLTV community picnic being held on March 29, 2003 along with other community programs to be scheduled in the future.

Chairman Tobin thanked those who participated.

Kevin Matick a member of the local council stated that no one likes the process, but the council believed the KLWTD Board would be able to do a better job from a local level. He stated that he would also be looking at options for those mandated to install septic systems by the County.

2. Board Discussion

Commissioner Wilkinson stated that the cost of decommissioning the septic systems listed on page 10 of the handout was unrealistic and requested it be changed.

Commissioner Brooks thanked the staff for their presentations stating that the information was well prepared and the public is accepting the idea of Key Largo becoming sewered even with the costs as outlined. Commissioner Brooks is pleased with the spirit of cooperation that is being demonstrated.

The Board requested that a letter of thanks be drafted to the KLTV Homeowners Association for their assistance with distributing the meeting flyers.

Chairman Tobin stated that the presentation was extremely informative. The issue of reimbursing residents who were affected by the mandatory septic system program promoted by the County will be a recurring issue in his opinion. Chairman Tobin stated that staff should contact Marlene Conaway the Planning Director of Monroe County to determine what lots are considered build-able. Chairman Tobin would also like to look at an alternative to destroying septic tanks, if there is a way to maintain the septic tanks for emergency use only. Commissioner Wilkinson believes it is possible to install an emergency switchover in a septic system.

Commissioner Tobin would like staff to look at financing plans that would spread the burden more evenly among all the residents of Key Largo. Mr. Sheets stated that capacity fees can
be amortized and they can be assessed against undeveloped properties. Mr. Sheets will perform a cost of service analysis that would show what a true impact fee should be.

3. Public Comments

Please see the question and answer section above.

4. Close Public Hearing

Chairman Tobin closed the public hearing at 6:06 PM.

B. Call to Order – KLWTD Regular Meeting

Chairman Tobin called the regular meeting to order at 6:07 PM.

C. Pledge of Allegiance

All stood and recited the pledge of allegiance.

D. Minutes – February 5, 2003 and February 12, 2003

It was requested that the minutes be considered later in the meeting.

E. Additions, Deletions or Corrections to the Agenda

The following correction to the agenda was made.

Add action item number six authorizing signatory for FDEP and county permits.

A request was made by Gartek Engineering to discuss the status of the invoice submitted for payment of services rendered. The request was denied because of the legal nature of the item it would be placed on a future agenda.

F. Action Items

1. Ratification of the Transitional Interlocal Agreement by and between the Key Largo Wastewater Treatment District, Monroe County and the Florida Keys Aqueduct Authority

COMMISSIONER BEATY MOVED TO APPROVE ITEM ONE. COMMISSIONER BAUMAN SECONDED. DISCUSSION ENSUED WITH COMMISSIONER WILKINSON VOICING HIS CONCERN WITH THE ISSUE OF THE COUNTY REQUIRING THE MATCHING GRANT MONEY TO BE PAID BACK AS A LOAN. THE OTHER BOARD MEMBERS AGREED ADDING THAT IT IS IMPARITIVE TO APPROVE THE AGREEMENT SO THAT THE PROJECT COULD PROCEED. COMMISSIONER BAUMAN STATED THAT THERE IS NINETY DAYS TO RESOLVE THIS ISSUE WITH THE COUNTY. THE BOARD REQUESTED STAFF TO BEGIN FORMULATING A STRATEGY TO RESOLVE THE ISSUE. THE BOARD APPOINTED COMMISSIONER BROOKS TO ACCOMPANY STAFF WHEN MEETING WITH MONROE COUNTY. THE QUESTION WAS CALLED.
2. Approval of Florida Department of Environmental Protection Agreement LP0338 with Key Largo Wastewater Treatment District

Mr. Sheets stated that the item presented was the State Financial Assistance Agreement between Key Largo and the FDEP. The agreement and attachments presented included all information requested by the FDEP for items one through ten. The document would satisfy the requirements for the March 1st deadline.

Commissioner Wilkinson requested on correction to the septic system decommissioning charge chart. Commissioner Bauman asked if the manager had reviewed the loan/grant issue with the FDEP. Mr. Sheets stated that it had been reviewed with Mr. Smith who was aware of the issue.

COMMISSIONER BAUMAN MADE A MOTION TO APPROVE ACTION ITEM 2 WITH A REVISION TO THE SEPTIC SYSTEM DECOMMISSIONING CHARGE ATTACHMENT AS REQUESTED BY COMMISSIONER WILKINSON. COMMISSIONER WILKINSON SECONDED THE MOTION. ALL WERE IN FAVOR AND THE MOTION WAS UNANIMOUSLY APPROVED.

3. Approval of South Florida Water Management District Agreement with Key Largo Wastewater Treatment District

4. Adoption of Monroe County's Mandatory Connection Ordinance as non-rule policy Key Largo Wastewater Treatment District Resolution No. 2003-12

5. Approval of Key Largo Wastewater Treatment District Resolution No. 2003-13 designating the general manager and chief financial officer as signatories of the KLWTD bank accounts

COMMISSIONER BROOKS MOTIONED TO APPROVE ACTION ITEMS 3, 4 AND 5. COMMISSIONER WILKINSON SECONDED THE MOTION. ALL WERE IN FAVOR AND THE MOTION CARRIED.

G. General Manager's Report

1. Discussion of KLWTD Board meeting schedule March, April and May 2003

Mr. Sheets stated that the suggested schedule presented showed the regular meetings as being held on the first and third Wednesdays of the month for the next ninety days. Discussion ensued concerning the frequency of the meetings in relationship to the various tasks the Board is required to accomplish and if they coincide with BOCC meetings.

COMMISSIONER BAUMAN MOTIONED TO HOLD THE MARCH 2003 REGULAR MEETINGS ON THE 5TH AND 26TH THEN ON THE SECOND AND FOURTH WEDNESDAYS FOR APRIL AND MAY 2003. COMMISSIONER BROOKS SECONDED THE MOTION. ALL WERE IN FAVOR AND THE MOTION WAS UNANIMOUSLY APPROVED.
H. Legal Counsel's Report

There was not a Legal Counsel report presented.

I. Engineer's Report

1. Discussion of official signatory for federal, state and local permits and responsibility of permit fees

Mr. Doug Eckman of Boyle Engineering stated that signatures are required on permits by at the owner/applicant or their authorized representative for the KLP project. Mr. Eckman requires signatures on several documents to be included in the submittal to the FDEP. The Board must also designate the engineer who is to sign and seal the designs for the project. Letters stating the desire of the Board are required to be sent with the permit application. The manager recommends the Board approve Boyle Engineering’s request to sign and seal the designs and appoint the manager to sign permits on behalf of the KLWTD.

COMMISSIONER BAUMAN MOTIONED TO APPOINT THE GENERAL MANAGER, ROBERT SHEETS OF GSG AS THE SIGNATORY FOR FDEP PERMITS AND FOR BOYLE ENGINEERING TO SIGN AND SEAL THE DESIGN PLANS. LETTERS STATING THE DIRECTION OF BOARD IN THIS RESPECT ARE TO BE DRAFTED BY STAFF AND FORWARDED TO THE FDEP AS SOON AS POSSIBLE. COMMISSIONER BEATY SECONDED THE MOTION. ALL WERE IN FAVOR AND THE MOTION WAS UNANIMOUSLY APPROVED.

Mr. Eckman stated that the bids were received on the KLP Project. The five bidders were close on cost with the apparent low bidder being D.L. Higgins. A letter of recommendation would be forwarded to the KLWTD manager after Boyle reviews the bids.

Commissioner Wilkinson requested that information be provided detailing the cost of the various alternatives for the March 5, 2003 meeting as a discussion item, adding that the Board has ninety days to award a contract and this would give time to see what might happen with the KLTV bids.

Mr. Eckman stated that four technical proposals had been received on the KLTV project, which, are being considered by the Evaluation Committee that was appointed by the KLWTD Board. Mr. Eckman was pleased with the response and is familiar with all the firms and that they are all qualified in his opinion. Mr. Eckman stated the cost proposals were received and forwarded to the manager and would be held until the KLWTD Evaluation Committee finishes the technical review. The cost proposals would then be opened at a public meeting.

Mr. Robert Betancourt of Gartek Engineering reported that he has completed the Key Largo Park 100% design review and cost estimates and had submitted the comments to Boyle Engineering some had been addressed and some had not. Mr. Betancourt is waiting for a written response. Mr. Milt Voss of Boyle stated that he has drafted a response to Gartek and would provide it to them as soon as possible.

J. Commissioner's Items
1. Discussion of the costs for a special assessment, requested by Commissioner Wilkinson

Commissioner Wilkinson does not want to spend a great deal of money to conduct studies for a special assessment. He asked when the deadline was to initiate a special assessment for 2004. Mr. Sheets stated the deadline would not be until late summer 2003 and that if the Board was inclined a proposal and work plan detailing the critical items needed to implement an assessment could be developed, however, a special assessment would fund the same thing the MSTU would and he suggested looking at a special assessment if the MSTU fails.

Chairman Tobin requested the item be placed on the March 5, 2003 agenda as a discussion item.

The Board requested an update on the progress of the South Florida Water Management District (SWFMD) grant. Mr. Sheets stated that the information provided to the Board would begin the grant process. The scope of work would be used for the grant application and the SWFMD would forward it to us.

K. Meeting Adjournment

Commissioner Brooks motioned to adjourn the meeting and Commissioner Bauman seconded. The meeting adjourned at 7:21 PM.
March 14, 2003

Andrew M. Tobin, Esquire
P.O. Box 620
Tavernier, FL 33070

RE: Statement for Services Rendered through February 28th

Dear Andy:

Enclosed is the Firm’s statement for services rendered through February 28, 2003. As you review the bill, you will note numerous time entries by Amy or me where the hours are logged but no charge is included for the time. In an attempt to keep our bills near budget during your extremely busy period, this bill has been reduced by $7,940.00.

In reviewing the bill, it seems to me that the time spent was valid. However, Amy and I have discussed it and feel as though a newly-formed government deserves some consideration for the fact that practically nothing that is required has a ready-made template which can be followed. We have, therefore, reduced our charges by approximately 35%. I also expect next month’s bill to be substantially lower than the past two. To date, neither Amy or I have substantial hours invested and I do not see a great deal of work on the immediate horizon.

I trust the foregoing is acceptable. If you have any questions, please let me know.

Sincerely yours,

Terry E. Lewis

TEL/sps
Enclosure

C: Mr. Robert E. Sheets
KEY LARGO WASTEWATER TREATMENT DISTRICT  
C/O ANDREW M. TOBIN, ESQUIRE  
P.O. BOX 620  
TAVERNIER, FL 33070  

RE: GENERAL  
I.D. 1724-000  
CONFIDENTIAL - ATTORNEY CLIENT PRIVILEGED  

For Services Rendered Through March 1, 2003  

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<td>GARTEK</td>
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KEY LARGO WASTEWATER TREATMENT DISTRICT
Re: GENERAL
I.D. 1724-000

Date Description of Services

02-04-03 CONTRACT; EMAIL TO R. BETANCOURT RESPONSE TO CONTRACT; FORWARD ALL RESOLUTIONS TO F. DOYLE FOR 2/5/03 MEETING.

02-04-03 REVIEW AND REVISE INTERLOCAL AGREEMENT AND GSG AGREEMENT. (NO CHARGE)

02-04-03 CORRESPOND WITH EMAIL TO F. DOYLE RE: AGENDA ISSUES AND MSTU RESOLUTION ISSUES; RECEIVE AND REVIEW EMAIL FROM T. LEWIS TO J. WILKINSON RE: FKAA RULES ISSUES;
CORRESPOND WITH EMAIL TO BOARD MEMBERS RE: LETTER TO COMMISSIONER NELSON; RECEIVE AND REVIEW EMAIL FROM R. SHEETS RE: BOYLE RFP ISSUES TO BE DISCUSSED AT 2/5/03 MEETING;
PREPARE FOR BOARD MEETING TOMORROW;
CORRESPOND WITH EMAIL TO T. LEWIS RE:
TRANSITION INTERLOCAL AGREEMENT; CORRESPOND WITH EMAIL TO R. SHEETS RE: MANAGEMENT AGREEMENT; CONTINUE DRAFTING PRMG UTILITY CONTRACT; WORK SESSION WITH T. LEWIS RE:
SAME; CORRESPOND WITH EMAIL TO R.
BETANCOURT RE: ADDITIONAL ISSUES RE:
ENGINEERING CONTRACT RE: INSURANCE; PREPARE TIMELINE FOR TRANSITION INTERLOCAL AGREEMENT; REVIEW AND ANALYZE PERTINENT FKAA RULES TO BE ADOPTED AS NON-RULE POLICY AT 2/5/03 BOARD MEETING; CORRESPOND WITH EMAIL TO C. SWEAT RE: PRMG UTILITY CONTRACT; RECEIVE CALL FROM D. MILES RE:
LEAGUE OF CITIES FOR INSURANCE; RECEIVE CALL FROM R. SHEETS RE: 2/5/03 BOARD MEETING; WORK SESSION WITH T. LEWIS RE:
REVISIONS AND COMMENTS TO TRANSITION INTERLOCAL AGREEMENT; REVISE TRANSITION INTERLOCAL AGREEMENT TO REFLECT T. LEWIS' COMMENTS. (NO CHARGE)

02-05-03 PHONE CONFERENCE WITH A. DUKES RE: PUBLIC NOTICE.

02-05-03 RECEIVE AND REVIEW INSURANCE QUOTES FROM D. MILES FROM FLORIDA LEAGUE OF CITIES TO BE DISCUSSED AT TODAY'S MEETING; FINALIZE TRANSITION INTERLOCAL AGREEMENT DRAFT;
CORRESPOND WITH EMAIL TO BOARD MEMBERS RE:
PRMG DRAFT CONTRACT; FINALIZE LEGAL REPORT

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<td>FOR TODAY'S MEETING AND FORWARD TO ALL BOARD MEMBERS; RECEIVE AND REVIEW EMAIL FROM C. BEATY RE: VACUUM SYSTEM PRESENTATIONS; RECEIVE CALL FROM R. FELDMAN (FKAA) RE: TRANSITION INTERLOCAL AGREEMENT ISSUES; CONTINUE REVIEWING FKAA RULES; TRAVEL TO KEY LARGO FOR BOARD MEETING (2.5 HOURS); REVIEW AND ANALYZE BOYLE'S MEMO RE: RESPONSES TO GARTER'S RECOMMENDATIONS RE: RFP; PHONE CONFERENCE WITH J. DENT (PROPERTY APPRAISER'S ATTORNEY) RE: MSTU DEADLINES (LEFT MESSAGE); PHONE CONFERENCE WITH A. TOBIN RE: SUNSHINE LAW ISSUES RE: TECHNICAL EVALUATION COMMITTEE; RECEIVE CALL FROM R. SHEETS RE: ISSUES FOR BOARD MEETING; ATTEND BOARD MEETING (4.5 HOURS).</td>
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<tr>
<td>02-06-03</td>
<td>RETURN TRAVEL FROM KEY LARGO (2.5 HOURS - NO CHARGE); CORRESPOND WITH EMAIL TO T. LEWIS RE: VACUUM SYSTEM PRESENTATIONS; RECEIVE AND REVIEW EMAIL FROM J. WILKINSON RE: COMMENTS ON TRANSITION INTERLOCAL AGREEMENT; DISTRIBUTE VIA EMAIL DRAFT TRANSITION INTERLOCAL AGREEMENT TO ALL PARTIES AND AGENCIES (DRAFT #1); CONFER WITH T. LEWIS RE: BOARD MEETING ISSUES, VACUUM SYSTEM PRESENTATION, TECHNICAL EVALUATION COMMITTEE AND OTHER PERTINENT ISSUES; RECEIVE CALL FROM R. FELDMAN RE: TRANSITION INTERLOCAL AGREEMENT AND FEMA GRANT ISSUES; CORRESPOND WITH EMAIL TO R. SHEETS RE: SAME; CORRESPOND WITH EMAIL TO M. ANDERSON RE: REQUEST FOR FEMA GRANT; RECEIVE CALL FROM R. SHEETS RE: FUNDING ISSUES; RECEIVE AND REVIEW LETTER FROM PROPERTY APPRAISER RE: AGREEMENT TO EXTEND DEADLINE TO PASS SPECIAL ASSESSMENT RESOLUTION TO MARCH 1. (NO CHARGE)</td>
<td>AMD</td>
<td>2.6</td>
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<tr>
<td>02-07-03</td>
<td>WORK SESSION RE: RFP; REVIEW AND REVISE TRANSITION AGREEMENT; PHONE CONFERENCE WITH A. TOBIN RE: RFP PROCEDURE; LEGAL RESEARCH</td>
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**KEY LARGO WASTEWATER TREATMENT DISTRICT**  
Re: GENERAL  
I.D. 1724-000

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<th>Date</th>
<th>Description of Services</th>
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<th>Hours</th>
<th>Amount</th>
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| 02-07-03 | **RE: SUNSHINE ACT ISSUES. (NO CHARGE)**  
RECEIVE CALL FROM J. DENT RE: MSTU AND SPECIAL ASSESSMENT ISSUES; RECEIVE AND REVIEW LENGTHY EMAIL FROM J. WILKINSON, D. SMITH AND R. SHEETS RE: FEMA AND DEP FUNDING ISSUES; CORRESPOND WITH EMAIL TO R. SHEETS RE: RESOLUTION AUTHORIZING HIRING OF DISTRICT MANAGER (PER D. SMITH’S REQUEST); CORRESPOND WITH D. SMITH RE: TRANSITION INTERLOCAL AGREEMENT COMMENTS; FORWARD FEMA GRANT AGREEMENT TO R. SHEETS; CORRESPOND WITH EMAIL TO R. BETANCOURT RE: VENDOR PRESENTATION ISSUES; CORRESPOND WITH EMAIL TO T. LEWIS AND R. SHEETS RE: MSTU AND SPECIAL ASSESSMENT ISSUES; RECEIVE CALL FROM R. SHEETS; RETURN CALL RE: MSTU; CORRESPOND WITH EMAIL TO J. WILKINSON RE: VENDOR PRESENTATIONS; REVISE GARTEK CONTRACT; SEND CONTRACT TO R. BETANCOURT AND ALL BOARD MEMBERS FOR APPROVAL; CONFERENCE CALL WITH R. SHEETS AND T. LEWIS RE: SUNSHINE LAW, SPECIAL ASSESSMENTS AND TRANSITION INTERLOCAL AGREEMENT COMMITMENTS BY THE COUNTY; CORRESPOND WITH EMAIL TO R. BETANCOURT AND BOARD MEMBERS RE: CANCELLATION OF VENDOR MEETING; CORRESPOND WITH EMAIL TO G. GARRETT RE: TRANSITION INTERLOCAL AGREEMENT; RECEIVE CALL FROM COMMISSIONER NELSON RE: RESOLUTIONS RE: MSTU AND FUNDING THE BUDGET; CORRESPOND WITH EMAIL TO P. DOYLE RE: AGENDA; RECEIVE AND REVIEW SUNSHINE LAW EMAIL FROM T. LEWIS AND J. WILKINSON. | TEL   | 1.5   | 0.00    |
| 02-09-03 | **REVISE TRANSITION INTERLOCAL AGREEMENT TO INCLUDE $1,000,000 GRANT FROM COUNTY AND TO INCLUDE COMMENTS FROM J. WILKINSON AND D. SMITH; REVISE LEGAL REPORT FOR 2/12/03 BOARD MEETING.**                                                                                                                                                     | AMD   | 5.8   | 783.00  |
| 02-10-03 | **CONFERENCE AND WORK SESSION WITH A. DUKES AND R. SHEETS RE: TRANSITION AGREEMENT. (NO CHARGE)**                                                                                                                                                                                                                                                 | AMD   | 1.2   | 162.00  |
| 02-10-03 | **RECEIVE CALL FROM R. SHEETS; RETURN CALL RE: TRANSITION INTERLOCAL AGREEMENT;**                                                                                                                                                                                                                                                                          | TEL   | 1.5   | 0.00    |
KEY LARGO WASTEWATER TREATMENT DISTRICT
Re: GENERAL
I.D. 1724-000

Date      Description of Services                                Atty  Hours  Amount

02-11-03  RECEIVE AND REVIEW FUNDING SPREADSHEETS FROM R. SHEETS; PREPARE FOR AND ATTEND  AMD  6.2  837.00
          CONFERENCE CALL WITH R. SHEETS, C. SWEAT, D. REFLING, G. GARRETT RE: FUNDING AND TRANSITION INTERLOCAL AGREEMENT; CORRESPOND WITH EMAIL TO D. REFLING RE: EDU DEFINITION; RECEIVE CALL FROM R. FELDMAN; RETURN CALL (LENGTHY PHONE CONFERENCE) RE: COMMENTS ON TRANSITION INTERLOCAL AGREEMENT; RECEIVE AND REVIEW COMMENTS FROM C. BROOKS AND REPLY RE: SPECIAL MEETING; RECEIVE AND REVIEW COMMENTS FROM C. BEATY; RECEIVE AND REVIEW COMMENTS ON TRANSITION INTERLOCAL AGREEMENT FROM COMMISSIONER NELSON; RECEIVE AND REVIEW EMAIL FROM R. BETANCOURT RE: VENDOR PRESENTATIONS; REVISE TRANSITION INTERLOCAL AGREEMENT PURSUANT TO COMMENTS RECEIVED AND FOLLOW-UP; CREATE LIST OF IMPORTANT QUESTIONS RE: TRANSITION INTERLOCAL AGREEMENT AND COMMENTS RECEIVED; RECEIVE AND REVIEW MEMO TO BOARD FROM R. SHEETS RE: SUMMARY OF MEETING WITH D. SMITH; RECEIVE AND REVIEW EMAIL FROM R. SHEETS AND J. WILKINSON RE: PRMG ISSUES; CORRESPOND WITH EMAIL TO G. GARRETT RE: STATUS OF COMMENTS; RECEIVE AND REVIEW EMAIL FROM D. REFLING RE: INDEMNIFICATION, WOMEN/MINORITY BUSINESS ENTERPRISE REQUIREMENTS AND CONNECTING ISSUES RE: ADDENDUM; CORRESPOND WITH EMAIL TO D. REFLING RE: SAMB; PHONE CONFERENCE WITH R. SHEETS RE: PRMG, SPREADSHEETS FOR FUNDING, AND TRANSITION INTERLOCAL AGREEMENT; PHONE CONFERENCE WITH G. GARRETT RE: STATUS OF COMMENTS (LEFT MESSAGE); DRAFT LETTER TO J. DENT (MONROE COUNTY PROPERTY APPRAISERS ATTORNEY).

02-11-03  REVIEW AND REVISE INTERLOCAL AGREEMENT FOR TRANSITION; CONFERENCE WITH A. DUKES. (NO CHARGE)                               TEL  1.5  0.00

02-11-03  CONTINUE TO REVISE TRANSITION INTERLOCAL AGREEMENT TO INCORPORATE ALL COMMENTS; CORRESPOND WITH EMAIL TO D. REFLING RE:
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<th>Description of Services</th>
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<td>WOMEN/MINORITY BUSINESS ENTERPRISE LANGUAGE IN RFP ADDENDUM; RECEIVE CALL FROM D. REFLING RE: WOMEN/MINORITY BUSINESS ENTERPRISE REVISED LANGUAGE; DRAFT NEW WOMEN/MINORITY BUSINESS ENTERPRISE LANGUAGE FOR RFP ADDENDUM AND EMAIL TO F. MITTL AND D. REFLING; CORRESPOND WITH EMAIL TO G. GARRETT RE: STATUS OF SUBMITTING COMMENTS ON TRANSITION INTERLOCAL AGREEMENT; CORRESPOND WITH EMAIL TO F. DOYLE RE: REVISIONS TO 2/05/03 MEETING MINUTES; CORRESPOND WITH EMAIL TO BOARD MEMBERS RE: COMMISSIONER NELSON'S COMMENTS ON TRANSITION INTERLOCAL AGREEMENT; CORRESPOND WITH EMAIL TO R. FELDMAN AND M. ANDERSON RE: FEMA GRANT LANGUAGE FOR TRANSITION INTERLOCAL AGREEMENT; PHONE CONFERENCE WITH F. MITTL RE: QUESTIONS ON REVISED WOMEN/MINORITY BUSINESS ENTERPRISE LANGUAGE; CORRESPOND WITH EMAIL TO F. DOYLE RE: PRMG CONTRACT; RECEIVE CALL FROM R. SHEETS RE: COUNTY ORDINANCE RE: MANDATORY CONNECTIONS; CORRESPOND WITH EMAIL TO F. DOYLE RE: 2/18/03 SPECIAL MEETING; CORRESPOND WITH EMAIL TO A. TOBIN RE: TRANSITION INTERLOCAL AGREEMENT; PHONE CONFERENCE WITH T. LEWIS RE: COMMENTS ON DRAFT #2; CORRESPOND WITH EMAIL TO G. GARRETT RE: ADDITIONAL QUESTIONS RE: TRANSITION INTERLOCAL AGREEMENT; REVIEW TRANSITION INTERLOCAL AGREEMENT FOR ALL EXHIBITS TO BE ATTACHED AND ORGANIZE SAME; RECEIVE CALL FROM R. SHEETS RE: PHONE CONFERENCE WITH D. SMITH AND TRANSITION INTERLOCAL AGREEMENT; PHONE CONFERENCE WITH A. TOBIN RE: 2/18/03 SPECIAL MEETING; RECEIVE AND REVIEW EMAILS FROM J. WILKINSON RE: LOAN ISSUES IN THE TRANSITION INTERLOCAL AGREEMENT; CORRESPOND WITH EMAIL TO J. WILKINSON RE: SAME; CORRESPOND WITH EMAIL TO T. MCGARRY AND G. GARRETT RE: REQUEST FOR ATTENDANCE AT 2/12/03 BOARD MEETING; PHONE CONFERENCE WITH R. SHEETS</td>
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KEY LARGO WASTEWATER TREATMENT DISTRICT
Re: GENERAL
I.D. 1724-000

Date          Description of Services

02-12-03      RE: COMMENTS ON TRANSITION INTERLOCAL AGREEMENT; DISTRIBUTE TRANSITION INTERLOCAL AGREEMENT (DRAFT #2) TO ALL PARTIES AND AGENCIES. (NO CHARGE)
              AMD           7.5     0.00

02-12-03      WORK SESSION RE: TRANSITION INTERLOCAL AGREEMENT; CONFERENCE WITH A. DUKES. (NO CHARGE)
              TEL           1.5     0.00

02-12-03      FINALIZE LEGAL REPORT AND FORWARD TO ALL BOARD MEMBERS FOR 2/12/03 BOARD MEETING; CREATE EXHIBIT LIST FOR TRANSITION INTERLOCAL AGREEMENT AND CONTINUE REORGANIZING EXHIBITS; PHONE CONFERENCE WITH T. LEWIS RE: TRANSITION INTERLOCAL AGREEMENT; CORRESPOND WITH EMAIL TO D. SMITH RE: TRANSITION INTERLOCAL AGREEMENT COMMENTS ON DRAFT #2; CORRESPOND WITH EMAIL TO J. WILKINSON RE: TRANSITION INTERLOCAL AGREEMENT DRAFT #2 COMMENTS; REVIEW AND ANALYZE TEC EVALUATION ADVERTISEMENT FOR LEGAL SUFFICIENCY; CORRESPOND WITH EMAIL TO C. BEATY RE: 2/19/03 MEETING LOCATION; CORRESPOND WITH EMAIL TO TRANSITION INTERLOCAL AGREEMENT DISTRIBUTION LIST RE: EXHIBIT LIST; CORRESPOND WITH EMAIL TO G. GARRETT RE: EXHIBITS AND FEEDBACK ON QUESTIONS; CORRESPOND WITH EMAIL TO A. TOBIN RE: CONTACTING COMMISSIONER NELSON RE: BOARD MEETING TODAY; PREPARE FOR BOARD MEETING; RECEIVE CALL FROM G. GARRETT RE: COUNTY FUNDING ISSUES; TRAVEL TO KEY LARGO FOR BOARD MEETING; MEETING WITH R. SHEETS AND F. DOYLE RE: PREPARATION FOR MEETING; ATTEND BOARD MEETING; RETURN TRAVEL (2.5 HOURS - NO CHARGE).
              AMD           10.5    1,417.50

02-13-03      CONFERENCE AND WORK SESSION WITH A. DUKES AND A. TOBIN. (NO CHARGE)
              TEL           1.5     0.00

02-13-03      RECEIVE AND REVIEW EMAIL FROM D. SMITH RE: TRANSITION INTERLOCAL AGREEMENT AND FDEP GRANT FUNDS RECEIVE AND REVIEW EMAIL FROM G. GARRETT RE: DCA CESSSPIT FUNDS AND REVOLVING LOAN ISSUE; CONFERENCE CALL WITH A. TOBIN AND T. LEWIS RE: TRANSITION INTERLOCAL AGREEMENT; FOLLOW-UP WITH T.
KEY LARGO WASTEWATER TREATMENT DISTRICT
Re: GENERAL
I.D. 1724-000

Date  Description of Services  Atty  Hours  Amount

LEWIS; DRAFT NEW LANGUAGE FOR TRANSITION
INTERLOCAL AGREEMENT RE: COUNTY'S AND KEY
LARGO'S COMMITMENTS; RECEIVE AND REVIEW
DRAFT DEP GRANT SUBMITTAL FROM R. SHEETS;
REVIEW AND ANALYZE COUNTY'S ORDINANCE RE:
MANDATORY CONNECTIONS (TO BE ADOPTED) AND
FORWARD TO R. SHEETS; CORRESPOND WITH EMAIL
TO D. ECKMANN AND F. MITTL RE: TRANSITION
INTERLOCAL AGREEMENT LANGUAGE RE: VALUE
ENGINEERING; CORRESPOND WITH EMAIL TO R.
FELDMAN AND K. OVIDE RE: FKAA MSTU
RESOLUTION; CORRESPOND WITH EMAIL TO
TRANSITION INTERLOCAL AGREEMENT
DISTRIBUTION LIST RE: NEW DEADLINE; RECEIVE
AND REVIEW MONROE COUNTY DEED RESTRICTION
FOR LOCKING IN OPEN SPACE; CORRESPOND WITH
EMAIL TO G. GARRETT RE: REQUEST FOR COUNTY
ORDINANCE ADOPTING FKAA MSTU; RECEIVE CALL
FROM R. SHEETS RE: TRANSITION INTERLOCAL
AGREEMENT; RECEIVE CALL FROM A. TOBIN RE:
TRANSITION INTERLOCAL AGREEMENT (LEFT
MESSAGE); RETURN CALL; CORRESPOND WITH
EMAIL TO A. TOBIN RE: DRAFT LANGUAGE RE:
COUNTY AND DISTRICT COMMITMENTS; RECEIVE
AND REVIEW DRAFT MSTU ORDINANCE FOR KEY
LARGO WASTEWATER TREATMENT DISTRICT FROM G.
GARRETT. (NO CHARGE)
02-14-03  REVIEW AND REVISE TRANSITION AGREEMENT;
PREPARE AND SEND LETTER TO R. SHEETS RE:
GARTEK CONTRACT.

AMD  5.0  0.00

02-14-03  PHONE CONFERENCE WITH A. TOBIN RE:
TRANSITION INTERLOCAL AGREEMENT; CORRESPOND
WITH EMAIL TO R. BETANCOURT RE: TRANSITION
INTERLOCAL AGREEMENT; CORRESPOND WITH EMAIL
TO G. GARRETT RE: TRANSITION INTERLOCAL
AGREEMENT; CORRESPOND WITH COMMISSIONER M.
NELSON'S ASSISTANT RE: TRANSITION
INTERLOCAL AGREEMENT (NEW LANGUAGE);
CORRESPOND WITH EMAIL TO R. SHEETS RE:
FUNDING ISSUES RE: TRANSITION INTERLOCAL
AGREEMENT; CORRESPOND WITH EMAIL TO T.
LEWIS AND R. SHEETS RE: 2/19/03 BOARD OF
COUNTY COMMISSION AGENDA; CONTINUE DRAFTING
**Key Largo Wastewater Treatment District**

**Re:** General

**I.D.** 1724-000

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<td>02-17-03</td>
<td><strong>ADDITIONAL LANGUAGE AND REVISING LANGUAGE WITHIN THE TRANSITION INTERLOCAL AGREEMENT; CORRESPOND WITH EMAIL TO C. BROOKS RE: COMMENTS ON TRANSITION INTERLOCAL AGREEMENT; RECEIVE AND REVIEW EMAIL FROM R. SHEETS RE: RFP DATES; RECEIVE CALL FROM R. SHEETS RE: TRANSITION INTERLOCAL AGREEMENT; RECEIVE AND REVIEW EMAIL FROM J. WILKINSON RE: KEY LARGO TRAILER VILLAGE RFP RESPONSES; FINALIZE DRAFT #3 OF TRANSITION INTERLOCAL AGREEMENT AND EMAIL TO DISTRIBUTION LIST; RECEIVE AND REVIEW EMAIL FROM R. BETANCOURT RE: ADDITIONAL ENGINEERING SERVICES REQUEST AND ATTACHMENTS.</strong></td>
<td>AMD</td>
<td>8.0</td>
<td>1,080.00</td>
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<tr>
<td>02-17-03</td>
<td><strong>RECEIVE CALL FROM R. SHEETS; RETURN CALL; RECEIVE AND REVIEW EMAIL FROM T. LEWIS RE: LEGAL OPINION RE: R. BETANCOURT'S REQUEST FOR ADDITIONAL ENGINEERING SERVICES; RECEIVE AND REVIEW EMAIL FROM T. LEWIS AND F. DOYLE RE: PUBLIC NOTICE; RECEIVE AND REVIEW EMAIL FROM A. TOBIN RE: 2/19/03 BOARD OF COUNTY COMMISSION MEETING ISSUES; RECEIVE AND REVIEW EMAIL FROM J. WILKINSON RE: AGENDA ITEMS FOR 2/19/03 MEETING; RECEIVE AND REVIEW EMAIL FROM J. WILKINSON RE: FUNDING SOURCES IN TRANSITION INTERLOCAL AGREEMENT; RECEIVE AND REVIEW EMAIL RESPONSE FROM R. BETANCOURT RE: REQUEST FOR ADDITIONAL ENGINEERING SERVICES; WORK SESSION WITH T. LEWIS RE: GARTEK PROPOSAL; CORRESPOND WITH EMAIL TO F. DOYLE RE: SPECIAL MEETING NOTICE; RECEIVE AND REVIEW COMMENTS ON DRAFT #3 FROM J. WILKINSON; CORRESPOND WITH EMAIL TO ALL BOARD MEMBERS, R. SHEETS AND R. BETANCOURT RE: RESPONSE TO R. BETANCOURT'S EMAIL RE: ADDITIONAL SERVICES REQUEST; CORRESPOND WITH EMAIL TO BOARD MEMBERS RE: MSTU ADVERTISEMENT ON 2/19/03 BOARD OF</strong></td>
<td>TEL</td>
<td>0.6</td>
<td>105.00</td>
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<td>02-18-03</td>
<td>COUNTY COMMISSION MEETING. (NO CHARGE)</td>
<td>AMD</td>
<td>2.8</td>
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<td>REVIEW AND ANALYZE FDEP GRANT SUBMITTAL OUTLINE FROM R. SHEETS; RECEIVE AND REVIEW 2/19/03 AGENDA FROM F. DOYLE; CORRESPOND WITH EMAIL TO R. SHEETS RE: BOARD MEETING DATES AFTER 3/5/03; RECEIVE AND REVIEW LENGTHY EMAIL FROM J. WILKINSON RE: RESPONSE TO LEGAL’S RESPONSE RE: GARTEK’S REQUEST; RECEIVE AND REVIEW PRE-BID MEETING MINUTES FROM R. BETANCOURT; RECEIVE AND REVIEW ANOTHER RESPONSE FROM R. BETANCOURT RE: APPLICATION OF CCNA; PHONE CONFERENCE WITH R. SHEETS RE: FUNDING SOURCES; RECEIVE AND REVIEW EMAIL FROM C. BROOKS RE: CHANGES TO TRANSITION INTERLOCAL AGREEMENT; CORRESPOND WITH EMAIL TO G. GARRETT RE: COMMENTS ON TRANSITION INTERLOCAL AGREEMENT DRAFT #3; RECEIVE AND REVIEW REVISED SPREADSHEETS FROM R. SHEETS; CORRESPOND WITH EMAIL TO F. DOYLE RE: SIGNING AGREEMENTS; REVISE TRANSITION INTERLOCAL AGREEMENT DRAFT #3 PER COMMENTS RECEIVED; RECEIVE CALL FROM D. SMITH RE: STATE FINANCIAL ASSISTANCE AGREEMENT; RECEIVE AND REVIEW FAX FROM D. SMITH RE: SAME; CORRESPOND WITH EMAIL TO T. LEWIS RE: R. BETANCOURT’S RESPONSE; RECEIVE AND REVIEW FINAL AGENDA (2/19/03 SPECIAL MEETING); PHONE CONFERENCE WITH A. TOBIN RE: ADOPTION OF TRANSITION INTERLOCAL AGREEMENT SCHEDULE; CORRESPOND WITH EMAIL TO R. SHEETS RE: FUNDING REMAINDER OF BUDGET ($250,000); CORRESPOND WITH EMAIL TO J. WILKINSON RE: COMMENTS ON TRANSITION INTERLOCAL AGREEMENT DRAFT #3; PHONE CONFERENCE WITH COMMISSIONER M. NELSON RE: 2/19/03 BOARD OF COUNTY COMMISSION MEETING; RECEIVE CALL FROM R. FELDMAN RE: TRANSITION INTERLOCAL AGREEMENT; RETURN CALL; REVIEW AND ANALYZE MONROE COUNTY BOARD OF COUNTY COMMISSION 2/19/03 MEETING AGENDA AND BACKUP; ORGANIZE AND REVIEW ALL EXHIBITS FOR FINAL TRANSITION INTERLOCAL AGREEMENT;</td>
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<td>02-19-03</td>
<td>Distribute final transition interlocal agreement via email; coordinate delivery of exhibits; phone conference with all board members re: reviewing draft transition interlocal agreement; phone conference with R. Wolfe (Monroe County) re: final transition interlocal agreement; correspond with email to M. Anderson (DCA) re: distributing exhibits to FEMA.</td>
<td>AMD</td>
<td>8.2</td>
<td>1,107.00</td>
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<td>02-19-03</td>
<td>Phone conference with KLWTD and attend board meeting; work session re: interlocal agreement.</td>
<td>TEL</td>
<td>1.0</td>
<td>175.00</td>
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<td>02-19-03</td>
<td>Receive and review draft FDEP grant submittal from R. Sheets and all attachments; correspond with email to G. Garrett re: revisions to draft #3 transition interlocal agreement; receive and review email from J. Wilkinson re: technical evaluation panel issues; phone conference with J. Reynolds (FKAA) re: revision to transition interlocal agreement; correspond with email to T. Lewis re: approval of transition interlocal agreement; phone conference with A. Tobin re: transition interlocal agreement; phone conference with R. Sheets re: transition interlocal agreement; correspond with email to all board members re: G. Garrett's comments on transition interlocal agreement; receive and review Key Largo Wastewater Treatment District financial forecast from R. Sheets; correspond with email to R. Sheets and A. Tobin re: meeting dates; draft, edit, finalize letter to J. Reynolds and R. Feldman re: procedure for adopting transition interlocal agreement by FKAA; receive call from G. Garrett's assistant re: DCA contracts; phone conference with R. Sheets re: transition interlocal agreement; review and execute Garteek agreement and PRMG agreement and return to district clerk; draft letter to Monroe County property appraiser re:</td>
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<td>02-20-03</td>
<td>SPECIAL ASSESSMENTS; DRAFT LETTER TO MONROE COUNTY TAX COLLECTOR RE: SPECIAL ASSESSMENTS; REVISE AND FINALIZE LETTER TO J. DENT RE: SPECIAL ASSESSMENTS AND MSTU ISSUES; FORWARD G. GARRETT'S TRANSITION INTERLOCAL AGREEMENT COMMENTS TO COMMISSIONER M. NELSON; RECEIVE CALL FROM SUSAN AT A. TOBIN'S OFFICE RE: CONFERENCE CALL TOMORROW; PHONE CONFERENCE WITH R. SHEETS RE: SAME AND BOARD OF COUNTY COMMISSION MEETING ON 2/24/03. (NO CHARGE)</td>
<td>AMD</td>
<td>6.0</td>
<td>0.00</td>
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<td>02-20-03</td>
<td>PHONE CONFERENCE WITH COMMISSIONER NELSON; PHONE CONFERENCE WITH A. TOBIN; WORK SESSION RE: INTERLOCAL AGREEMENT FOR PROJECT TRANSITION; PHONE CONFERENCE WITH COMMISSIONER NELSON AND A. TOBIN RE: MONROE COUNTY STAFF; REVIEW INTERLOCAL AGREEMENT. RECEIVE CALL FROM R. FELDMAN; RETURN CALL RE: TRANSITION INTERLOCAL AGREEMENT APPROVAL TODAY; RECEIVE AND REVIEW EMAIL FROM C. BROOKS RE: UPDATE ON CONFERENCE CALL, TRANSITION INTERLOCAL AGREEMENT STATUS; PHONE CONFERENCE WITH C. BROOKS RE: SAME; CORRESPOND WITH EMAIL TO G. GARRETT RE: CONFERENCE CALL TODAY; PREPARE FOR CONFERENCE CALL; RECEIVE CALL FROM F. DOYLE RE: ADVERTISING SPECIAL MEETING ON 2/24/03; CONFERENCE CALL WITH A. TOBIN AND T. LEWIS RE: TRANSITION INTERLOCAL AGREEMENT; RECEIVE CALL FROM R. SHEETS; RETURN CALL; LEGAL RESEARCH RE: STATUTORY AUTHORITY FOR COUNTY'S INFRASTRUCTURE FUNDS; PHONE CONFERENCE WITH R. WOLFE RE: SAME; PHONE CONFERENCE WITH T. MCGARRY RE: SAME; CORRESPOND WITH EMAIL TO T. LEWIS RE: CONFERENCE CALL TODAY WITH COMMISSIONER M. NELSON RE: FUNDING OPTIONS; COORDINATE WITH G. GARRETT'S ASSISTANT RE: RESCHEDULING CONFERENCE CALL TOMORROW; CORRESPOND WITH EMAIL TO T. LEWIS RE: COUNTY CAPITAL INFRASTRUCTURE FUNDS SOURCE OF AUTHORITY; REVISE AND FINALIZE LETTER TO J. DENT; CORRESPOND WITH EMAIL TO COMMISSIONER M.</td>
<td>TEL</td>
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<td>437.50</td>
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<td>02-21-03</td>
<td>NELSON'S ASSISTANT RE: CONFERENCE CALL TOMORROW; PHONE CONFERENCE WITH T. LEWIS RE: USE OF INFRASTRUCTURE AND/OR GENERAL FUNDS FOR ADMINISTRATIVE PURPOSES; CONFERENCE CALL WITH A. TOBIN, COMMISSIONER M. NELSON, T. LEWIS, J. ROBERTS AND S. HUTTON RE: TRANSITION INTERLOCAL AGREEMENT FUNDING ISSUES; REVISE TRANSITION INTERLOCAL AGREEMENT PURSUANT TO CONFERENCE CALL WITH COUNTY; CORRESPOND WITH EMAIL TO T. LEWIS RE: REVISIONS TO TRANSITION INTERLOCAL AGREEMENT; CORRESPOND WITH EMAIL TO S. HUTTON RE: REVISED TRANSITION INTERLOCAL AGREEMENT FOR COMMENT; PHONE CONFERENCE WITH R. SHEETS RE: UPDATE; RECEIVE AND REVIEW EXHIBIT H (TRANSITION INTERLOCAL AGREEMENT) FROM G. GARRETT.</td>
<td>AMD</td>
<td>6.0</td>
<td>810.00</td>
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<tr>
<td>02-21-03</td>
<td>WORK SESSION RE: INTERLOCAL AGREEMENT; PHONE CONFERENCE WITH MONROE COUNTY ATTORNEY’S OFFICE RE: AMENDMENTS.</td>
<td>TEL</td>
<td>1.5</td>
<td>262.50</td>
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KEY LARGO WASTEWATER TREATMENT DISTRICT  
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March 12, 2003

Steering Committee
Water Quality Protection Program
Florida Keys National Marine Sanctuary

Dear Steering Committee Members:

The purpose of this letter is to transmit the draft minutes of the August 14, 2002, Steering Committee meeting. Please review the minutes and the other enclosures provided herewith before the next Steering Committee meeting scheduled for April 3, 2003, at the Garden Club in Marathon, Florida.

I am also enclosing for your review the revised draft agenda for the upcoming meeting, an updated Steering Committee membership list, and the proposed FY 2004 budget for the Water Quality Protection Program.

If you have any questions or comments concerning the minutes or the other enclosures, please do not hesitate to contact me at the address above, call (404) 562-9385, send a fax to (404) 562-9343, or send an e-mail to mcmanus.fred@epa.gov.

Sincerely,

Fred McManus
Florida Keys Coordinator

Enclosures (4)

cc: Management Committee
FLORIDA KEYS NATIONAL MARINE SANCTUARY
Water Quality Protection Program Steering Committee Meeting

August 14, 2002
Marathon Garden Club

DRAFT MINUTES


I. Opening Remarks: Jimmy Palmer – Regional Administrator, U.S. Environmental Protection Agency, Region 4 and Richard W. Cantrell – Director, Fort Myers District, Florida Department of Environmental Protection

Chair Palmer introduced himself as someone familiar with coastal wastewater/growth issues and welcomed all those present, thanking the meeting organizers, and the State of Florida for their presence representing Secretary David Struhs. He introduced Rick Cantrell as his co-chair for the meeting.

Rick Cantrell, on behalf of Deputy Secretary Bedwell, recognized Mimi Drew, Director of the Division of Water Resources, Geof Mansfield of the same division in Tallahassee and Gus Rios the Branch Office Manager for FDÉP in Marathon.

Chair Palmer welcomed two new members to the Steering Committee, Dixie Spehar from the Board of County Commissioners of Monroe County and George Geisler from the Village Council of Islamorada, Village of Islands. He invited Committee members to introduce themselves.

A. Discussion and Approval of Minutes: Jimmy Palmer

The Minutes were approved upon motion as presented, without discussion.

B. Review and Take Action on the City of Marathon’s Request that a Representative of the City be Allowed to Sit on the Steering Committee: Fred McManus – Florida Keys Coordinator, U.S. EPA, Region 4

Fred McManus thanked the Steering Committee for their work through the years and achievements associated with the implementation of Water Quality Protection Program. He referred to the April 3, 2002 letter from Craig Wrathell, City Manager for Marathon to Mimi Drew, acting co-chair at the Steering Committee meeting of the same date, requesting that a member of the City Council be allowed to sit on the Steering Committee. He noted that the amended Committee bylaws provide for the situation, and
a precedent exists. He therefore recommended that the Steering Committee entertain the motion to approve the request.

Upon motion and following brief discussion, the request was carried unanimously by voice vote, and Councilman Pete Worthington of the City of Marathon took his seat on the Steering Committee.

C. Review Agenda: Fred McManus

Fred McManus reviewed the agenda, and specifically noted that Item II - FY 2003 Budget is a carry over from the last agenda. He described correspondence with Dan Basta which lead to the inclusion of a review of the status of wastewater upgrades in the two years since the completion of the Monroe County Wastewater Master Plan.

Mr. McManus said that he has asked presenters for each agenda item to identify major impediments to the implementation of the Master Plan in a timely manner for that particular project. He informed the Committee that he and Dr. Bill Kruzychnski intend to produce a list of impediments by the end of the meeting with a view to developing strategies, after discussion, for solving those problems.

Jim Reynolds, on behalf of the Florida Keys Aqueduct Authority, requested that members of the Steering Committee support a resolution on behalf of FKAAA, regarding the elimination of the requirement of FKAAA to act under the Administrative Procedure Act, Chapter 120, Florida Statutes. The item was added to the agenda.

Karl Lessard requested and was granted five minutes at the end of the meeting.

II. Review the Proposed FY 2003 Budget for the Water Quality Protection Program: Fred McManus

Fred McManus presented the Budget for FY2003. He noted the continuation of funding for all the long-term comprehensive monitoring projects, education and outreach, and the citizens water quality monitoring project, as well as the addition, upon request by the Steering Committee at the last meeting, for adequate funds for the Special Studies Program, despite a budget reduction. He pointed out that over 62% of EPA Region 4 funds for the South Florida Geographic Initiative are dedicated to the Water Quality Protection Program for the FKNMS. Mr. McManus described the funding provided by each agency as well as the cumulative investments for the lifetime of the Program, with an accounting of the scope and the outcomes of the Program, which are available through individual monitoring websites. He informed the Committee that the Florida Marine Research Institute (FMRI) is the data
management entity for the Program. FMRI provides an executive summary to the Committee on an annual basis.

Upon motion, the budget was unanimously approved as presented by voice vote without discussion.

III. Discuss Next Steps in the Process of Review of the Florida Keys Carrying Capacity Study: Jim Duck, U.S. Army Corps of Engineers

Jim Duck said that criticism of the model was due to the inability to model nearshore waters in the Keys and that a canal analysis model has been substituted, which is to be incorporated in a final draft for review by early October.

Bill Kruczynski, while commending the Corps and DCA for their initial ambitious undertaking and subsequent responsiveness to review by the National Academy of Sciences panel, observed that the new loading analysis of wastewater and storm water into ten representative canal systems in the Keys has not been subject to any review. He recognized that in the absence of funds on the part of the Corps and DCA, EPA and The Nature Conservancy have developed a consortium of agency and non-profit organizations willing to finance an additional review. The consortium has produced a Scope of Work for distribution to the Committee.

Charlie Causey, after affirmation of general Corps support for further review, read the Resolution. He observed that the principal message is that it is a supplement to the work completed by the Corps and DCA that is essential for the credibility of the Study and will bring it to conclusion.

Dr. Kruczynski clarified, upon questioning, that the date for completion of the NAS review panel report is December 2002, and that its mandate is to ensure that tasks and recommendations made by the original NAS panel are incorporated into the final document.

Jim Quinn requested clarification concerning the informal group of stakeholders mentioned by Mr. Duck, versus a panel of experts from NAS as the medium for review. Dr. Kruczynski explained that the NAS panel will prepare a final report for distribution to the project sponsors, the Corps and DCA, for their final comments. Dan Basta asked if this proposed Scope of Work is the appropriate point to include the planners for whom the model is intended and Dr. Kruczynski responded that after further refinement a workshop between users and the panel is likely.

Rick Cantrell expressed concern about endorsing an unspecific Scope of Work with funds from the budget just approved. Mr. Causey opined that only areas
of concern to the original NAS panel would be reviewed, along with the new canal study and offered sponsorship of a final review on behalf of the Florida Keys Environmental Fund.

Jody Thomas of The Nature Conservancy was recognized by the Chair, and clarified that the intention of the consortium is to see how the recommendations of the NAS reviewers have been incorporated into the document and to assess the new work. She stated that there is sufficient funding for the entire original NAS review panel.

Mr. Quinn expressed concern that the State DCA and Corps might be bound by some decision from the Steering Committee. Dr. Kruczynski assured him that the Committee is an advisory body that provides guidance through the membership of representatives of all stakeholders in the Florida Keys at the federal, State, regional and local level, as well as public representation.

Chair Palmer commented on the discussion and presented the Committee with the option for interested parties to revisit the language of the Resolution during recess and bring the matter back before the full Committee after public comment for further action.

IV. Monroe County Wastewater Master Plan

A. Brief Review of Process of Development and Approval:
George Garrett – Director, Monroe County Department of Marine Resources

George Garrett presented the report entitled, “Workshop on Wastewater Management Implementation”.

Mr. Garrett listed three issues that he believed impeded timely implementation of the Monroe County Wasterwater Master Plan:

- political resolve and agreement over philosophical issues, as to whether wastewater improvements should be big systems or small systems; the Master Plan primarily suggests large/centralized systems
- funding; who pays for the costly systems
- wide differences in public opinion over political issues

He added that there is still a perception in some sectors of the public that there is no water quality problem in the Keys and also that there are still some legal issues surrounding the technicalities of adoption of F.S. Chapter 99-395.

Mr. Causey revisited the Key Largo RFP process and observed that funding is the major issue throughout the Keys. He voiced the opinion that State unmet needs money should be spent on hotspot projects until federal funding becomes
available for larger projects. He expressed concern about the financial impact of implementing wastewater projects on the lowest income sector of the community. Discussion among group members followed concerning the learning process in implementing the Master Plan incrementally, environmental justice issues, and the impact on small businesses.

V. Update on the Little Venice Wastewater Management System/EPA Title II Construction Grant: Roger Braun, Executive Director, Florida Keys Aqueduct Authority

Mr. Braun reviewed a handout that described the chronological sequence of events concerning the Little Venice project and its present status.

VI. Status of Request for Proposals (RFP) for a Wastewater Management System for the City of Marathon: Jack Teague – Wastewater Administrator, Florida Keys Aqueduct Authority, Jim Reynolds, Florida Keys Aqueduct Authority and Craig Wrathell – City Manager, City of Marathon.

Mr. Teague said that the State Revolving Fund loan will serve as the structure for the RFP for a city-wide system for the City of Marathon.

Mr. Wrathell stated that the City of Marathon is working on an ordinance to implement a city-wide central wastewater system in a three or four phase approach.

Mr. Reynolds noted that the Aqueduct Authority is proceeding with a bond validation for borrowing money from the State for the entire project, and that there is a court hearing scheduled.

Mr. Causey asked whether an RFP will go out before funding is secured. Mr. Wrathell said that is an engineering problem and that probably the goal is for an overall larger design with a phased approach for the plant.

VII. Report on Islamorada’s Wastewater Activities: Councilman George Geisler – Islamorada, Village of Islands

Councilman Geisler presented a detailed report to the Steering Committee. He added that a grant application has been made for hookup costs for lower income people, and that water re-use will be a priority in this project.

VIII. Status and Effect of Establishment of Key Largo Sewer Board: Jim Roberts – County Administrator and Wastewater Point Person, Monroe County

Mr. Roberts identified the principle impediment in going ahead with wastewater treatment in the County: “money”. He said that through his
collaboration with the Aqueduct Authority point person, Mary Rice, progress is being made. The County is paying the Aqueduct costs for producing designs and putting out RFPs for the reduced Key Largo project with the $6 million in FEMA money and $1.66 million in State money. He noted that the County has already purchased the property for the plant.

Mr. Roberts described the formation of a separate Key Largo Sewer District through State legislation; the District will be represented by five elected officials and have responsibility for implementing the entire wastewater program in Key Largo. The County and FKAA are moving ahead rapidly on the design of the Key Largo project in order to utilize available funding before it expires. He discussed the options facing the newly elected Board, particularly if the electorate does not approve the referendum for taxes to fund the District. The County Commission has shown support for the creation of assistance to the District Board and there is a cooperative agreement pending with FKAA. He noted that State legislation Section 15 determines that if the District is terminated, any property interest of any kind becomes the property of the County.

Discussion followed concerning hookup costs for low income citizens and monthly operating costs.

IX. Status of EPA Grant ($3.8 Million) to Monroe County for Innovative Decentralized Wastewater Demonstration Project: Bob Freeman – EPA, Region 4

Mr. Freeman discussed the background of the demonstration grant project, which was included in EPA fiscal year 2000 appropriations legislation, eventually for a grant of $3.8 million to Monroe County. He said that it was a grant for the demonstration of decentralized management of decentralized systems, including septic, onsite and clustered systems, since approximately 25% of all households in the US are served by these systems. There is a lack of management for these systems. The consensus within Monroe County is that FKAA is the likely management entity for wastewater, with EPA providing management guidelines, specifically an Onsite Wastewater Treatment Systems Package. Discussion followed and Mr. Freeman recommended that the Committee support the County staff in working with FKAA on what EPA has identified as an “innovation initiative”. Chair Palmer said that it is important to move ahead with this initiative in order to make the resources available. Mr. Reynolds added that FKAA is interested in doing things for the County in the most cost effective manner.

Mr. Teague reviewed the current status. He said that a bond validation law suit has been filed for August 26, 2002.

Mr. Mansfield noted that although there is some uncertainty concerning the constitutionality of 99-395, there is a lot of case law to support it.

**XI. Current Status of the Deutsch Legislation, HR 673, $100M to Support Upgrades to Wastewater and Storm Water Infrastructure:**

Cheryl Ulrich – Project Management Division, U.S. Army Corps Of Engineers and Rhonda Haag – South Florida Water Management District

Ms. Ulrich gave a PowerPoint presentation. She mentioned that as part of the NEPA process a Draft Programmatic Environmental Impact Statement has to be published in the Federal Register before the Project Cooperation Agreement can be executed between the Army Corps of Engineers and the South Florida Water Management District. This can only occur after a construction appropriation has been made by Congress, which can be as little as one dollar, and needs to take place before July 2003. She recommended that the Steering Committee merge with representatives from the Monroe County Intergovernmental Task Force, and introduced the new Project Manager for the Keys area, Shelley Trulock.

Ms. Haag said that this project is separate from CERP projects, but will be following on the same guidelines. She recommended that a sub-group from the Steering Committee combine with members of the Intergovernmental Task Force to form a Project Delivery Team (PDT) for the Water Management District to assist in prioritizing Corps projects. Discussion concerned a mechanism for getting a “dollar” into the appropriations bill, and it was clarified that South Florida Water Management District, as the non-federal sponsor, and Monroe County are the appropriate bodies, since government agencies cannot lobby for their own funds. Further discussion concerned the role of the proposed PDT in the process, timeliness and bylaws of the Steering Committee. Chair Palmer expressed reservations about decisions taken by the sub-committee reflecting the views of the full Committee.

Mr. Quinn moved that the Steering Committee approve the Resolution distributed by Ms. Haag, with Mr. Causey’s amendment to remove paragraph 6. Mr. Neugent seconded the Motion and moved to lay it on the table. Upon being seconded, this was unanimously approved.

**XI. A. Status of State Funding for Wastewater Upgrades in the Florida Keys:** Geof Mansfield – Florida Department of Environmental Protection
Mr. Mansfield reviewed a handout with the Committee. He said that agencies responsible to the Governor’s Office need to convene and agree on an approach to be taken with respect to pursuing an appropriation. He noted that the $11.8M in matching funds from the State is a single-year appropriation for local construction projects. All requirements of F.S. Chapter 99-395 need to be in place by March 1, 2003. Discussion concerned funding and compliance in Monroe County. Mr. Mansfield clarified that within the State of Florida, Monroe County is collectively better-off, and that the State will ensure that whatever money is made available is distributed in the most rational way.

XII. Public Comment Period

Dee Von Quirolo of Reef Relief made comments supportive of the Steering Committee. She said that the most important thing to protect coral reefs is improved water quality through advanced wastewater treatment systems. She said she is in favor of bonding as a local funding mechanism. She noted the implementation of a Storm Water Plan for the City of Key West and the establishment of a No Discharge Zone in State waters of the Florida Keys National Marine Sanctuary. She said that there is a need for a final peer review of the Florida Keys Carrying Capacity Study.

Mary Rice of the Florida Keys Aqueduct Authority said that the Authority will bring before the Committee some procedural information about Florida Statute 120, which is currently an impediment to moving forward with wastewater projects. She requested that the Committee give consideration to the Authority’s proposal.

Jerry Wilkinson, a candidate for the Key Largo Wastewater Board, reviewed some of the forthcoming issues before the electorate and the proposed Board regarding funding.

Roger Braun of the Florida Keys Aqueduct Authority mentioned economies of scale with regard to smaller projects. He said that most of the funding sources deal with capital costs and that one of the potential obstacles to be observed is “cost reasonableness” of the smaller projects with regard to the monthly service fee.

Debbie Harrison with the Florida Keys Program of the World Wildlife Fund said regarding the Florida Keys Carrying Capacity Study that it is important not to compromise the $250,000 that went to the National Academy of Sciences panel, nor the $6M analysis. She said that an independent review of the final draft is imperative.

Ms. Harrison said regarding the Florida Keys Water Quality Improvement Act that the cost in the Keys of improving water quality is higher because of the
need for lower nutrient level standards in wastewater than other communities are required to meet. She said that the additional $1 appropriation is unfair to the State and to local communities and asked the Committee to consider recommending that the Army Corps of Engineers eliminate the $1.

Ed Schrank with EarthSaver Systems said that his company provides on-site wastewater treatment up to AWT standards that can handle surges in the system and can dispose of the effluent through irrigation reuse.

Chris Schrader of the Islamorada Water Quality Advisory Committee asked Mr. Mansfield whether the State grant money was only for AWT; if systems under 100,000 gallons per day are used would the 10-10-10-1 standard apply?

Mr. Mansfield said that the requirement is in addition to F.S. Chapter 99-395; for systems under 100,000 gallons a day the 10-10-10-1 standard applies; for systems greater than 100,000 gallons a day 5-5-3-1 standard applies.

XIV. Results from Ongoing Little Venice Canal Monitoring Project:
Fred McManus – U.S. EPA, Region 4

Mr. McManus reviewed the project and said that over the course of a year of weekly sampling at 9 sites there have been 26 exceedences of the EPA recommended standard for enterococcus. Overall there have been exceedences of the States water quality standards for fecal coliform bacteria. Enterococcus and nutrient levels in the canals were elevated relative to near-shore waters. He said that the heads of the canal systems have higher levels of nutrients relative to the mouths of those canals and that after completion of the construction of the Little Venice wastewater management system, it is predicted that these levels will go down.

XV. Review New Scientific Information Regarding Effects of Pathogens Associated with Wastewater on Corals: Bill Kruczynski - U.S. EPA, Region 4

Dr. Kruczynski reviewed a recent article in the National Academy of Sciences Journal which summarizes work done by a group from the University of Georgia, who have isolated the bacterial pathogen of a coral disease, white pox, afflicting elkhorn corals in the Florida Keys. He described the coral monitoring program in the Florida Keys National Marine Sanctuary that has detected a 38% decline in live coral cover since 1996, with 70% loss of the major reef building elkhorn coral. Dr. Kruczynski discussed stressors other than disease that may be contributing to this decline.

A. Additional/Future Studies: Bill Kruczynski

Dr. Kruczynski said that there is $300,000 in the budget this year for Special Studies, which upon the recommendation of the Technical
Advisory Committee will go towards determining the causes of biological decline system-wide. A list of prioritized research projects, drawn from the Draft Science Plan for the Sanctuary, will be taken to the Technical Advisory Committee in the Fall, with recommendations that funding go towards research on:

- coral diseases
- mosquito spraying and the effects of spraying on non-target organisms
- public health issues in nearshore waters.

Discussion concerned the effects of turbidity on corals and data from monitoring stations.

Deferred Items: Carrying Capacity

Mr. Quinn referred to the three-page Resolution that has been revised. He said that consensus has been reached on the focus of the review which is to be the recommendations that came out of the National Academy of Sciences study and the new module that has not been reviewed by the NAS panel. The Corps of Engineers and the Department of Community Affairs (DCA) agreed to cooperate with the review. Jody Thomas volunteered The Nature Conservancy to take the lead on issuing contracts for a total of $20-25,000 to the same panel members to complete a final review.

Dr. Kruczynski said that changes have been made to the Resolution and that the Scope of Work will be determined after this meeting, involving DCA and the Corps of Engineers. He stated that $5,000 will come from EPA, $5,000 from The Nature Conservancy, $10,000 from the South Florida Water Management District, $1,000 from The Ocean Conservancy, and that NOAA will also contribute.

Commissioner Spehar moved that the Committee pass the revised Resolution as presented. The motion was seconded by Mr. Botten and passed unanimously upon voice vote.

Deferred Items: Project Delivery Team

Chair Palmer moved to take the PDT initiative off the table for consideration. The motion was seconded by Councilman Geisler and passed unanimously upon voice vote.

Ms. Haag detailed wording changes and deletions that have been made to the Resolution. Further discussion followed to clarify the language.

Mr. Neugent, upon the recommendation of Chair Palmer to offer a substitute motion, moved to accept the entire revised resolution. The motion was seconded
by Mr. Basta and passed unanimously upon voice vote.

XVI. Identify and Discuss Factors that have Impeded the Implementation Of the Monroe County Wastewater Master Plan and/or Delayed Upgrades to Inadequate Wastewater Infrastructure: Steering Committee, Staffs, and Other Attendees

Dr. Kruczynski presented a list of impediments derived from discussions in the morning:

- political resolve
- public opinion
- funding
- legal issues
- lack of suitable contractors
- scale of income vs. costs (impact on small businesses)
- managing onsite systems

Discussion followed, and composition of the Steering Committee and interagency conflict were added to the list. Further discussion followed regarding the use of environmental degradation (ghost of growth) as a growth management tool and the effects of the tourism industry on the environment. Conflict between State and federal regulations concerning matching funds was also added to the list.

Mr. Basta noted the difficulty of isolating wastewater as an issue in the Keys and asked how the list of impediments can be related to this difficulty and pondered the role of the Steering Committee with regard to this complex issue. He posed the question, “How do we get the most out of every dollar that is coming through the process?” He suggested using a Venn diagram; that the numerous agencies and entities involved in implementing the County Wastewater Master Plan have different priorities. He proposed, through the development of a priority matrix, the formation of an integrated system of priorities and outlined the process for arriving at that system.

Mr. Basta recommended to the Steering Committee the creation of an additional subcommittee or working group to implement a resolution process for the impediments to funding, with a view to attracting funding for wastewater projects in the Keys. He clarified that the Steering Committee should be developing an overall strategy to implement the Wastewater Master Plan, given the context that it now reflects all the agency perspectives and federal funding caps.

Discussion followed concerning the need to take immediate action, the possibility of filling in the matrix, and recommendations to the Army Corps and EPA to undertake an integration project. Mr. Basta clarified that his proposal and the Army Corps/SFWMD Project Cooperation Agreement are different. Further discussion followed regarding appropriate staff to undertake the project. A
proposal was made to both integrate priorities while at the same time use existing funds for immediate projects.

Chair Palmer asked if a Critical Path Chart has been drawn up detailing federal funding, State funding and the respective time lines, and if not, then EPA could undertake to do this. Mr. Basta clarified that matching requirements manifest themselves in specific projects. Discussion followed concerning prioritization of projects for funds as they become available and the need for a time frame. It was agreed to hold the next meeting in early October, if necessary. Discussion followed concerning the composition of the PDT.

Chair Palmer clarified that, while government employees may not lobby Congress, local officials can lobby legislators to put their projects in the EPA non-discretionary budget as an earmark.

**Deferred Items: Aqueduct Authority Request to Consider Chapter 120**

Mr. Reynolds detailed the proposed changes to legislation regulating FKAA operations, making it more of a resolution rule adoption agency, while still allowing the public the same access to the Governing Board. He agreed to defer requesting action on the part of the Steering Committee to the next meeting.

**Deferred Items: Mr. Karl Lessard**

Mr. Lessard resigned from the Committee to pursue personal interests after 10 years of service on the Committee. He has also served on the Florida Keys National Marine Sanctuary Advisory Council, the Gulf of Mexico Fisheries Management Council, and the Governor's Coastal Advisory Committee. Chair Palmer thanked him on behalf of the Committee.

**XVII. Public Comment Period**

**Nancy Klingener**, Florida Keys Program Manager of The Ocean Conservancy and member of the Sanctuary Advisory Council thanked the Committee, especially those who had traveled long distances to attend the meeting, for actions taken today and for the commitment to the Keys which aids Keys residents.

**Jody Thomas**, Director of the Florida Keys Program of The Nature Conservancy and member of the Sanctuary Advisory Council thanked the Committee for focusing on the wastewater issue at this meeting. She noted the spirit of cooperation at the meeting which will make lobbying for wastewater funding at the federal level a more serious proposition. She also thanked Karl Lessard for his many years of service.
XVIII. Adjourn

Chair Palmer thanked all participants in closing remarks and adjourned the meeting at 4:42 p.m.
# FLORIDA KEYS NATIONAL MARINE SANCTUARY
# WATER QUALITY PROTECTION PROGRAM

## STEERING COMMITTEE MEETING

April 3, 2003

Marathon Garden Club
Mile Marker 49.7 - 5270 Overseas Highway, Marathon, Florida 33050

## REVISED DRAFT AGENDA - 3/7/03

### Thursday

8:30  I. **Opening Remarks:** Mr. Rick Cantrell - Director, Fort Myers District, Florida Department of Environmental Protection and Mr. Jim Giattina - Director, Water Management Division, U.S. Environmental Protection Agency, Region 4

A. **Discussion and Approval of Minutes:** Mr. Rick Cantrell - Steering Committee Vote

B. **Review Agenda:** Mr. Rick Cantrell

9:00  II. **Annual Reports on the Comprehensive Monitoring Projects for the Florida Keys National Marine Sanctuary:** Mr. Fred McManus - U.S. EPA, Region 4

A. **Water Quality Monitoring Projects:** Dr. Joe Boyer - Florida International University

B. **Seagrass Monitoring Project:** Dr. Jim Fourqurean - Florida International University

C. **Coral Reef Evaluation and Monitoring Project:** Mr. Walt Jaap - Florida Marine Research Institute

10:00 III. **Report on the Florida Keys National Marine Sanctuary Zone Monitoring Program:** Mr. Billy Causey - NOAA/Florida Keys National Marine Sanctuary

10:20 IV. **Report on Florida Keys Watch Program:** Mr. Brad Rosov - The Nature Conservancy

10:40 V. **Update on the FY 2003-2004 Round of Special Studies Associated with the Water Quality Protection Program for the Florida Keys National Marine Sanctuary:** Dr. Bill Kruczynski - U.S. EPA, Region 4

11:00 VI. **Update on the Florida Keys Carrying Capacity Study:** Mr. Jim Duck - U.S. Army Corps of Engineers, Dr. Bill Kruczynski - U.S. EPA, Region 4, and a Representative of the Carrying Capacity Technical Review Panel
11:30 VII. Public Comment Period

12:00 VIII. Lunch Break

1:15 IX. Review the Proposed FY 2004 Budget for the Water Quality Protection Program: Mr. Fred McManus - U.S. EPA, Region 4, Steering Committee Vote

1:30 X. Current Status of Deutsch Legislation, HR 673 ($100 Million to Support Upgrades to Wastewater and Storm Water Infrastructure) and Section 109 of Public Law 106-554 (Florida Keys Water Quality Improvements Program): Ms. Shelley Trulock - U.S. Army Corps of Engineers

A. Status of State Funding for Wastewater Upgrades in the Florida Keys: Mr. Geof Mansfield/Mr. Dick Smith - Florida Department of Environmental Protection

B. Status of EPA Grant ($3.8 Million) to Monroe County for Innovative Decentralized Wastewater Demonstration Project: Mr. Bob Freeman - EPA, Region 4

C. General Discussion on Possible Future Funding Sources/Opportunities/Activities: All Attendees

2:00 XI. Report on Activities of the Florida Keys Water Quality Improvements Program Delivery Team: Ms. Cecelia Weaver - South Florida Water Management District

2:15 XII. Report on the Establishment of a Florida Keys Wastewater/Storm Water Workgroup: Mr. Fred McManus - U.S. EPA, Region 4

2:30 XIII. Status of Implementation of the Monroe County Wastewater Master Plan: Mr. George Garrett - Director, Monroe County Department of Marine Resources

2:45 XIV. Update on the Little Venice Wastewater Management System/EPA Title II Construction Grant: Mr. Jack Teague - Florida Keys Aqueduct Authority

3:00 XV. Status of Request for Proposals (RFP) for a Wastewater Management System for the City of Marathon: Mr. Jack Teague - Florida Keys Aqueduct Authority and Mr. Scott Jenke - City Manager, City of Marathon

3:30 XVI. Report on Islamorada's Wastewater and Storm Water Activities: Councilman George Geisler - Islamorada, Village of Islands

3:45 XVII. Status of the Key Largo Sewer Board and Associated Activities: Mr. Robert Sheets - Key Largo Wastewater Treatment District
4:00 XVIII. Update on Status of Legal Concerns/Challenges Associated with F.S. Chapter 99-395 (Wastewater Treatment Requirements - 10 -10 -10 -1): Mr. Jack Teague - Florida Keys Aqueduct Authority and Mr. Geof Mansfield - Florida Department of Environmental Protection

4:15 XIX. Status of Key West Storm Water Plan: Mr. Gus Rios - Florida Department of Environmental Protection and David Fernandez - City of Key West

4:30 XX. Public Comment Period

5:00 XXI. Adjourn
WATER QUALITY PROTECTION PROGRAM
FOR THE
FLORIDA KEYS NATIONAL MARINE SANCTUARY

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WATER QUALITY PROTECTION PROGRAM
FLORIDA KEYS NATIONAL MARINE SANCTUARY

Proposed FY 2004 Budget

- Water Quality Monitoring - EPA
  Monroe County/FKTDC $250,000
  SFWMD $100,000
- Coral Reef Monitoring - EPA - 2 Quarters $177,500
  NOAA - 2 Quarters $177,500
- Seagrass Monitoring - EPA - 2 Quarters $115,000
  NOAA - 2 Quarters $105,000
- Data Management - EPA $60,000
- Florida Keys Office - EPA $5,000
- Public Education/Outreach - EPA $30,000
- Florida Keys Watch - EPA $25,000
- SEAKEYS Project - EPA $25,000
- Special Studies - EPA $300,000
  FDEP $100,000
  Total $1,570,000

EPA Total - $987,500 - 62.89%
NOAA Total - $282,500 - 17.99%
Monroe County Total - $100,000 - 6.37%
SFWMD Total - $100,000 - 6.37%
FDEP Total - $100,000 - 6.37%

EPA South Florida Geographic Initiative Funds
FY 2003 Funds Available - $1,600,400?
WQPP - 61.70%
FLORIDA KEYS NATIONAL MARINE SANCTUARY
Water Quality Protection Program Steering Committee Meeting

August 14, 2002
Marathon Garden Club

DRAFT MINUTES


I. Opening Remarks: Jimmy Palmer – Regional Administrator, U.S. Environmental Protection Agency, Region 4 and Richard W. Cantrell – Director, Fort Myers District, Florida Department of Environmental Protection

Chair Palmer introduced himself as someone familiar with coastal wastewater/growth issues and welcomed all those present, thanking the meeting organizers, and the State of Florida for their presence representing Secretary David Struhs. He introduced Rick Cantrell as his co-chair for the meeting.

Rick Cantrell, on behalf of Deputy Secretary Bedwell, recognized Mimi Drew, Director of the Division of Water Resources, Geof Mansfield of the same division in Tallahassee and Gus Rios the Branch Office Manager for FDEP in Marathon.

Chair Palmer welcomed two new members to the Steering Committee, Dixie Spehar from the Board of County Commissioners of Monroe County and George Geisler from the Village Council of Islamorada, Village of Islands. He invited Committee members to introduce themselves.

A. Discussion and Approval of Minutes: Jimmy Palmer

The Minutes were approved upon motion as presented, without discussion.

B. Review and Take Action on the City of Marathon’s Request that a Representative of the City be Allowed to Sit on the Steering Committee:
Fred McManus – Florida Keys Coordinator, U.S. EPA, Region 4

Fred McManus thanked the Steering Committee for their work through the years and achievements associated with the implementation of Water Quality Protection Program. He referred to the April 3, 2002 letter from Craig Wrathell, City Manager for Marathon to Mimi Drew, acting co-chair at the Steering Committee meeting of the same date, requesting that a member of the City Council be allowed to sit on the Steering Committee. He noted that the amended Committee bylaws provide for the situation, and
a precedent exists. He therefore recommended that the Steering Committee entertain the motion to approve the request.

Upon motion and following brief discussion, the request was carried unanimously by voice vote, and Councilman Pete Worthington of the City of Marathon took his seat on the Steering Committee.

C. Review Agenda: Fred McManus

Fred McManus reviewed the agenda, and specifically noted that Item II - FY 2003 Budget is a carry over from the last agenda. He described correspondence with Dan Basta which lead to the inclusion of a review of the status of wastewater upgrades in the two years since the completion of the Monroe County Wastewater Master Plan.

Mr. McManus said that he has asked presenters for each agenda item to identify major impediments to the implementation of the Master Plan in a timely manner for that particular project. He informed the Committee that he and Dr. Bill Kruczynski intend to produce a list of impediments by the end of the meeting with a view to developing strategies, after discussion, for solving those problems.

Jim Reynolds, on behalf of the Florida Keys Aqueduct Authority, requested that members of the Steering Committee support a resolution on behalf of FKAA, regarding the elimination of the requirement of FKAA to act under the Administrative Procedure Act, Chapter 120, Florida Statutes. The item was added to the agenda.

Karl Lessard requested and was granted five minutes at the end of the meeting.

II. Review the Proposed FY 2003 Budget for the Water Quality Protection Program: Fred McManus

Fred McManus presented the Budget for FY2003. He noted the continuation of funding for all the long-term comprehensive monitoring projects, education and outreach, and the Citizens Water Quality Monitoring Project, as well as the addition, upon request by the Steering Committee at the last meeting, for adequate funds for the Special Studies Program, despite a budget reduction. He pointed out that over 62% of EPA Region 4 funds for the South Florida Geographic Initiative are dedicated to the Water Quality Protection Program for the FKNMS. Mr. McManus described the funding provided by each agency as well as the cumulative investments for the lifetime of the Program, with an accounting of the scope and the outcomes of the Program, which are available through individual monitoring websites. He informed the Committee that the Florida Marine Research Institute (FMRI) is the data
management entity for the Program. FMRI provides an executive summary to the Committee on an annual basis.

Upon motion, the budget was unanimously approved as presented by voice vote without discussion.

III. Discuss Next Steps in the Process of Review of the Florida Keys Carrying Capacity Study: Jim Duck, U.S. Army Corps of Engineers

Jim Duck said that criticism of the model was due to the inability to model nearshore waters in the Keys and that a canal analysis model has been substituted, which is to be incorporated in a final draft for review by early October.

Bill Kruczynski, while commending the Corps and DCA for their initial ambitious undertaking and subsequent responsiveness to review by the National Academy of Sciences panel, observed that the new loading analysis of wastewater and storm water into ten representative canal systems in the Keys has not been subject to any review. He recognized that in the absence of funds on the part of the Corps and DCA, EPA and The Nature Conservancy have developed a consortium of agency and non-profit organizations willing to finance an additional review. The consortium has produced a Scope of Work for distribution to the Committee.

Charlie Causey, after affirmation of general Corps support for further review, read the Resolution. He observed that the principal message is that it is a supplement to the work completed by the Corps and DCA that is essential for the credibility of the Study and will bring it to conclusion.

Dr. Kruczynski clarified, upon questioning, that the date for completion of the NAS review panel report is December 2002, and that its mandate is to ensure that tasks and recommendations made by the original NAS panel are incorporated into the final document.

Jim Quinn requested clarification concerning the informal group of stakeholders mentioned by Mr. Duck, versus a panel of experts from NAS as the medium for review. Dr. Kruczynski explained that the NAS panel will prepare a final report for distribution to the project sponsors, the Corps and DCA, for their final comments. Dan Basta asked if this proposed Scope of Work is the appropriate point to include the planners for whom the model is intended and Dr. Kruczynski responded that after further refinement a workshop between users and the panel is likely.

Rick Cantrell expressed concern about endorsing an unspecific Scope of Work with funds from the budget just approved. Mr. Causey opined that only areas
of concern to the original NAS panel would be reviewed, along with the new canal study and offered sponsorship of a final review on behalf of the Florida Keys Environmental Fund.

Jody Thomas of The Nature Conservancy was recognized by the Chair, and clarified that the intention of the consortium is to see how the recommendations of the NAS reviewers have been incorporated into the document and to assess the new work. She stated that there is sufficient funding for the entire original NAS review panel.

Mr. Quinn expressed concern that the State DCA and Corps might be bound by some decision from the Steering Committee. Dr. Kruczynski assured him that the Committee is an advisory body that provides guidance through the membership of representatives of all stakeholders in the Florida Keys at the federal, State, regional and local level, as well as public representation.

Chair Palmer commented on the discussion and presented the Committee with the option for interested parties to revisit the language of the Resolution during recess and bring the matter back before the full Committee after public comment for further action.

IV. Monroe County Wastewater Master Plan

A. Brief Review of Process of Development and Approval:
George Garrett – Director, Monroe County Department of Marine Resources

George Garrett presented the report entitled, “Workshop on Wastewater Management Implementation”.

Mr. Garrett listed three issues that he believed impeded timely implementation of the Monroe County Wastewater Master Plan:

- political resolve and agreement over philosophical issues, as to whether wastewater improvements should be big systems or small systems; the Master Plan primarily suggests large/centralized systems
- funding; who pays for the costly systems
- wide differences in public opinion over political issues

He added that there is still a perception in some sectors of the public that there is no water quality problem in the Keys and also that there are still some legal issues surrounding the technicalities of adoption of F.S. Chapter 99-395.

Mr. Causey revisited the Key Largo RFP process and observed that funding is the major issue throughout the Keys. He voiced the opinion that State unmet needs money should be spent on hotspot projects until federal funding becomes
available for larger projects. He expressed concern about the financial impact of implementing wastewater projects on the lowest income sector of the community. Discussion among group members followed concerning the learning process in implementing the Master Plan incrementally, environmental justice issues, and the impact on small businesses.

V. **Update on the Little Venice Wastewater Management System/EPA Title II Construction Grant:** Roger Braun, Executive Director, Florida Keys Aqueduct Authority

Mr. Braun reviewed a handout that described the chronological sequence of events concerning the Little Venice project and its present status.

VI. **Status of Request for Proposals (RFP) for a Wastewater Management System for the City of Marathon:** Jack Teague – Wastewater Administrator, Florida Keys Aqueduct Authority, Jim Reynolds, Florida Keys Aqueduct Authority and Craig Wrathell – City Manager, City of Marathon.

Mr. Teague said that the State Revolving Fund loan will serve as the structure for the RFP for a city-wide system for the City of Marathon.

Mr. Wrathell stated that the City of Marathon is working on an ordinance to implement a city-wide central wastewater system in a three or four phase approach.

Mr. Reynolds noted that the Aqueduct Authority is proceeding with a bond validation for borrowing money from the State for the entire project, and that there is a court hearing scheduled.

Mr. Causey asked whether an RFP will go out before funding is secured. Mr. Wrathell said that is an engineering problem and that probably the goal is for an overall larger design with a phased approach for the plant.

VII. **Report on Islamorada’s Wastewater Activities:** Councilman George Geisler – Islamorada, Village of Islands

Councilman Geisler presented a detailed report to the Steering Committee. He added that a grant application has been made for hookup costs for lower income people, and that water re-use will be a priority in this project.

VIII. **Status and Effect of Establishment of Key Largo Sewer Board:** Jim Roberts – County Administrator and Wastewater Point Person, Monroe County

Mr. Roberts identified the principle impediment in going ahead with wastewater treatment in the County: “money”. He said that through his
collaboration with the Aqueduct Authority point person, Mary Rice, progress is being made. The County is paying the Aqueduct costs for producing designs and putting out RFPs for the reduced Key Largo project with the $6 million in FEMA money and $1.66 million in State money. He noted that the County has already purchased the property for the plant.

Mr. Roberts described the formation of a separate Key Largo Sewer District through State legislation; the District will be represented by five elected officials and have responsibility for implementing the entire wastewater program in Key Largo. The County and FKAA are moving ahead rapidly on the design of the Key Largo project in order to utilize available funding before it expires. He discussed the options facing the newly elected Board, particularly if the electorate does not approve the referendum for taxes to fund the District. The County Commission has shown support for the creation of assistance to the District Board and there is a cooperative agreement pending with FKAA. He noted that State legislation Section 15 determines that if the District is terminated, any property interest of any kind becomes the property of the County.

Discussion followed concerning hookup costs for low income citizens and monthly operating costs.

IX. Status of EPA Grant ($3.8 Million) to Monroe County for Innovative Decentralized Wastewater Demonstration Project: Bob Freeman – EPA, Region 4

Mr. Freeman discussed the background of the demonstration grant project, which was included in EPA fiscal year 2000 appropriations legislation, eventually for a grant of $3.8 million to Monroe County. He said that it was a grant for the demonstration of decentralized management of decentralized systems, including septic, onsite and clustered systems, since approximately 25% of all households in the US are served by these systems. There is a lack of management for these systems. The consensus within Monroe County is that FKAA is the likely management entity for wastewater, with EPA providing management guidelines, specifically an Onsite Wastewater Treatment Systems Package. Discussion followed and Mr. Freeman recommended that the Committee support the County staff in working with FKAA on what EPA has identified as an “innovation initiative”. Chair Palmer said that it is important to move ahead with this initiative in order to make the resources available. Mr. Reynolds added that FKAA is interested in doing things for the County in the most cost effective manner.

Mr. Teague reviewed the current status. He said that a bond validation law suit has been filed for August 26, 2002.

Mr. Mansfield noted that although there is some uncertainty concerning the constitutionality of 99-395, there is a lot of case law to support it.

**XI. Current Status of the Deutsch Legislation, HR 673, $100M to Support Upgrades to Wastewater and Storm Water Infrastructure:**
Cheryl Ulrich – Project Management Division, U.S. Army Corps Of Engineers and Rhonda Haag – South Florida Water Management District

Ms. Ulrich gave a PowerPoint presentation. She mentioned that as part of the NEPA process a Draft Programmatic Environmental Impact Statement has to be published in the Federal Register before the Project Cooperation Agreement can be executed between the Army Corps of Engineers and the South Florida Water Management District. This can only occur after a construction appropriation has been made by Congress, which can be as little as one dollar, and needs to take place before July 2003. She recommended that the Steering Committee merge with representatives from the Monroe County Intergovernmental Task Force, and introduced the new Project Manager for the Keys area, Shelley Trulock.

Ms. Haag said that this project is separate from CERP projects, but will be following on the same guidelines. She recommended that a sub-group from the Steering Committee combine with members of the Intergovernmental Task Force to form a Project Delivery Team (PDT) for the Water Management District to assist in prioritizing Corps projects. Discussion concerned a mechanism for getting a “dollar” into the appropriations bill, and it was clarified that South Florida Water Management District, as the non-federal sponsor, and Monroe County are the appropriate bodies, since government agencies cannot lobby for their own funds. Further discussion concerned the role of the proposed PDT in the process, timeliness and bylaws of the Steering Committee. Chair Palmer expressed reservations about decisions taken by the sub-committee reflecting the views of the full Committee.

Mr. Quinn moved that the Steering Committee approve the Resolution distributed by Ms. Haag, with Mr. Causey’s amendment to remove paragraph 6. Mr. Neugent seconded the Motion and moved to lay it on the table. Upon being seconded, this was unanimously approved.

**XI. A. Status of State Funding for Wastewater Upgrades in the Florida Keys:** Geof Mansfield – Florida Department of Environmental Protection
Mr. Mansfield reviewed a handout with the Committee. He said that agencies responsible to the Governor’s Office need to convene and agree on an approach to be taken with respect to pursuing an appropriation. He noted that the $11.8M in matching funds from the State is a single-year appropriation for local construction projects. All requirements of F.S. Chapter 99-395 need to be in place by March 1, 2003. Discussion concerned funding and compliance in Monroe County. Mr. Mansfield clarified that within the State of Florida, Monroe County is collectively better-off, and that the State will ensure that whatever money is made available is distributed in the most rational way.

XII. Public Comment Period

DeeVon Quirolo of Reef Relief made comments supportive of the Steering Committee. She said that the most important thing to protect coral reefs is improved water quality through advanced wastewater treatment systems. She said she is in favor of bonding as a local funding mechanism. She noted the implementation of a Storm Water Plan for the City of Key West and the establishment of a No Discharge Zone in State waters of the Florida Keys National Marine Sanctuary. She said that there is a need for a final peer review of the Florida Keys Carrying Capacity Study.

Mary Rice of the Florida Keys Aqueduct Authority said that the Authority will bring before the Committee some procedural information about Florida Statute 120, which is currently an impediment to moving forward with wastewater projects. She requested that the Committee give consideration to the Authority’s proposal.

Jerry Wilkinson, a candidate for the Key Largo Wastewater Board, reviewed some of the forthcoming issues before the electorate and the proposed Board regarding funding.

Roger Braun of the Florida Keys Aqueduct Authority mentioned economies of scale with regard to smaller projects. He said that most of the funding sources deal with capital costs and that one of the potential obstacles to be observed is “cost reasonableness” of the smaller projects with regard to the monthly service fee.

Debbie Harrison with the Florida Keys Program of the World Wildlife Fund said regarding the Florida Keys Carrying Capacity Study that it is important not to compromise the $250,000 that went to the National Academy of Sciences panel, nor the $6M analysis. She said that an independent review of the final draft is imperative.

Ms. Harrison said regarding the Florida Keys Water Quality Improvement Act that the cost in the Keys of improving water quality is higher because of the
need for lower nutrient level standards in wastewater than other communities are required to meet. She said that the additional $1 appropriation is unfair to the State and to local communities and asked the Committee to consider recommending that the Army Corps of Engineers eliminate the $1.

Ed Schrank with EarthSaver Systems said that his company provides on-site wastewater treatment up to AWT standards that can handle surges in the system and can dispose of the effluent through irrigation reuse.

Chris Schrader of the Islamorada Water Quality Advisory Committee asked Mr. Mansfield whether the State grant money was only for AWT; if systems under 100,000 gallons per day are used would the 10-10-10-1 standard apply?

Mr. Mansfield said that the requirement is in addition to F.S. Chapter 99-395; for systems under 100,000 gallons a day the 10-10-10-1 standard applies; for systems greater than 100,000 gallons a day 5-5-3-1 standard applies.

XIV. Results from Ongoing Little Venice Canal Monitoring Project:
Fred McManus – U.S. EPA, Region 4

Mr. McManus reviewed the project and said that over the course of a year of weekly sampling at 9 sites there have been 26 exceedences of the EPA recommended standard for enterococcus. Overall there have been exceedences of the States water quality standards for fecal coliform bacteria. Enterococcus and nutrient levels in the canals were elevated relative to near-shore waters. He said that the heads of the canal systems have higher levels of nutrients relative to the mouths of those canals and that after completion of the construction of the Little Venice wastewater management system, it is predicted that these levels will go down.

XV. Review New Scientific Information Regarding Effects of Pathogens Associated with Wastewater on Corals: Bill Kruczynski - U.S. EPA, Region 4

Dr. Kruczynski reviewed a recent article in the National Academy of Sciences Journal which summarizes work done by a group from the University of Georgia, who have isolated the bacterial pathogen of a coral disease, white pox, afflictin elkhorn corals in the Florida Keys. He described the coral monitoring program in the Florida Keys National Marine Sanctuary that has detected a 38% decline in live coral cover since 1996, with 70% loss of the major reef building elkhorn coral. Dr. Kruczynski discussed stressors other than disease that may be contributing to this decline.

A. Additional/Future Studies: Bill Kruczynski

Dr. Kruczynski said that there is $300,000 in the budget this year for Special Studies, which upon the recommendation of the Technical
Advisory Committee will go towards determining the causes of biological decline system-wide. A list of prioritized research projects, drawn from the Draft Science Plan for the Sanctuary, will be taken to the Technical Advisory Committee in the Fall, with recommendations that funding go towards research on:

- coral diseases
- mosquito spraying and the effects of spraying on non-target organisms
- public health issues in nearshore waters.

Discussion concerned the effects of turbidity on corals and data from monitoring stations.

**Deferred Items: Carrying Capacity**

Mr. Quinn referred to the three-page Resolution that has been revised. He said that consensus has been reached on the focus of the review which is to be the recommendations that came out of the National Academy of Sciences study and the new module that has not been reviewed by the NAS panel. The Corps of Engineers and the Department of Community Affairs (DCA) agreed to cooperate with the review. Jody Thomas volunteered The Nature Conservancy to take the lead on issuing contracts for a total of $20-25,000 to the same panel members to complete a final review.

Dr. Kruczynski said that changes have been made to the Resolution and that the Scope of Work will be determined after this meeting, involving DCA and the Corps of Engineers. He stated that $5,000 will come from EPA, $5,000 from The Nature Conservancy, $10,000 from the South Florida Water Management District, $1,000 from The Ocean Conservancy, and that NOAA will also contribute.

Commissioner Spehar moved that the Committee pass the revised Resolution as presented. The motion was seconded by Mr. Botten and passed unanimously upon voice vote.

**Deferred Items: Project Delivery Team**

Chair Palmer moved to take the PDT initiative off the table for consideration. The motion was seconded by Councilman Geisler and passed unanimously upon voice vote.

Ms. Haag detailed wording changes and deletions that have been made to the Resolution. Further discussion followed to clarify the language.

Mr. Neugent, upon the recommendation of Chair Palmer to offer a substitute motion, moved to accept the entire revised resolution. The motion was seconded
by Mr. Basta and passed unanimously upon voice vote.

XVI. Identify and Discuss Factors that have Impeded the Implementation Of the Monroe County Wastewater Master Plan and/or Delayed Upgrades to Inadequate Wastewater Infrastructure: Steering Committee, Staffs, and Other Attendees

Dr. Kruczynski presented a list of impediments derived from discussions in the morning:

- political resolve
- public opinion
- funding
- legal issues
- lack of suitable contractors
- scale of income vs. costs (impact on small businesses)
- managing onsite systems

Discussion followed, and composition of the Steering Committee and interagency conflict were added to the list. Further discussion followed regarding the use of environmental degradation (ghost of growth) as a growth management tool and the effects of the tourism industry on the environment. Conflict between State and federal regulations concerning matching funds was also added to the list.

Mr. Basta noted the difficulty of isolating wastewater as an issue in the Keys and asked how the list of impediments can be related to this difficulty and pondered the role of the Steering Committee with regard to this complex issue. He posed the question, “How do we get the most out of every dollar that is coming through the process?” He suggested using a Venn diagram; that the numerous agencies and entities involved in implementing the County Wastewater Master Plan have different priorities. He proposed, through the development of a priority matrix, the formation of an integrated system of priorities and outlined the process for arriving at that system.

Mr. Basta recommended to the Steering Committee the creation of an additional subcommittee or working group to implement a resolution process for the impediments to funding, with a view to attracting funding for wastewater projects in the Keys. He clarified that the Steering Committee should be developing an overall strategy to implement the Wastewater Master Plan, given the context that it now reflects all the agency perspectives and federal funding caps.

Discussion followed concerning the need to take immediate action, the possibility of filling in the matrix, and recommendations to the Army Corps and EPA to undertake an integration project. Mr. Basta clarified that his proposal and the Army Corps/SFWMD Project Cooperation Agreement are different. Further discussion followed regarding appropriate staff to undertake the project.
proposal was made to both integrate priorities while at the same time use existing funds for immediate projects.

Chair Palmer asked if a Critical Path Chart has been drawn up detailing federal funding, State funding and the respective time lines, and if not, then EPA could undertake to do this. Mr. Basta clarified that matching requirements manifest themselves in specific projects. Discussion followed concerning prioritization of projects for funds as they become available and the need for a time frame. It was agreed to hold the next meeting in early October, if necessary. Discussion followed concerning the composition of the PDT.

Chair Palmer clarified that, while government employees may not lobby Congress, local officials can lobby legislators to put their projects in the EPA non-discretionary budget as an earmark.

Deferred Items: Aqueduct Authority Request to Consider Chapter 120

Mr. Reynolds detailed the proposed changes to legislation regulating FKAA operations, making it more of a resolution rule adoption agency, while still allowing the public the same access to the Governing Board. He agreed to defer requesting action on the part of the Steering Committee to the next meeting.

Deferred Items: Mr. Karl Lessard

Mr. Lessard resigned from the Committee to pursue personal interests after 10 years of service on the Committee. He has also served on the Florida Keys National Marine Sanctuary Advisory Council, the Gulf of Mexico Fisheries Management Council, and the Governor’s Coastal Advisory Committee. Chair Palmer thanked him on behalf of the Committee.

XVII. Public Comment Period

Nancy Klingener, Florida Keys Program Manager of The Ocean Conservancy and member of the Sanctuary Advisory Council thanked the Committee, especially those who had traveled long distances to attend the meeting, for actions taken today and for the commitment to the Keys which aids Keys residents.

Jody Thomas, Director of the Florida Keys Program of The Nature Conservancy and member of the Sanctuary Advisory Council thanked the Committee for focusing on the wastewater issue at this meeting. She noted the spirit of cooperation at the meeting which will make lobbying for wastewater funding at the federal level a more serious proposition. She also thanked Karl Lessard for his many years of service.
XVIII. Adjourn

Chair Palmer thanked all participants in closing remarks and adjourned the meeting at 4:42 p.m.
KEY LARGO WASTEWATER TREATMENT DISTRICT
POST OFFICE BOX 491; KEY LARGO, FLORIDA 33037
(305) 451-5105

TO: Key Largo Wastewater Treatment District Board Members
CC: Robert E. Sheets, General Manager
    Faith Doyle, Clerk to the Board
    Charles Sweat, Director of Operations
    Terry Lewis, Board Attorney
    Amy Dukes, Board Attorney

FROM: David R. Miles, Chief Financial Officer

DATE: March 19, 2003

RE: Pending Payments, Key Largo Wastewater Treatment District

Dear Commissioners:

This agenda item is designed to provide an update on the financial status of the Key Largo Wastewater Treatment District. As of March 19, 2003, the District had $55,981.85 in its bank account. All payments authorized at the March 5, 2002 meeting have been disbursed. The payment to Gartek Engineering was not approved and is shown on the list of pending payments. In order to bind our insurance, a check in the amount of $7,500.00 was issued March 17, 2003 to Florida League of Cities. Attached at exhibit A is the list of currently outstanding invoices in-hand pending payment. Deducting the FLC payment already made, we have $56,181.61 in invoices in-hand for payment by March 31, 2003. They exceed the available balance by $199.73. Direction from the Board is requested to defer or reduce one payment until additional resources are received. Staff is requesting the next $50,000.00 draw from Monroe County. This should provide liquidity through the end of April in the operating accounts.

Payment of the first payroll checks totaling $14,532.75 including related payroll taxes, are included in this approval request. This catch up payroll will be paid March 27, 2003, if approved by the Board. Subsequent payrolls will be smaller as they will only cover a one-month period.

Board of Directors: Chairman Andrew Tobin, Gary Bauman, Cris Beaty, Charles Brooks, Jerry Wilkinson
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Key Largo Wastewater Treatment District
Board of Commissioners Meeting Agenda
4:00 PM Wednesday, March 26, 2003
Key Largo Civic Club
209 Ocean Bay Drive
Key Largo, Monroe County, Florida

Commissioners Present

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

Staff Present

Robert Sheets, General Manager
David Miles, Chief Financial Officer
Amy Dukes, Legal Counsel, via telephone
Faith Doyle, Clerk

Guests Present

Dick Smith, Florida Department of Environmental Protection
Douglas H. Eckmann, Boyle Engineering
Charles Fishburn, Gartek Engineering
Robert E. Burt, Key Largo Trailer Village
Michael Longenecker, Boyle Engineering
Burke Cannon, IKLFHA
Patricia Carney, EPJV
Steve Gibbs, Reporter, Free Press
Tim Bergin, Keys Resident

A. Call to Order

Chairman Tobin called the meeting to order at 4:05 P.M.

B. Pledge of Allegiance

The pledge was replaced with and a moment of silence to observe the loss of the passing of those who have been killed in the war with Iraq.

C. Additions, Deletions or Corrections to the Agenda

Chairman Tobin stated that Ms. Patricia Carney representing the Corp of Army Engineers was present with information for the Board.
Chairman Brooks requested to have his item, the report on the status of the Evaluation Committee to be moved.

Action item number two, the Management Services Agreement with Government Services Group was moved to the April 9th meeting agenda.

Ms. Carney representing the Army Corp of Engineers was present to discuss the water quality initiative 100 million dollar grant. She stated there is a need for program management concerning the storm water and wastewater aspects of the program and that the Monroe County Master Plan was used as the basis for the draft document. The Program Management Plan (PMP) is purposely to be a check of what needs to be done and it includes the list what projects are included and their priority. To facilitate the process a Project Implementation Team was appointed, including Commissioner Charles Brooks. Ms. Carney stated that comments on the plan are needed from the KLWTD because this document will be used to implement the projects. Ms. Carney requested the document be reviewed for accuracy on all projects, just not the initial ones, to update the cost estimates and verify all other project information. The priority projects to be reviewed immediately included the KLTV and KLP.

Chairman Tobin asked if action was required from the Board at this meeting. Ms. Carney stated the Board and staff needs to review the KLWTD sections of the draft document and see if it is accurate and to indicate the plan to execute the projects, the number of projects that are underway, and future projects need to be verified. The initial project list includes approximately 100 million in funding to the region and was to be split up with 29 million going to Monroe County. The KLWTD portion was to be part of the County’s 29 million and was to be given to priority projects and funded in the order of the stated priorities. Ms. Carney stated that if the Board disagrees with the project list, as presented discussion with the County would be needed. Ms. Carney has forwarded the draft PMP via e-mail to the Board.

Mr. Sheets stated concern because these projects are part of the budget plan and it would be difficult to revisit the master plan. Mr. Sheets stated that this was the first indication he had that this document existed. Ms. Carney stated that this needs to be prepared to get funding and that the first deadline has been missed. The initial deadline was February 12, 2003. Ms. Carney stated that the County has completed its review and that the KLTV and KLP project were removed from the County priority list. Ms. Carney added that the document could be amended and that not all funds are appropriated at once. An update from the KLWTD would help to secure funding for the KLWTD. Commissioner Bauman asked if the KLWTD information is in it the same priority order as the original legislation. Ms. Carney stated that she placed the KLWTD information into the document as best she could and if the KLWTD reviews it and verifies it is correct then that would be sufficient.

Chairman Tobin requested that Ms. Carney communicate with Robert Sheets, and that she please let Mr. Sheets know what the critical pages and issues are. If the Board were required to pass a resolution to amend the document it would be done as soon as possible. Ms. Carney stated that she would see if there could be another extension of the deadline.

Commissioner Brooks stated that as a member of the Intergovernmental Cooperation Team he has seen the draft document that the Army Corp of Engineers has prepared for the federal appropriations. Commissioner Brooks has reviewed it and believes the project priority list is accurate. Chairman Tobin requested that Commissioner Brooks as a member of the committee work with the General Manager to expedite this process. Discussion
ensued on the need to have this item re-approved by the Board, because it is part of the County Master Plan, which was previously approved by the KLWTD Board. Commissioner Brooks stated that the disbursement of the funds is more of an issue because it was changed to the unincorporated area of Key Largo instead of it being the KLWTD. County Commissioner Nelson is working for the whole 29 million to be appropriated for Key Largo, however it appears that it may only be 14% of the 29 million that would be appropriated to KLWTD.

Chairman Tobin requested that Commissioner Brooks be appointed to work with the General Manager for them to determine if this item could be done by the deadline and if it requires an amendment or any other official Board action at a future meeting.

Chairman Tobin asked for public comment on the issue. Burke Cannon of the Key Largo Federation of Home Owners stated that the split is important to them because the association represents 6,000 people. Mr. Burke is in possession of a letter of designation stating that KLWTD had the 29 million appropriations from the County. Mr. Cannon asked if it has changed. Ms. Carney stated that 29.3 million has been appropriated for the unincorporated area of the County and that 8.6 million goes to KLWTD based on priorities. Mr. Cannon stated that he would report the situation to his executive committee, adding that this issue needs to be addressed immediately and that the County must be pressed for the whole 29.3 million. Chairman Tobin agreed and added that it is a very important issue, especially because of the letter agreement that stated KLWTD was to be the recipient of the whole allocation and that now only a percentage of the 29.3 million is to be allocated.

Ms. Carney stated that the split is not arbitrary but is done on priorities from the County Master Plan, which the KLWTD has adopted. Ms. Carney does not believe it can be drastically changed. Chairman Tobin stated that the Board would take up the issue of splitting up of the 29 million dollar appropriation with the County. Chairman Tobin officially requested a two-week extension to review the document. Ms. Carney thanked the Board for their assistance and would inform the board as soon as possible if an extension were granted.

Mr. Sheets introduced Mr. David Miles, CFO who would be presenting financial information per the Management Services Agreement and would be responsible for all financial deeds and tasks. The Board welcomed him to the KLWTD staff.

D. Action Items

1. Presentation by the General Manager of the Work Plan for Developing and Implementation of a Non Ad Valorem Assessment Program for administrative and management costs

Mr. Sheets stated the item was presented at the request of the Board. The plan includes the cost to implement the tasks. Costs not included are drafting of first class notices if TRIM cannot be used and drafting of any necessary resolutions. The process can begin after the May 19th decision on the MSTU, however it may result in a time crunch.

Discussion ensued on the benefit to the residents of implementing the program, how much revenue would be generated and on identifying the properties to be assessed. It was suggested to table the item until the April 9, 2003 meeting.
Mr. Robert Burt a resident of Key Largo Trailer Village asked if the KLWTD has the authority to request Non-ad Valorem Assessments. Chairman Tobin stated that the KLWTD has the authority as a special district of the State. Mr. Burt stated that informed residents prefer the MSTU. Chairman Tobin suggested that residents appear at the BOCC 5/19/03 meeting where they would act on the KLWTD’s request to implement and MSTU.

Mr. Burke Cannon representing the IKLFHA stated that the tier program may impact the assessment idea and that he personally supports the MSTU and voted for it.

Discussion ensued on the financial impact of an MSTU versus that of a special assessment on homeowners. Commissioner Brooks stated that the implementation of an MSTU would cost little but the reoccurring costs of a special assessment would become burdensome.

COMMISSIONER WILKINSON MOTIONED TO TABLE ITEM D-1 UNTIL THE APRIL 9, 2003 MEETING. COMMISSIONER BROOKS SECONDED THE MOTION. ALL WERE IN FAVOR AND THE MOTION WAS UNANIMOUSLY APPROVED.

2. Presentation by the General Manager of the Professional Consultant Services Agreement by and between KLWTD and Government Services Group, Inc.

COMMISSIONER WILKINSON MOTIONED TO TABLE ITEM D-2 UNTIL THE APRIL 9, 2003 MEETING. COMMISSIONER BROOKS SECONDED THE MOTION. ALL WERE IN FAVOR AND THE MOTION WAS UNANIMOUSLY APPROVED.

3. Presentation by the General Manager on the Consultants’ Competitive Negotiation Act (CCNA) process

Mr. Sheets stated that the CCNA process was necessary and he described the process, adding that entering into a contract with engineers would not be a guarantee of work.

COMMISSIONER WILKONSON MADE A MOTION TO ADVERTISE FOR REQUESTS FOR QUALIFICATIONS FOR ENGINEERING FIRMS. COMMISSIONER BAUMAN MADE A SECOND TO THE MOTION. ALL WERE IN FAVOR AND THE MOTION WAS UNANIMOUSLY APPROVED.

4. Presentation by the General Manger of Amendment No. 1 to DEP Agreement LP0338 and KLWTD Resolution 2003-14

Mr. Sheets requested this be the last item presented because it would most likely generate lengthy discussion.

Mr. Sheets introduced Mr. Dick Smith, Project Manager for the Department of Environmental Protection (DEP) at 7:02 P.M. Mr. Sheets stated that Mr. Smith was present to answer any questions the Board had on Amendment No. 1 to Agreement LP0338.

Mr. Smith stated that 1.66 million dollars has been reserved for the KLTV and KLP projects however, the amendment presented must be approved by the KLWTD Board by March 31, 2003 and forwarded to the DEP along with an acknowledgment that the Board intends to proceed with the projects, subject to the constraints of the agreement. Mr. Smith stated that
a resolution, like 2003-14, would serve the purpose of acknowledging intent to proceed by the KLWTD Board.

Discussion ensued about what points of the amendment were negotiable. Mr. Smith stated that he could adjust the dates if the request was reasonable. Any substantive changes would need to be looked at by the DEP.

Commissioner Brooks asked if Resolution 2003-14 item 2 had been covered in the Interlocal agreement, which states the KLWTD would proceed with the projects. Mr. Smith stated that the amendment and resolution are required because the first submittal to the DEP is generally a rough draft and as more information becomes available the submittal needs to be updated to reflect it.

Discussion ensued on particular points of the amendment and resolution. Mr. Smith stated that once a revised project budget and resolution stating that the projects would proceed the dates in the agreement could be changed. The resolution is needed because the project costs have been received and the decision to proceed should be imminent. Mr. Smith stated that if the KLWTD were not willing to commit prior to the March 31, 2003 deadline the money would no longer be available.

a. Approval of KLWTD Resolution 2003-14 resolving to proceed with project work for the Key Largo Park Project and the Key Largo Trailer Village Project

A motion was entertained to approve Resolution 2003-14 with item 2 being stricken. Discussion ensued and Chairman Tobin asked if the April 30, 2003 deadline was negotiable. Mr. Smith stated it could be. Chairman Tobin asked what the March 31 deadline constitutes. Mr. Smith stated it was the deadline that was agreed to by the Board in the original application to the DEP. Chairman Tobin reviewed the original agreement that was presented to him by Mr. Smith.

Mr. Sheets interjected that the changes requested are a revised project budget and project schedule to be forwarded when ready, however the amendment presented this evening requesting these items, and other modifications to the original agreement, must be approved by the KLWTD by March 31, 2003.

Commissioner Wilkinson stated the amendment mentions permitting the projects prior to March 31, 2003. Doug Eckman of Boyle stated that the permitting process has begun prior to the deadline.

Mr. Smith stated that the original agreement is a roadmap. The agreement can be changed by amendments and this is the first refinement of the agreement by revising the budget and selecting the contractor.

Further discussion ensued. Chairman Tobin requested clarification on what specifically the Board was amending on the project schedule. Commissioner Wilkinson asked if the award date could be changed to May 14, 2003. Mr. Smith stated that yes it could, that May 14, 2003 was acceptable, however then point number six, initiating the design build may need to be changed also. Mr. Smith cautioned that due to the budget process money left dormant could be re-appropriated.
Commissioner Brooks asked if the date could be pushed back to May 30, 2003. Mr. Smith stated that this would not be acceptable. Commissioner Brooks asked about other scheduled dates listed, such as the treatment plant being done by September of 2004, KLP by August 30, 2004 and the KLTV by January 2005. The dates were discussed and Mr. Smith stated that other dates could also be amended due to changes in the construction schedule. Commissioner Brooks suggested leaving Resolution 2003-14 item 1 as it is and change the date in item 2 to May 14, 2003. Mr. Smith would agree to this change and would change items 1 and 2 of the project schedule in the agreement to reflect this change.

Commissioner Beaty asked if the cost proposals are higher per EDU than the County's Master Plan EDU cost, and if so is there any chance to re-bid the projects to see if a lower cost could be achieved. Mr. Smith stated that re-bidding would constitute the KLWTD not being ready to go as required by the agreement. Mr. Smith added that re-bidding is not a viable option and if chosen by the Board would negate the present agreement.

Discussion ensued on the cost of an EDU and the most efficient use of the grant money.

Mr. Smith was asked what and efficient EDU cost would be in his opinion, or what should it cost for an EDU for wastewater. Mr. Smith stated that is variable for each situation. The market decides what is reasonable, but some areas pay up to $14,000 in capacity fees compared to the $2,700 that would be paid by Key Largo residents.

Chairman Tobin asked why did KLWTD have two different bidding procedures for projects that were closely related. Mr. Smith believes that the FKAA requested Boyle Engineering to use different methodologies because of time constraints and because the KLP project is only a collection system and the KLTV included collection, treatment and disposal, which takes longer and includes permitting. It was asked where the March 1, 2003 deadline came from. It was stated that Representative Sorenson listed it in the original request for appropriations.

Commissioner Wilkinson stated that the bottom line is that the cost of the system divided by the number of houses served would equate to $23,000 per EDU. Mr. Smith stated the system was designed for 850 homes and it would be a burden up front to those who come on line first.

Chairman Tobin stated that after reviewing the original grant agreement he would strongly suggest that the amendment be worded differently and that the amendment is adding to the original agreement, which concerned him.

Mr. Smith stated that the amendment and resolution was to demonstrate the Board's willingness to go forward with the projects.

COMMISSIONER BAUMAN MADE A MOTION TO APPROVE RESOLUTION 2003-14 WITH THE REMOVAL OF ITEM 2 OF RESOLUTION 2003-14. COMMISSIONER BEATY SECONDED THE MOTION. ALL WERE IN FAVOR. THE MOTION WAS UNANIMOUSLY APPROVE.

b. Approval of Amendment No. 1 to DEP Agreement LP0338

COMMISSIONER BAUMAN MOTIONED TO APPROVE AMENDMENT NO. 1 OF DEP AGREEMENT LP0338 WITH THE CORECTIONS TO SECTION C OF A, THE PROJECT SCHEDULE, ITEM 1 AND 2 CHANGING THE STATED DATE FROM APRIL 30 TO NOT
LATER THAN MAY 14, 2003. BROOKS SECONDED THE MOTION FOR THE PURPOSE OF AMENDING MR. BAUMAN'S MOTION TO INCLUDE THE KLP BIDS. THE CHAIRMAN CALLED FOR A ROLL CALL VOTE. THE ROLL CALL VOTE WAS AS FOLLOWS:

<table>
<thead>
<tr>
<th>COMMISSIONER BAUMAN</th>
<th>YES</th>
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<tr>
<td>COMMISSIONER BEATY</td>
<td>YES</td>
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<tr>
<td>COMMISSIONER BROOKS</td>
<td>YES</td>
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<tr>
<td>COMMISSIONER WILKINSON</td>
<td>YES</td>
</tr>
<tr>
<td>CHAIRMAN TOBIN</td>
<td>NO</td>
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</tbody>
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THE MOTION WAS APPROVED BY A VOTE OF FOUR IN FAVOR AND ONE NOT IN FAVOR.

5. Presentation by the Chief Financial Officer of the Pending Payments Schedule

Mr. David Miles presented the Pending Payments Schedule and asked if there were any questions prior to approving the payment schedule. Mr. Miles stated that $7,500 had been paid for the insurance and that the binder had been received. Chairman Tobin requested copies of the insurance binder be provided to the Board members.

Commissioner Wilkinson stated that the travel expense listed for him were truly telephone calls, however, the reporting form did not include a section for requesting reimbursement for long distance phone calls. Mr. Miles stated that the form could be amended to reflect long distance phone charges.

a. Approval of the Pending Payments Schedule

Mr. Miles stated that per the Interlocal Agreement with FKAA and the County funds could be requested once the document had been approved. The first payment in the amount of 20% of the $245,000 has been requested and would provide funds for April and May operations. Mr. Miles stated that the payroll documents required too generate the payroll for March had been forwarded to all Board members. Chairman Tobin requested that until his documents are on file his payroll be deferred until April so that all the current bills could be paid with the funds presently available. Mr. Miles recommends payment of the bills listed. Mr. Miles stated that the Gartek additional services invoices were not included but needs to be addressed. Mr. Miles requested the Board consider approving the recurring payables. Commissioner Wilkinson concurred. The Board discussed recurring payables further and decided to address the issue at a future meeting.

COMMISSIONER BROOKS MOTIONED TO APPROVE THE PENDING PAYMENTS SCHEDULE INCLUDING THE $20,000 GARTEK INVOICE. COMMISSIONER WILKINSON SECONDED FOR DISCUSSION. Chairman Tobin stated that the Lewis, Longman and Walker payment notation stated that services rendered were through 3-1-03 and this is not accurate and that it should be 2-28-03. Mr. Miles stated he would amend the schedule to reflect the change as noted. Chairman Tobin addressed the GARTEK additional services request to Mr. Betancourt stating that the original contract had been approved, however, no additional services requests had been presented to the Board prior to an invoice being submitted. Mr. Betancourt stated that the original contract amount had nothing to do with the additional services and the he has been working since November without payment. Chairman Tobin asked Mr. Betancourt if he agreed that the approval of the
$20,000 contract payment does not mean the Board approves of the additional services invoices. Mr. Betancourt stated that he understood the additional services have not been approved by the Board for payment. Chairman Tobin requested that with Legal Counsel approval an acknowledgment be signed stating that the additional services are separate from the $20,000. Chairman Tobin requested his payroll amount be removed from the list as an amendment. THE QUESTION WAS CALLED. CHAIRMAN TOBIN CALLED FOR A VOTE AND ALL WERE IN FAVOR. THE MOTION WAS APPROVED.

Chairman Tobin called for a recess at 6:00 p.m.

Chairman Tobin reconvened the meeting at 6:10 p.m.

E. General Manager's Report

1. Status report on the DEP Grant Application Agreement No. LP0338

Please see above.

2. Status report on preparations for March 29, 2003 community meeting

Mr. Sheets stated that he and Mr. Sweat would attend the Key Largo Trailer Village Community Picnic to answer questions. Mr. Sheets noted that Mr. Sweat and Mr. Burt are scheduled to tour the Key Largo Trailer Village in preparation for the upcoming construction project.


Mr. Sheets stated the information provided was to update the Board on the progress of the EPA Steering Committee. Mr. Sheets and Commissioner Brooks would be attending the meeting to be held on April 3, 2003.

4. Discussion of Key Largo Park project award

The Board deferred discussion on this item until the Commissioner Brooks presented his report on the Evaluation Committee.

F. Chief Financial Officer's Report

1. Discussion of FY2004 Budget Calendar

Mr. Miles suggested that the May 14, 2003 Board meeting include FY2004 budget discussions. Mr. Sheets suggested that a workshop that would be attended by a rate consultant to present various methodologies for budgeting be considered.

Commissioner Brooks asked if a special meeting for May 20th should be scheduled for the budgeting workshop and to discuss the outcome of the May 19th Monroe BOCC decision on the MSTU. Mr. Sheets stated that May 20th could be considered for a special meeting.

2. Discussion of the need for an External Auditor
Mr. Miles stated that the KLWTD was required by law to retain an external auditor and that the selection of an auditor would fall under the Consultants Competitive Negotiations Act (CCNA). Mr. Miles stated there was $10,000 budgeted for an external auditor.

**COMMISSIONER BROOKS MADE A MOTION TO ADVERTISE FOR AN EXTERNAL AUDITOR IN ACCORDANCE WITH THE CCNA. COMMISSIONER BAUMAN SECONDED THE MOTION. ALL WERE IN FAVOR AND THE MOTION WAS UNANIMOUSLY APPROVED.**

G. Legal Counsel's Report

PLEASE SEE ABOVE

H. Engineer's Report

There was no report from the engineer.

I. Commissioner's Items

1. Status report on the Evaluation Committee from Charles Brooks

Commissioner Brooks stated that as Chair to the Committee it had met several times and he is pleased with the progress being made. The Committee was charged with evaluating the technical proposal submitted for the design/build project for KLTV. After the technical proposals were ranked by the Committee and the summary scoring sheet read into the record the cost proposals were opened and read into the record. The cost proposals did not provide enough information and the Committee appointed a sub-committee of Mr. Fishburn and staff member Fred Mittle to develop a form to provide the Committee with more detail on the cost proposals. The Committee has not finished their work. The request for additional information has been forwarded the vendors. The Committee is considering asking for vendor presentation or interviews. Copies of the Evaluation Committee Summary Scoring Sheet and the KLTV Cost Proposal Tabulation Sheet were provided for the Board.

Commissioner Brooks stated that without the KLTV project award being complete the KLP project could not be awarded because of the funding issue. The bid tabulation for the KLP project that included the base bid and the three alternatives were provided for the Board for their information.

Commissioner Bauman asked if the KLP bid must be awarded to the lowest bidder. Mr. Smith of the FDEP stated that the lowest responsible bidder must be awarded the contract. Commissioner Bauman asked when the Committee would be submitting their recommendation to the KLWTD Board. Commissioner Brooks stated that tentatively April 9, 2003 was being looked at by the Committee. Discussion ensued on the need for the vendors to present to the KLWTD Board or to the Committee and the date a recommendation must be given to the Board.

Mr. Sheets stated that the Evaluation Committee is doing impressive work and should be recognized for it. Commissioner Brooks stated that the financial report given by David Miles was excellent and well presented.
J. Minutes – February 26 2003

No action was taken by the Board on this item; it will be included on the April 9, 2003 agenda.

K. Meeting Adjournment

COMMISSIONER BEATY MOTIONED TO ADJOURN THE MEETING. COMMISSIONER BAUMAN SECONDED THE MOTION. ALL WERE IN FAVOR. CHAIRMAN TOBIN ADJOURNED THE MEETING AT 8:10 PM.
Fax Transmittal

TO: Laura DeLoache-Hartle

From: Faith Doyle

Subject: additional KLWTD reimbursement information

Date: ___6-5-03___ Fax No. _305-295-3660_

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Ms. DeLoache-Hartle,

I am forwarding the attached documentation at the request of David Miles, CFO, KLWTD.

I have provided a copy of the “Pending Payments” list dated March 19, 2003. A copy of the approved KLWTD meeting minutes for March 26, 2003 is attached and I have boxed in the motion approving the list.

Please feel free to contact me if you have any questions or require additional information.

Faith

PS the local number is 305-451-5105