April 21st

2004
Key Largo Wastewater Treatment District
Board of Commissioner's Meeting Agenda
5:00 PM Wednesday, April 21, 2004
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 Regular Meeting Agenda

D. Minutes – Draft March 27, 2004 and Draft April 7, 2004

E. Public Comment

F. Legal Counsel's Report
   1. Update on the Haskell Notice of Delay
   2. Update on Roe-Vac warranty
   3. Update on direct/indirect costs issue
   4. Update on legislation
   5. Update on County funds

G. Action Items
   1. Approval of the Pending Payments List for April 14, 2004
   2. Approval of the advertisement for the May 15, 2004 workshop
   3. Approval of the Strategic Framework for the KLTWD
   4. Approval of the rental space short list
   5. Approval of the Government Services Group, Inc. letter of agreement

H. General Manager's Report
   1. Presentation of the Draft Scope of Work for the Financial Component to Implement
       the Master Plan, which will include the Calusa Camp Resort Connection
   2. Discussion of the use of a facilitator at the May 15, 2004 workshop
   3. Update on the Design Team Meeting of 4/21/04
   4. Update on past agenda items:
      a. FEMA FONSI Status
      b. Water Quality Testing
      c. Project Design Protocol
      d. Resolution of $100K Loan repayment issue
      e. Site mitigation
      f. KLP vacant lot resolution *Ms. Conaway invited for 4-21-04 meeting
      g. Project request for FEMA deadline extension
      h. CDBG Grants and/or funds for private connections
   5. Discussion of Monroe County BOCC letter dated 4-8-04
I. Engineer's Report
   1. Letter to KLTV Board of Directors addressing concerns expressed by residents
   2. Presentation of the Sanitary Sewer Wastewater Master Plan Refinement and Recommendations – Work Authorization WEC 04-01

J. Public Comment

K. Commissioner's Items
   1. Placement of the personnel ads – Chairman Bauman
   2. Request for information on the status of the District Procedures and Web Site – Chairman Wilkinson

L. Meeting Adjournment
KLWTD Board Meeting
April 21, 2004

Draft Meeting Minutes
March 27, 2004
Draft

Key Largo Wastewater Treatment District
Board of Commissioner's Meeting Minutes
5:00 PM Wednesday, March 27, 2004
Westin Beach Resort, 97000 Overseas Highway
Key Largo, Monroe County, Florida

Board Members Present

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

Staff Members Present

Robert Sheets, General Manager, Government Services Group, Inc.
Charles L. Sweat, Director of Operations, Government Services Group, Inc.
David Miles, Chief Financial Officer, Government Services Group,
Thomas Dillon, Esq., Board Attorney
Ed Castle, P.E., Board Engineer, Weiler Engineering Corporation
Mike Hatfield, P.E., Weiler Engineering Corporation
Charles Fishburn, Government Services Group, Inc.
Faith Doyle, Board Clerk

Guests Present

Mayor Murray Nelson
Herb Marlowe
Ann Henson, Reporter
Burke Cannon

Chairman Gary Bauman called the meeting to order at 1:11 p.m. Chairman Bauman stated that Mayor Murray Nelson was planning on attending the meeting.

The Board agreed to suspend the pledge due to the lack of a flag.

Chairman Bauman introduced Dr. Herbert Marlowe who would be facilitating the planning workshop.
The agenda and resulting draft Strategic Planning Framework for KLWTD is made part of this record as Attachment A.

Mayor Murray Nelson joined the meeting at 1:16 p.m. Mayor Nelson stated that the KLWTD Board was formed and seated in November 2002, empowered by State statute and originally funded with federal funds. The Mayor stated that there will be additional funds to be distributed in the Keys and that he would work with the KLWTD on getting funds for the District's future projects. However, the projects must be defined and beyond the planning stages. Mayor Nelson cautioned the Board that if they projects are not defined with number of edu's and approximate costs then funds will not be reserved for the District. If this happens Mayor Nelson would not be able to intervene and the funding would go to other areas that have planned. Mayor Nelson stated that beyond federal and state funding the Board needs to consider funding future expansion by issuing bonds.

Mayor Nelson thanked the Board for their hard work and for service they provide to the community.

Dr. Marlowe began the planning workshop agenda at 1:40 p.m.

Discussion ensued on the role of staff and the Board as a policy maker, on the process of making motions and voting and giving staff clear direction.

Chairman Bauman recessed the meeting at 2:40 p.m. and reconvened at 2:50 p.m.

Dr. Marlow presented the following list that was a result of the previous exercises and discussions:

TO DO LIST – STRATEGIC PLAN

1. REFINE THE MASTER PLAN
2. MORE STRUCTURED DECISION MAKING PROCESS
3. EXISTING PROJECTS ARE ON TRACK
4. CUSTOMER RELATIONS STRUCTURE (CUSTOMER SERVICE)
5. STAFF
6. RATES, FEE SCHEDULE & RULES
7. GENERAL LOOSE ENDS
8. CONNECTION FEES AND POLICIES
9. TEMPORARY OFFICE SPACE
10. STAFF AND OPERATE FACILITIES

Dr. Marlowe continued the workshop with discussions on, management and operations, and the importance of having a local presence. Lengthy discussion
ensued on the future capacity of GSG and the development of a local staffing plan.

The following action plan was developed from the exercises:

ACTION ITEM: Refine Master Plan

Lead: manager/engineer to develop a scope of service
Time Frame: April 7 info item; April 21 to board for action

ACTION ITEM: Existing projects on line

Lead: manager/engineer
Time Frame: regular status reports

ACTION ITEM: hiring staff

Lead: Attorney/Clerk
Time Frame: April 7 for action

ACTION ITEM: rate fee schedule and rules

Lead: manager
Time frame: April 21 will have recommendation on a course of action

ACTION ITEM: connection policy – standards for campground and other commercial establishments

Lead: manager/engineer/legal
Time Frame: as soon as possible or approximately 6 months

ACTION ITEM: staffing for the operating of facilities

Lead: manager; engineer
Time Frame: at the Board directions or by send of summer
Comments: staff, contract operators, RFP to be development

ACTION ITEM: TEMPORARY office space

Lead: attorney/realtor
Time Frame: options to the board by 4-21

Dr. Marlowe state that the Board had developed a broad framework and that each individual item could be discussed for future action after reading and preparation.
Chairman Bauman asked if there were any other items of business to be discussed with the Board.

Mr. Sheets and Mr. Dillon informed the Board that a notice of delay letter had been received from Haskell, however, it needs additional review and research before a recommendation would be made to the Board.

Chairman Bauman adjourned the meeting at 5:30 p.m.
Strategic Framework

Key Largo Wastewater Treatment District

Draft 1.0

March 29, 2004
Purpose Statement

The purpose of the District is to build and operate a wastewater treatment system for the Key Largo/Tavernier area of Monroe County.

Vision Statement

The District will be a fully operational, self-sustaining entity that provides cost efficient services while protecting the public and environmental health of the region it serves.

The Balanced Scorecard: Goals

Operations

Goal: Complete existing projects on the planned schedule (Very high priority)

Future Growth and Development

Goal: Refine the Master Plan (Very high priority)

Goal: Establish connection policies (High priority)

Financial Viability

Goal: Finalize the rate structure and associated rules (High priority)

Organizational Development

Goal: Engage staff (Very high priority)

Goal: Develop approach for the staffing and operation of facilities

Goal: Establish temporary office space

Goal: Initiate more structured decision making process in the board meetings with more formalized guidance to staff

Goal: Initiate board workshop schedule for in-depth analysis and discussion of a topic
The Balanced Scorecard: Action Plan

Operations

Goal: Complete existing projects on the planned schedule (Very high priority)

Lead: Manager, Engineer
Action assignment:
- Provide regular status reports and corrective action plans if key dates are not met.
Time: Monthly reports

Future Growth and Development

Goal: Refine the Master Plan (Very high priority)

Lead: Manager, Engineer
Action assignment:
- Prepare information sheet on current status for April 7th board meeting
- Prepare scope of services documents for April 21st board meeting
Time: April board meetings

Goal: Establish connection policies (High priority)

Lead: Manager, Engineer, Attorney
Action assignment:
- Develop an issues paper and plan for fall completion
Time: 2nd half of May, 2004

Financial Viability

Goal: Finalize the rate structure and associated rules (High priority)

Lead: Manager
Action assignment:
- Refine rules for board adoption, review adopted rates
Time: April 21, 2004
Organizational Development

Goal: Engage staff (Very high priority)

Lead: Attorney, Clerk
Action assignment:
  • Prepare job descriptions and advertising plan for board approval
Time: April 7th, 2004

Goal: Develop approach for the staffing and operation of facilities

Lead: Manager, Engineer
Action assignment:
  • Prepare options and recommendations report
Time: By August 31st, 2004

Goal: Establish temporary office space

Lead: Attorney
Action assignment:
  • Prepare report on options
Time: April 21st, 2004

Goal: Identify and resolve any outstanding issues not covered in prior goals

Lead: Manager, Engineer, Attorney
Action assignment:
  • Prepare report on issues to be resolved and proposed schedule
Time: May, 2004

Goal: Initiate more structured decision making process in the board meetings with more formalized guidance to staff

Lead: Chair
Action assignment:
  • Increase use of formal motions on decisions and actions
  • Provide mechanisms for discussion limited to board members
Time: Immediately

Goal: Regularly use board workshops for collegial discussions and further development of understanding of issues

Lead: Chair
Action assignment:
  • Develop a workshop schedule
Time: April 21st board meeting
Key Largo Wastewater Treatment District
Board of Commissioner's Meeting Minutes
5:00 PM Wednesday, April 7, 2004
Key Largo Civic Club, 209 Ocean Bay Drive
Key Largo, Monroe County, Florida

Board Members Present
Gary Bauman, Chairman
Cris Beaty, Member (joined the meeting in progress at 5:35 p.m.)
Charles Brooks, Member
Andrew Tobin, Member
Jerry Wilkinson, Member

Staff Members Present
Robert Sheets, General Manager, Government Services Group, Inc.
Charles L. Sweat, Director of Operations, Government Services Group, Inc.
David Miles, Chief Financial Officer, Government Services Group,
Thomas Dillon, Esq., Board Attorney
Ed Castle, P.E., Board Engineer, Weiler Engineering Corporation
Mike Hatfield, P.E., Weiler Engineering Corporation
Faith Doyle, Board Clerk

Guests Present
Will English, Haskell Company, Project Manager
Pete Kinsley, Haskell Company
Walt Messer, DN Higgins
Bill & Robin Willis, Key Largo residents
Robert E. Burt, President, Key Largo Trailer Village Homeowners Association

A. Call to Order
Chairman Bauman called the meeting to order at 5:05 p.m.

B. Pledge of Allegiance
The Pledge of Allegiance was recited.

C. Additions, Deletions or Corrections to the Regular Meeting Agenda
There were no additions, deletions or corrections to the agenda.

D. Minutes – Draft March 17, 2004

COMMISSIONER BROOKS MOVED TO APPROVE THE MARCH 17, 2004 MEETING MINUTES. COMMISSIONER WILKINSON SECONDED THE MOTION. THOSE PRESENT VOTED IN FAVOR AND THE MOTION WAS APPROVED.
Mr. Robert Burt addressed the Board. He and other KLTV residents have concerns with the 60% drawings that were presented at their meeting on March 27, 2004. Mr. Burt and the residents requested that they be able to meet with the contractors and staff to discuss the connection points and the dimensions and designs of manhole covers. Discussion ensued on the elevation of the manholes and the locations of the connection points. Mr. Sweat stated for the record that he had attended the March 27 KLTV homeowners meeting and assured the residents that the manholes were traffic bearing and would not be a trip hazard and would be level and flush with the ground.

Discussion ensued on the scheduling of a community meeting that would include staff and representatives of Haskell and Brown and Caldwell.

Bill Willett addressed the Board he is concerned because the plans show a pit directly in the middle of where his gate opens. Walt Messer of Higgins stated that this could be adjusted. Mr. Willett was also concerned about the height of the manholes as shown on the drawings. Staff stated that the manholes would not be trip hazards.

Robert Sheets stated that concerned neighbors could work with the GSG staff to work through these issues.

Mr. Burt stated that the KLTV board meets on April 15, 2004. Staff would not be able to attend the meeting but would provide a letter addressing the issues and offering future meeting dates.

*Commissioner Cris Beaty joined the meeting in progress at 5:35 p.m.*

**F. Legal Counsel's Report**

1. **Update on the Haskell Notice of Delay**

Mr. Dillon met with Peter Kinsley of Haskell concerning their notice of delay. Mr. Dillon has requested additional information from Haskell before offering a final recommendation.

Mr. Dillon stated that the District is obligated by contract law to act in good faith and to deal fairly with Haskell. Discussion ensued on liquidated damages. Mr. Dillon stated that he would provide a progress report at the April 21, 2004 meeting. Commissioner Tobin asked if this could be discussed in executive session because it may result in litigation. Mr. Dillon stated that he does not believe an executive session could be opened because it has not reached the level of a claim. Discussion ensued on what would be considered circumstances beyond Haskell's control. Mr. Peter Kinsley stated that Haskell had no intent on filing a claim and that their costs have increased due to the increased costs of petroleum and steel. They requested more time to avoid acceleration of construction.

2. **Update on Roe-Vac warranty**

Mr. Dillon stated that on March 16 he had sent and email to Haskell concerning the final Roevac warranty, but has received no response. Mr. Kinsley stated that he would follow up with Roediger and forward the final document to Mr. Dillon for final consideration at the April 21, 2004 meeting.

3. **Update on direct/indirect costs issue**
Mr. Kinsley informed Mr. Dillon that the Haskell lawyers are reviewing Mr. Dillon’s definition of direct/indirect costs and will respond shortly.

4. Discussion of Government Services Group, Inc. Continuing Services Contract as of May 9, 2004

Mr. Dillon stated that he requires direction from the Board on the GSG relationship after May 9, 2004. Mr. Sheets is to provide a list of costs for certain tasks for discussion at the April 21, 2004 meeting. Mr. Sheets informed the Board that he would not be present for that meeting.

Commissioner Wilkinson moved to continue with Government Services Group on a month to month basis at “Status Quo” as of May 10 and until they are told not to. Commissioner Brooks seconded the motion. All were in favor.

5. Update on legislation

Mr. Dillon stated that he was contacted by Pat Cichon of the Governor’s office of Management & Budget concerning the legislation. The money spending issue was confusing to them and she believes the Governor would not act until he is clear on the issue. Chairman Bauman stated that per Ms. Laura Todd the legislation has been through the 3rd reading.

6. Update on County funds

Mr. Dillon stated that there is a County ordinance pending that would relieve Mr. Kohlage of liability if he releases funds to KLWTX. Mr. Dillon will request a copy of the ordinance from County for review. Mr. Miles added that Mr. Kohlage is reviewing the second draw and the district should have the money in hand by the end of April. Commissioner Tobin asked if the dispute was on the reimbursement of Board salaries. Mr. Miles stated that the County is now questioning all administrative costs. Discussion ensued on the issue.

7. Report on office space survey

Mr. Dillon provided information on the two rental properties. Commissioner Brooks provided handouts on several spaces. Commissioner Wilkinson stated that south of Key Largo there are no viable spaces available. Mr. Brooks reviewed his handout. He stated that Emma Fishburn had suggested purchasing an investment property.

Discussion ensued concerning the square footage needed and the length of the lease and if a regular meeting room should be included. Discussion ensued on owning vs. renting is worth pursuing. The Board agreed on a short list of properties including ½ of the pediatrics building, the Maytag building, the Sun Radio building and the Damaron building for future consideration. Commissioner Tobin stated that he would check on the availability of space at the TIB Bank Building. The Board requested the item be tabled and brought back as an action item on the next agenda.

8. Revised personnel ads

Mr. Dillon stated that the ads provided for consideration had been presented by the transition committee with minor modifications.

Commissioner Wilkinson moved to approve the advertisements for a manager, a finance officer and a clerk. Commissioner Beatty seconded for discussion. Commissioner Tobin
requested that the attorney accept comments and revisions at his discretion. Commissioner Brooks was opposed to the suggestion. Commissioner Wilkinson did not want the ads to specify that specific degrees were required. Discussion ensued. The board agreed that “or equivalent experience” be added to the advertisements. All were in favor.

Discussion ensued on which newspapers to advertise with. The Board agreed to advertise in the Free Press and the Reporter. The Board directed the attorney state in the advertisement that resumes would be accepted for one month. Chairman Bauman ads also be placed in the Keynoter.

G. Action Items

1. Approval of the Pending Payments List for April 7, 2004

Mr. Miles stated that the list included invoices received by 3/31/04 for a total amount of $138,530.82.

Mr. Miles stated that the information provided at H1 is to inform the Board that the $929,000 cesspit grant to be forwarded from the FKAA will be shorted by $137,000 because the funds were spent by the Health Department. Mr. Sheets wants the County to provide the District with a plan on how the funds would be replaced. Mr. Sheets stated that the FY2004 budget included these funds.

Commissioner Brooks moved to approve the payment pending list in the amount of $138,530.82. Commissioner Wilkinson seconded for discussion. Commissioner Tobin questioned the negative balance. Mr. Miles stated that these are enterprise funds and the cash on hand can be used for accounts payable. Commissioner Tobin questioned the time break down from GSG and WEC. Mr. Miles stated they had been provided in emails from him to the Board. The question was called. All were in favor and the motion was unanimously approved.

2. Approval of the advertisement and setting of future workshop dates

Mr. Sheets recommended the next workshop date and time be set to discuss the master plan update or resume review prior to candidate interviews. Discussion ensued on the date and time of the next workshop. Discussion ensued. Chairman Bauman suggests a facilitator be present. The Board agreed the next workshop should include discussion on the master plan, Calusa Camp Resort connection and personnel/staffing.

Commissioner Tobin stated that he would invite Ms. Marlene Conaway to the next regular meeting to provide information on the vacant lots that can potential be served. Discussion ensued on how much of the KLP project can be completed and if it is impacts connecting Calusa Resort.

The Board agreed the next workshop should be held on May 15, 2004 at 10:00 a.m. to discuss the KLP final designs and Calusa Resort. Brown and Caldwell and Haskell representatives should be present. The meeting would be held at the Civic Club if available and the Westin if not.

The Board tabled the item until the next meeting. The Board stated they would discuss if a facilitator should be used for the workshop.
3. Approval of local staff employment advertisements

Please see above, Item F8.

4. Approval to postpone payments of the County $100,000 loan

Commissioner Wilkinson moved to postpone payments to the County on the $100,000.00 loan. Commissioner Beaty seconded the motion. All were in favor and the motion was unanimously approved.

H. General Manager’s Report

1. Update on Local Match Funding for Key Largo Park Project

Discussed as part of G1.

2. Update on the March 10, 2004 Design Team Meeting

Mr. Sweat presented his memorandum that had been included with the agenda.

3. Presentation of the Permitting & Design Calendar

Mr. Sweat presented the calendar that had been included with the agenda. Mr. Sweat noted that the planning commission meeting to consider the conditional use permit would be held on May 26th instead of June 9.

4. Presentation of the Strategic Framework for the KLWTD

Mr. Sheets presented the document that was provided with the agenda. The final document would be presented as an action item for acceptance on the April 21, 2004 agenda.

5. Update on past agenda items:
   a. FEMA FONSI Status

Mr. Sheets stated that the FEMA PHASE II agreement might be an action item at the next meeting. He has been in contact with Miles Anderson of the DCA who indicated the document would be arriving in the near future.

   b. Water Quality Testing

Mr. Sweat presented his memorandum. Commissioner Wilkinson stated that he had been informed that there were no trained volunteers available to collect samples. Mr. Sweat stated he is aware of the importance of the testing and he recommended the requested $8,000 donation to the University be considered to set a schedule and implement a testing plan. The Board required this item be presented for action on April 21, 2004 so that there would be a baseline for future testing.

   c. Project Design Protocol

Per Ed Castle final revisions have been forwarded to Haskell for consideration and the final protocol would be presented to the Board at a future meeting.
d. $100K Loan Payment in-kind

Please see above, item G4.

e. Site mitigation

Mr. Sheets stated that effort is not being put forth by the FKAA to meet with Fish and Wildlife concerning an action plan for site mitigation. FEMA requires Fish and Wildlife must approve the action plan to release funds and the action plan. Discussion ensued on the involvement of the FKAA and the FKAA staff on this issue. MR. Sheets and Mr. Dillon stated that would take action to help the process along.

f. KLP vacant lot resolution

Commissioner Tobin stated he would invite Ms. Marlene Conaway to the next regular meeting to provide information on this issue.

g. Project request for FEMA deadline extension

FEMA can do in future Miles Anderson has stated no problem

I. Engineer's Report

1. WEC Engineer's Report for the period ending March 30, 2004

Mr. Castle presented the report that was included with the agenda.

2. Discussion of the draft scope of service to update the master plan

Mr. Castle presented the bullet point list. Discussion ensued. Mr. Castle stated that he would provide a more detailed scope of service at the next meeting.

Mr. Sheets stated that the financing component to the strategic plan would need to be considered in the future. Discussion ensued. Mr. Sheets stated that GSG would provide a financing component draft scope of work to the Board. Chairman Bauman requested the draft scope of work be presented for discussion on the April 21st agenda for possible action in May.

J. Public Comment

No one present wished to address the Board.

K. Commissioner's Items

Commissioner Brooks requested that the Board review the Haskell monthly report that had been forwarded to the Board under separate cover. Chairman Bauman tabled the request.

L. Meeting Adjournment

Chairman Bauman adjourned the meeting at 8:12 p.m.
Available Office Space Key Largo

April 7, 2004

prepared by Charlie Brooks
MM 106 Divers Outlet

space, space -- see attached drawing -- lots of
open space -- actually there are nine separate
bays -- can be subdivided -- ample parking --
MM 105  700 sqft
$800 mo
453-0505

Bluewater World

Not Available
Pink Plaza MM 103
Down Stairs

Open space — 1000 ft², 20 by 50
$1450 per month — share bathroom
in the back with adjoining unit
Suite 230

KEY LARGO
995 SF 36
977 SF (33.65% excess Space overall)

APPROVED:

M.M. King (CO/DA)
Executive Officer

D. O'Neill Jr.
Flight Commander, Support Fltn

Executive Officer
333D Rctg Sqdn

FILE NO. 862 07/13 33 09-29 10-53 09-539 Now Receiving

Exhibit "A"

$750/mo
INC. ELEC.
Pink Plaza MM 103
Down Stairs

Open space — 1000 ft.², 20 by 50
$1450 per month — share bathroom
in the back with adjoining unit
KEY PLAN
SCALE: 1" = 40'

PINK PLAZA
GROUND FLR

Existing drywall on furring over 8' CMU exterior wall w/ blown cellulose insulation (R-4)

Remove existing restroom walls and door
Relocate electrical panel with new wall
Remove existing elect panel

Replace existing door w/20 min rated door

Existing CMU Shear Wall
Remove existing door & close over opening

Existing 1-Hour Rated Drywall Demising Wall on Column Line

Unit #12
1,000 G.S.F.
(20' x 50')

Existing 6' sq steel columns
Remove panel for new entry door

Unit #13
1,000 G.S.F.
(20' x 50')

Existing 5' sq steel columns each side of exp joint

Existing alum frame, single glazed storefront system
Dolphin

20 x 50 Possible Available August 04
In Same Bldg w Dolphin Patio & Grill
MM 103 US 1
Ace Hardware Bldg

5000 sqft $5000 per mo
103 MM Maytag Bldg
Location

1000 to 2000 Sqt- $12.50 per sqft Flexible configuration- ample parking
Pediatrics MM 103

2600 Sqft – $3000 mo – whole stand alone bldg- ample Parking – Good location – Doctors office Quarters Available late May 04
SITE PLAN

SCALE: 1" = 20'

NOTES:

1. LEGAL DESCRIPTION - LOTS 1 AND 2, BLOCK 11, TWIN LAKES,
   ACCORDING TO THE PLAT, RECORDED IN
   PLAT BOOK #3 AT PAGE 106 OF MONTGOMERY COUNTY

2. ZONING - SUBURBAN COMMERCIAL

3. LOADING ZONE

4. BUFFERYARD

5. $3,000 /mo
Sun Radio 103 Bldg
93351 Overseas HWY

1800 sqft $1800 mo Additional 400Sqft available in back 3rd floor Elev-ample Parking
93351 Overseas Hwy., Tavernier

$1800/mo
KLWTD Board Meeting
April 21, 2004

Item F - 1

Update on the
Haskell Notice of Delay
March 17, 2004

Re: Wastewater Management System For
The Key Largo Trailer Village Area
Key Largo, Florida
Notice of Delay
Issue No. 01-003 – Secondary
Treatment Process Selection
Issue No. 01-012 – FEMA
Environmental Assessment

Mr. Robert Sheets
Government Services Group, Inc.
1500 Mahan Drive
Suite 250
Tallahassee, Florida 32308

Dear Mr. Sheets:

In response to your February 10, 2004 letter requesting additional information regarding our Notices of Delay, we offer the following:

The October 13, 2003 Notice of Delay was prepared in response to our being notified by GSG on October 13, 2003 that due to delays associated with the FEMA Environmental Assessment, construction could not begin until March of 2004. Effective the day of this letter, FEMA has yet to provide final approval of the site, and therefore creates a continuing delay that cannot be resolved until the final FEMA Environmental Assessment is complete and the site is released for construction. In order to avoid additional cost and schedule impact being introduced to the project, it is imperative that FEMA provide final approval in advance of design and permitting being complete which is anticipated in May 2004 for the collection system and June 2004 for the wastewater treatment plant.

With regard to the October 31, 2003 and December 12, 2003 Notices of Delay, The Haskell Company prepared a detailed explanation of our position in a document dated December 29, 2003. This document was prepared using the best information available at the time and included CPM schedule impacts to demonstrate and quantify the delays encountered. Although this approach is customary to the industry, it appears as if CPM schedule impacts have lead to greater confusion in this regard. To facilitate the review of the Key Largo Wastewater Treatment District (KLWTD), this document will take a more simplistic approach in explaining and quantifying the delays encountered that have negatively impacted Haskell’s ability to execute the services defined by the Design-Build Agreement.
Mr. Robert Sheets  
March 17, 2004  
Page 2

Our response will be structured as follows:

- Substantiation of Delay
- Schedule Impact of Delay
- Cost Impact of Delay
- Delay Impact Mitigation Measures

Substantiation of Delay
As agreed upon during contract negotiations and as defined by Exhibit F, Division 11, Item 2, the KLWTD was required to select the secondary treatment process for the project by August 4, 2003 in order to avoid cost escalation and schedule impact being introduced to the project. As you are aware, the KLWTD selected USBF on December 3, 2003 and reversed their decision to SBR on January 14, 2004. This greater than five month delay was due to the cumulative effect of extended contract negotiations between the KLWTD and Haskell, untimely hiring of Weiler Engineering by the KLWTD and extensive delays associated with KLWTD’s selection of the secondary treatment process.

The KLWTD established a team to represent their interest during negotiation of the Design-Build Agreement. The team included Charlie Brooks of the KLWTD, Robert Sheets of GSG, David Refling of Boyle Engineering and Terry Lewis of Lewis, Longman & Walker. After weeks of negotiation, a mutually agreeable contract was presented to the KLWTD for approval. Although the KLWTD designated representative participated throughout the negotiation, the agreed upon contract was rejected by the board. This introduced weeks of additional contract negotiation and ultimately delayed issuance of the Notice to Proceed from June 16, 2003 to July 8, 2003.

After successful contract negotiation and KLWTD’s issuance of the Phase 1 Notice to Proceed on July 8, 2003, Haskell requested a Kick-off Meeting be conducted by all project participants. This is a contractual requirement, standard practice for Haskell and a prerequisite for design development. Due to the fact that the KLWTD had not yet hired their engineer, it was requested that we postpone our Kick-off Meeting until Weiler Engineering was under contract. This postponement introduced additional weeks of delay as the Kick-off Meeting was ultimately conducted on August 18, 2003 in lieu of June 23, 2003.

After conducting the Kick-off Meeting on August 18, 2003, Haskell immediately initiated design development beginning first with reviewing the two allowable secondary treatment processes and making recommendation. This issue has been well documented in numerous previous correspondences and will not be revisited in detail in this response. In summary, Haskell performed it’s due diligence in the thirty days that followed the Kick-off Meeting and
Mr. Robert Sheets  
March 17, 2004  
Page 3

recommended SBR to the KLWTD on September 17, 2003. KLWTD ignored the recommendations of Haskell as well as their manager, GSG and engineer, Weiler, and selected USBF on December 3, 2003 and ultimately reversed their decision to SBR on January 14, 2004 after the implications of that decision were fully understood by the KLWTD. KLWTD’s selection of the secondary treatment process should have taken days to complete and ultimately introduced months of delay to the project.

As substantiated above, the contract schedule has been delayed due to the actions of the KLWTD associated with extended contract negotiation, solicitation of engineering services and selection of the secondary treatment process. Haskell has performed every service in the time allotted in the Preliminary Project Schedule contained in Exhibit B of the Design-Build Agreement, but has not been able to initiate such services as planned awaiting the actions of the KLWTD.

Schedule Impact of Delay
All of the delays substantiated above impact the critical path of the project schedule, extend the project completion date and therefore require a day-for-day time extension. Notice to Proceed and the Kick-off Meeting are the first two activities of the Preliminary Project Schedule following project award and clearly fall on the critical path. With regard to the selection of the secondary treatment process, this KLWTD responsibility was to be complete prior to initiating the 30% Design Development Submittal which is also on the critical path of the Preliminary Project Schedule.

Provided below is a table that summarizes the delays that have been encountered on the project, identifies the number of days that the project has been delayed and establishes our claim for time extension. As illustrated below and substantiated above, the actions of the KLWTD have negatively impacted the critical path of the Preliminary Project Schedule and extended the project completion date by 162 days which is the time extension required by Haskell.

<table>
<thead>
<tr>
<th>Activity Delayed</th>
<th>Schedule Date</th>
<th>Actual Date</th>
<th>Individual Delay</th>
<th>Cumulative Delay</th>
<th>Cause of Delay</th>
</tr>
</thead>
<tbody>
<tr>
<td>Notice To Proceed</td>
<td>6/16/03</td>
<td>7/8/03</td>
<td>22 Days</td>
<td>22 Days</td>
<td>Contract Negotiation</td>
</tr>
<tr>
<td>Kick-off Meeting</td>
<td>6/23/04</td>
<td>8/18/03</td>
<td>34 Days</td>
<td>56 Days</td>
<td>Awaiting Engineer</td>
</tr>
<tr>
<td>Treatment Selection</td>
<td>8/4/03</td>
<td>1/14/04</td>
<td>106 Days</td>
<td>162 Days</td>
<td>Awaiting KLWTD</td>
</tr>
<tr>
<td>TOTAL DELAY</td>
<td></td>
<td></td>
<td>162 Days</td>
<td>162 Days</td>
<td></td>
</tr>
</tbody>
</table>
Cost Impact of Delay

Haskell and our utility contractor, DN Higgins, submitted the proposal for this project in February of 2003 with an anticipated construction start date of November 4, 2003. The 162 days of delay encountered on the project to date have introduced cost for both organizations in which we require reimbursement. But for delays caused by the K LWTD, all material for the project would be purchased and not subject to the volatility of today’s market which includes double digit escalation in the prices of steel and petroleum-based products. Escalation is these two markets alone impact the cost of structural steel, concrete reinforcing, process equipment, PVC pipe and asphalt. In addition, if construction began in November of 2003 as planned, significant labor and equipment hours would have been expended at rates lower than those required today. In summary, the direct cost of executing the contract has increased as the cost for labor, insurance, material and equipment has risen dramatically during the delay.

Upon review of the cost impact associated with the schedule delay, The Haskell Company anticipates a 5% annual increase in cost while DN Higgins anticipates a 7% annual increase in cost. Please see the enclosed February 19, 2004 and March 1, 2004 letters prepared by DN Higgins substantiating their position. Based upon the weighted distribution of the contract value, the project will incur a 6% annual increase in the cost, which equates to $478,200.00 per year or $39,850.00 per month. Therefore the 162 days of delay have introduced $212,242.00 (162days/365days X $478,200.00) of increased cost to the project in which we required reimbursement.

Delay Impact Mitigation Measures

In recognition of the delays that have been encountered on the project, The Haskell Company has undertaken a number of design-related initiatives in order to mitigate additional schedule delay. The following efforts have been made for the benefit of the project and have been provided at no additional cost to the KLWTD.

- Separated the design and permitting of the collection system and the wastewater treatment plant. This allowed design of the collection system to progress while awaiting selection of the secondary treatment process.
- Initiated design of the vacuum collection system for the Key Largo Park based upon the approval of the KLWTD, but prior to written authorization. This allowed design of the park to begin immediately as opposed to weeks later awaiting receipt of the written change order.
- Incorporated the vacuum collection system design for the Key Largo Park into the Key Largo Village to facilitate and expedite design development and permitting. This allowed design and permitting of the two projects to progress as a single, fully coordinated project.
Mr. Robert Sheets  
March 17, 2004  
Page 5  

- Initiated design of the wastewater treatment plant prior to resolution of the secondary treatment process selection. This allowed design of the wastewater treatment plant to progress while awaiting selection of the secondary treatment process.

Per Section 6.2.2 of the Design-Build Agreement, The Haskell Company offers the following suggestions to facilitate the project schedule:
- Secure FEMA approval of the project site before design and permitting is complete.
- Authorize selective procurement in order to avoid further material and equipment cost escalation.
- Authorize construction of the collection system as soon as possible and, if required, in advance of the wastewater treatment plant.
- Expedite your review of the design development submittals.
- Assist with resolution of Monroe County planning and permitting issues.

The Haskell Company and DN Higgins remain committed to this very important project and are prepared to discuss this issue in an effort to develop a solution that is fair and equitable to all related parties. Based upon the schedule and cost impacts introduced by the delays encountered on the project to date, The Haskell Company requires a time extension of 162 days and cost reimbursement of $212,242.00 plus bonds and insurance.

Should you have any questions or require further information, please do not hesitate to contact me at (904) 357-4868.

Sincerely,

[Signature]

Peter M. Kinsley  
Division Leader - Water

Enclosures

cc: Mr. Thomas Dillon  
    Mr. Walt Messer, DN Higgins, Inc.  
    Mr. Stuart Oppenheim, Brown and Caldwell  
    Mr. Ed Whelan, McGuire Woods  
    Mr. John Patton, The Haskell Company  
    Issue No. 01-003  
    Issue No. 01-012  
    Issue No. 02-003
February 19, 2004

Mr. Peter M Kinsley
Division Leader- Water
The Haskell Company
111 Riverside Avenue
Haskell Building
Jacksonville, Florida 32231

RE: Key Largo Trailer Village and Key Largo Park

Dear Mr. Kinsley,

We are writing as a follow up to our September 19, 2003 letter regarding the financial impacts from the delays on the above referenced projects. Due to the increased costs for employee wages, health insurance, workman's compensation, liability insurance, raw materials, stone, pipe, equipment, etc. we can no longer hold our prices. As a whole our costs have increased roughly 7%. Therefore we must increase our prices by an equivalent 7% on both the Key Largo Trailer Village Project and on the Key Largo Park Project.

Please contact me with any questions or concerns

Sincerely,

Walter E Messer
Vice President
Florida Operations
DOUGLAS N. HIGGINS, INC.

cc: file
March 1, 2004

Mr. Peter M. Kinsley  
Division Leader – Water  
The Haskell Company  
111 Riverside Avenue  
Haskell Building  
Jacksonville, FL 32231

RE: Key Largo Trailer Village and Key Largo Park

Dear Mr. Kinsley,

We are writing as a follow up to our September 19, 2003 and February 19, 2004 letters regarding the financial impacts from the delays on the above referenced projects. Following is a chart that shows the increased costs by item.

<table>
<thead>
<tr>
<th>Description</th>
<th>% of Project Costs</th>
<th>% Cost Increase</th>
<th>% Weighted Cost Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Labor</td>
<td>41.27%</td>
<td>7.890%</td>
<td>3.256%</td>
</tr>
<tr>
<td>Equipment</td>
<td>12.51%</td>
<td>3.000%</td>
<td>0.375%</td>
</tr>
<tr>
<td>Asphalt/Flowfill/Stone</td>
<td>12.51%</td>
<td>9.000%</td>
<td>1.126%</td>
</tr>
<tr>
<td>Trenching Subcontractor</td>
<td>13.76%</td>
<td>9.000%</td>
<td>1.238%</td>
</tr>
<tr>
<td>Roofing Material</td>
<td>10.01%</td>
<td>0.000%</td>
<td>0.000%</td>
</tr>
<tr>
<td>Piping Material</td>
<td>5.00%</td>
<td>19.000%</td>
<td>0.950%</td>
</tr>
<tr>
<td>Housing</td>
<td>4.85%</td>
<td>7.000%</td>
<td>0.347%</td>
</tr>
</tbody>
</table>

Total % Cost Increase: 7.292%

The labor cost increase is broken down further in the next chart.

<table>
<thead>
<tr>
<th>Description</th>
<th>% of Labor Cost</th>
<th>% Cost Increase</th>
<th>% Weighted Cost Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wage</td>
<td>71.63%</td>
<td>4%</td>
<td>2.886%</td>
</tr>
<tr>
<td>Health Insurance</td>
<td>7.27%</td>
<td>28%</td>
<td>2.037%</td>
</tr>
<tr>
<td>Workers' Compensation</td>
<td>11.19%</td>
<td>9%</td>
<td>1.007%</td>
</tr>
<tr>
<td>Liability Insurance</td>
<td>9.90%</td>
<td>20%</td>
<td>1.981%</td>
</tr>
</tbody>
</table>

Total % Labor Cost Increase: 7.890%

E.E.O.
As soon as the actual start date for this project is established we will submit further documentation of our increased costs. To date, a fair estimate of our increased costs is 7.3%.

Please contact me with any questions or concerns. I can be contacted at 734-996-9500.

Sincerely,

DOUGLAS N. HIGGINS, INC.

Daniel N. Higgins,
Vice President
KLWTD Board Meeting
April 21, 2004

Item F - 2

Update on
Roe-Vac Warranty
April 14, 2004

The Haskell Company
Haskell Building
Jacksonville, FL 32231-4100

Attention: Peter M. Kinsley

Re: Wastewater Management System for the Key Largo Trailer Village Area

Dear Pete:

Following from our telephone conference calls of yesterday, we confirm the following:

Limited Warranty
Roediger Pittsburgh offers a limited warranty, version KL_v.6, incorporating the modifications agreed upon yesterday, a copy of which is attached hereto. The new language represents an improvement for the KLWTD. The original version, dated October 29, 2003, fixed the term to two or three years (depending on the type of equipment) from date of delivery to the job site. The new version starts the clock at the date of substantial completion—a date more significant to the KLWTD—with a uniform term of two years thereafter, but a limit at three-and-a-half years from delivery. Another modification clarifies that those service personnel who repair, modify or adjust the equipment need to be Roediger Pittsburgh-trained. See the attached warranty for the prevailing language.

On-Site Representation During the Project
We first addressed this vital issue in writing in our letter dated October 29, 2003, and reiterate it at this time. This project represents a major investment in the future for the KLWTD. Its success is the primary concern of the Board, which has selected a design/build team, a project manager, and an operating company to ensure that success, both in the construction phase and in the subsequent operation and management of the system. Roediger Pittsburgh is likewise committed to the success of this project. The reputation of the Roervac® brand name is of utmost importance to us, now and in the future. Consequently, we will provide qualified representation on-site throughout the project to the extent required by the KLWTD. As we have made known to the Board and to the design/build team, it is our judgment and recommendation that 100% coverage is unnecessary and will serve as an encumbrance to the contractor; however, we will defer to the decision and directives of the Board, or the design/build team, if so empowered by the Board. In any event, we will provide training and re-training to assist the contractor.
Roediger Pittsburgh, Inc.
every step of the way during installation. We will cooperate with the project manager to help optimize the project. When it comes time to start the system, we will familiarize the operators with the system and how to best keep it running smoothly. And most importantly, we will aid in the education of the citizens to increase acceptance and understanding of their new system.

Future Prices of Valves and Controllers
The KLWTD Board raised a reasonable concern in October 2003, about future pricing of new and replacement parts, a concern Roediger Pittsburgh addressed in our October 29, 2003 letter. Roediger Pittsburgh confirms the price protection to the KLWTD and extends it, at the specific request of the KLWTD's legal counsel, to two additional types of Roevac® brand equipment: controllers and chamber vessels.

<table>
<thead>
<tr>
<th>Valve Order Quantity</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Over 30</td>
<td>$400</td>
<td>$410</td>
<td>$420</td>
<td>$430</td>
<td>$440</td>
</tr>
<tr>
<td>5 - 29</td>
<td>$450</td>
<td>$460</td>
<td>$470</td>
<td>$480</td>
<td>$490</td>
</tr>
<tr>
<td>1 - 4</td>
<td>$630</td>
<td>$645</td>
<td>$660</td>
<td>$675</td>
<td>$690</td>
</tr>
</tbody>
</table>

Price to KLWTD not to Exceed

<table>
<thead>
<tr>
<th>Controller Order Quantity</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Over 30</td>
<td>$739</td>
<td>$749</td>
<td>$759</td>
<td>$769</td>
<td>$779</td>
</tr>
<tr>
<td>5 - 29</td>
<td>$821</td>
<td>$831</td>
<td>$841</td>
<td>$851</td>
<td>$861</td>
</tr>
<tr>
<td>1 - 4</td>
<td>$925</td>
<td>$935</td>
<td>$945</td>
<td>$955</td>
<td>$965</td>
</tr>
</tbody>
</table>

Note: Add $100.00 for low activation controller.

<table>
<thead>
<tr>
<th>Collection Chamber Flood Proof 002.51-FP-SB (Includes lid order Qty.)</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Over 30</td>
<td>$1507</td>
<td>$1522</td>
<td>$1537</td>
<td>$1552</td>
<td>$1567</td>
</tr>
<tr>
<td>5 - 29</td>
<td>$1582</td>
<td>$1597</td>
<td>$1612</td>
<td>$1627</td>
<td>$1642</td>
</tr>
<tr>
<td>1 - 4</td>
<td>$1650</td>
<td>$1665</td>
<td>$1680</td>
<td>$1695</td>
<td>$1710</td>
</tr>
</tbody>
</table>

Note: Does not include valve, controller or internal fitting package.
Roediger Pittsburgh, Inc.

The applicable year for pricing shall be the year that delivery is taken for the parts ordered. For years beyond 2008 and until 2013, prices within each category shall not increase at a rate exceeding that of the FPI. Delivery charges from Roediger Pittsburgh to KLTWD are additional, as are any sales taxes that may be or become applicable.

Also at the specific request of the KLTWD's legal counsel, Roediger Pittsburgh now adds that future pricing of new and replacement parts as offered to the KLTWD will be favorable pricing compared to that offered to other Roediger Pittsburgh customers whose order quantities of said new and replacement parts are equal to those of the KLTWD, where favorable is intended to mean equal to or less than.

We expect that this will fulfill your requirements and satisfy any remaining concerns. We are very excited about this project and look forward to its getting underway.

Very truly yours,

ROEDIGER PITTSBURGH, INC.

James R. Dalesh
Director, Business Development

JRD/jt

cc: Walt Messer/DN Higgins
    Tom Evans/Tom Evans Environmental

attachment
ROEDIGER PITTSBURGH, INC.

STATEMENT OF LIMITED WARRANTY
for the Key Largo Wastewater Treatment District
Wastewater Management System for the Key Largo Trailer Village Area

Equipment supplied by Roediger for these projects is warranted to be free from defects in materials and workmanship under normal use in service for a period of two (2) years from the date of substantial completion, as that term is defined in the Design/Build Agreement for this project, but in any event no later than forty-two (42) months after delivery.

In the event that its equipment fails to perform, Roediger will repair or replace without charge any part reasonably demonstrated to Roediger to be defective; provided, however, that Roediger is notified promptly in writing and that any such part is returned, upon request, to Roediger's factory in Pittsburgh, Pennsylvania, freight prepaid.

This warranty does not cover wear items designed for replacement under normal use, such as valve diaphragms, pump seals and filters. This warranty also does not cover defects caused by damage or loss resulting from misuse, accident, neglect, improper installation, operation or maintenance. Any repair, modification or adjustment of the equipment performed by someone other than a Roediger-trained service technician voids the warranty set forth herein. This warranty does not cover starting equipment, electrical apparatus or other parts or equipment not manufactured by Roediger, since the same are usually covered by warranties of the respective manufacturer thereof.

THE WARRANTIES SET FORTH IN THIS AGREEMENT ARE IN LIEU OF ALL OTHER EXPRESS OR IMPLIED WARRANTIES, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

Roediger shall not be liable for loss of use, income or profit, incidental, special or, consequential or other similar damages arising, directly or indirectly, out of or occasioned by the operation, use, installation, repair or replacement of the equipment whether such damages are based on a claim of a breach of express or implied warranty (Including negligence and fitness for a particular purpose), tortious conduct (including negligence and strict liability) or any other cause of action.

Charles J. Yatscohnish 04/13/04
Executive Vice President
Roediger Pittsburgh, Inc.

Signature

KL-7-6 (supersedes all prior versions)
Facsimile Letter

Date/Time: October 28, 2003

To: Tom Evans
at: Tom Evans Environmental, Inc.

Fax No.: 863/619-8098 & 305/451-1498
Total No. Of Pages: 1 (including this cover sheet)

Message:

The Key Largo Wastewater Treatment District has requested written confirmation of the commitments you provided during the recent special board meeting. Therefore, please provide written confirmation of your warranty, on-site representation and future vacuum valve pricing with allowable CPI.

The KLWTD understands that RoeVac provided an extended warranty for Stock Island and expects the same. I believe we discussed the fact that RoeVac's standard warranty is 2 or 3 years which would suffice. Please prepared the requested letter with RoeVac's standard warranty as an attachment and forward it to my attention via fax no later than Wednesday @ 12:00 PM. If you have any questions, please contact me on my mobile @ 904/759-5287.

As you will notice, I am copying Walt Messer of DN Higgins on this correspondence as that is who you will be contracting with directly.

Thanks in advance for your timely response.

Cc: Walt Messer @ 305/292-7717
Issue File 01-004

From:

Peter M. Kinsley
Division Leader - Water

If you do not receive all of these pages, or are having a problem with the reception of this material, please call: 904/791-4500, ext. 4868

Return FAX Number: □ 904/791-4693 □ 904/791-4697 □ 904/791-4699 □ 904/695-2112 □ 904/695-2396 □ 904/475-7642

HASKELL BUILDING • JACKSONVILLE, FLORIDA 32231-4100 • 904/791-4500 FAX 904/791-4699

01/09/04 FRI 14:10 [TX/RX NO 7010] 002
ROEDIGER PITTSBURGH, INC.

STATEMENT OF LIMITED WARRANTY
for the Key Largo Wastewater Treatment District
Key Largo Village Project and Key Largo Trailer Park Project

Equipment supplied by Roediger for these projects is warranted to be free from defects in materials and workmanship under normal use in service for a period of:

a.) ROEVAC® components (chambers, valves, controllers) Three (3) years
b.) Mechanical and electrical equipment: Two (2) Years

after date of delivery to Purchaser. In the event that its equipment fails to perform, Roediger will repair or replace without charge any part proven to Roediger's satisfaction to be defective; provided, however, that Roediger is notified promptly in writing and that any such part is returned, upon request, to Roediger's factory in Pittsburgh, Pennsylvania, freight prepaid.

This warranty does not cover wear items designed for replacement under normal use, such as valve diaphragms, pump seals and filters. This warranty also does not cover defects caused by damage or loss resulting from misuse, accident, neglect, improper installation, operation or maintenance. Any unauthorized repair, modification or adjustment of the equipment voids the warranty set forth herein. This warranty does not cover starting equipment, electrical apparatus or other parts or equipment not manufactured by Roediger, since the same are usually covered by warranties of the respective manufacturer therefor.

THE WARRANTIES SET FORTH IN THIS AGREEMENT ARE IN LIEU OF ALL OTHER EXPRESS OR IMPLIED WARRANTIES, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

Roediger shall not be liable for loss of use, income or profit, incidental, special or, consequential or other similar damages arising, directly or indirectly, out of or occasioned by the operation, use, installation, repair or replacement of the equipment whether such damages are based on a claim of a breach of express or implied warranty (including negligence and fitness for a particular purpose), tortious conduct (including negligence and strict liability) or any other cause of action.

Charles J. Yetsconish 10/29/03
Executive Vice President
Roediger Pittsburgh, Inc.
October 29, 2003

The Haskell Company
Haskell Building
Jacksonville, FL 32231-4100

Attention: Peter M. Kinsley

Subject: Key Largo Wastewater Treatment District

Dear Pete:

In response to your memo dated October 28, we offer the following:

Limited Warranty
Roediger Pittsburgh extends to the K LWTD a limited warranty as follows. We warrant
a.) all Roevac® components (collection chambers, interface valves and controllers), and
b.) all mechanical and electrical components of the vacuum station, to be free from
defects in material and workmanship under normal use in service, for a period of three
years and two years, respectively. Please refer to the attached warranty document for
more details.

On-Site Representation During the Project
This project represents a major investment in the future for the K LWTD. Its success is
the primary concern of the Board, which has selected a design/build team, a project
manager, and an operating company to ensure that success, both in the construction phase
and in the subsequent operation and management of the system. Roediger Pittsburgh is
likewise committed to the success of this project. The reputation of the Roevac® brand
name is of utmost importance to us, now and in the future. Consequently, we will provide
qualified representation on-site throughout the project to the extent required by the
K LWTD. As we have made known to the Board and to the design/build team, it is our
judgment and recommendation that 100% coverage is unnecessary and will serve as an
encumbrance to the contractor; however, we will defer to the decision and directives of
the Board, or the design/build team, if so empowered by the Board. In any event, we will
provide training and re-training to assist the contractor every step of the way during
installation. We will cooperate with the project manager to help optimize the project.
When it comes time to start the system, we will familiarize the operators with the system
and how to best keep it running smoothly. And most importantly, we will aid in the
education of the citizens to increase acceptance and understanding of their new system.
Roediger Pittsburgh, Inc.

Future Prices of Valves and Controllers
The KLWTD Board has raised a reasonable concern about future pricing of new and replacement parts. By the very nature of vacuum sewer systems, certain key components are proprietary. The concern follows that the supplier, without competition, will be free to increase pricing without competitive constraints. In response to that concern, Roediger Pittsburgh offers the following price protection to the KLWTD:

<table>
<thead>
<tr>
<th>Valve Order Quantity</th>
<th>Price Per Valve to KLWTD not to Exceed</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2004</td>
</tr>
<tr>
<td>Over 30</td>
<td>$400</td>
</tr>
<tr>
<td>5 – 29</td>
<td>$450</td>
</tr>
<tr>
<td>1 – 4</td>
<td>$630</td>
</tr>
</tbody>
</table>

The applicable year for pricing shall be the year that delivery is taken for the parts ordered. For years beyond 2008 and until 2013, prices within each category shall not increase at a rate exceeding that of the CPI. Delivery charges from Roediger Pittsburgh to KLWTD are additional, as are any sales taxes that may be or become applicable.

We expect that this will fulfill your requirements. If you need additional information, please contact me. I look forward to working with you and the rest of the design/build team.

Very truly yours,

ROEDIGER PITTSBURGH, INC.

[Signature]
James R. Datch
Director, Business Development

JRD/jt

cc: Walt Masser/DN Higgins
    Tom Evans/Tom Evans Environmental

Attachment
Memo

To:       Key Largo Wastewater Treatment District  
From:     Thomas M. Dillon  
CC:        None  
Date:     10/31/03  
Re:       Roadiger Pittsburgh, Inc. (Roevac®) warranty revision

Note: This memorandum constitutes attorney work product and attorney communications.

I have reviewed the Roadiger Pittsburgh, Inc. ("Roadiger") warranty as transmitted to Peter M. Kinsley of The Haskell Company under date of October 29, 2003. My comments follow. Note that my recommendations are in bold type.

In general, since I have not seen the original warranty, I am assuming that the revised warranty is more favorable to the District than the original warranty. I understand that the duration of the original warranty was one year. However, I note that the life of the revised warranty begins to run upon "delivery to Purchaser." Depending on when the equipment is delivered, a significant part of the warranty period might run before the equipment is installed and used in normal use.

As I understood the testimony and Board comments at the October 17 meeting, the expected life of the system is on the order of 50 years or more. In that context, a warranty of two or three years, while better than one year, is probably not a substantial benefit to the District, and probably does not constitute a significant risk to Roadiger. In other words, the extended warranty has little monetary value to the District or cost to Roadiger.

I do not know whether it would be possible to negotiate further revisions, or whether the District desires to pursue this issue further. However, if the District wants to consider further revisions, I suggest the following:

1. I note that before Roadiger will repair or replace the equipment, the District must prove "to Roadiger's satisfaction" that the equipment is defective. Proving a defect to the manufacturer's satisfaction is not always an easy task, because the element of "satisfaction" is a subjective element, and no objective standard is specified by which an alleged defect may be judged. This problem is somewhat mitigated by the fact that the contract with Roadiger is subject to an implied duty of good faith and fair dealing, and Roadiger cannot merely reject a warranty claim without undertaking a reasonable investigation and reaching reasonable conclusions as to whether the equipment is defective. Nevertheless, to avoid future disputes, I recommend deletion of the words, "to Roadiger's satisfaction" from the warranty.

2. As noted above, the warranty begins to run on "delivery to the Purchaser." I cannot tell what is meant by that term. The term "Purchaser" is not defined, even though it is a capitalized term.
However, Rodriger's contract is not with the District, so it is not clear that "Purchaser" is intended to mean "the District." In any case, for the District to get the full benefit of the warranty, the warranty period should not begin to run until the equipment is in service. I recommend that the words "date of delivery to Purchaser" be replaced with "after final completion of each Project."

3. The warranty will not apply unless the District returns the part to Pittsburgh, if requested by Rodriger. The warranty also excludes any consequential damages resulting from the defect. I believe that warranty limitations generally appropriately exclude damages such as loss of use, loss of income, and loss of profit. Those types of damages are not the types of risks that a manufacturer of a component is normally willing to undertake. On the other hand, repair and replacement of a defective component could be an expensive proposition if the District has to bear the cost of excavating and removing the defective component, shipping it to Pittsburgh, and installing the new or repaired component. Normally, these types of costs are borne by a supplier of defective goods under the Uniform Commercial Code, and I think that if a part is shown to be defective, Rodriger should bear these incidental costs. I recommend that the following sentence be added at the end of the warranty: "Notwithstanding the foregoing, if a component is defective and must be repaired or replaced by Rodriger, Rodriger will also compensate the Key Largo Wastewater Treatment District for all reasonable costs of excavating, shipping, and replacing the defective equipment, including actual direct reasonable costs and overhead at the rate of 10% of direct reasonable costs."

4. In addition to transmitting the revised warranty, the Rodriger letter makes certain representations about the future prices of valves and controllers. Although the heading of the first paragraph of the second page of the letter is "Future Prices of Valves and Controllers," the prices appear to be limited to valves only. It is not clear to me why the prices are not applied to other Rodvace® components, including collection chambers, interface valves, and controllers. Further, in addition to the prices and escalators in the letter, the District may desire to include a "most favored nation" provision, as follows: "In addition to the foregoing representations as to prices, Rodriger Pittsburgh represents and warrants to the Key Largo Wastewater Treatment District that the prices charged to the District by Rodriger Pittsburgh for new and replacement parts will be not higher than prices then charged by Rodriger Pittsburgh to any other customer for similar quantities of the same parts."
Memo

To: Peter Kinsley
From: James Dateash
CC: Walt Messer / D.N. Higgins, Tom Evans
Date: 11/13/03
Re: Memo of Thomas Dillon to the Key Largo Wastewater Treatment District dated 11/3/03

Mr. Dillon included four suggestions in his memo, to which we offer the following responses:

1. **His recommendation to delete the words “to Roediger’s satisfaction” from the warranty.** Some degree of subjectivity is inevitable, but, as Mr. Dillon notes, Roediger is "subject to an implied duty of good faith and fair dealing." Consider this as an alternative: "...any part reasonably demonstrated to Roediger to be defective; ...."

2. **His comments with respect to the term “Purchaser” and from when the warranty should run.** That the District is not (technically) the purchaser creates an ambiguity that we can clarify. Mr. Dillon’s recommendation that the clock start “after final completion of each project” is exceedingly broad. Consider an alternative in which the warranty period would be two (2) years from the District’s acceptance of the project but not later than September 5, 2007. Note that for many warranted parts, that will be three and-a-half years from delivery from Roediger to DN Higgins.

3. **His recommendations with respect to incidental costs associated with return of defective parts.** This issue transcends the District-Roediger relationship and is properly dealt with between the District and the Design Build Team.

4. **His request for a “most favored nation” provision on pricing.** In concept, we recognize such a provision as reasonable. Also, we can add the Roevac® controller and chamber to the price list.

JBJ/
From: Thomas M. Dillon [thomasdillon@terranova.net]
Sent: Monday, November 17, 2003 3:50 PM
To: Kinsley, Peter M.
Cc: Charles Sweat; David Miles; Jeff Weller; Robert Sheets; Jerry Wilkinson; Faith Doyle; Gary Bauman; Crie Beatty; Charles Brooks; Andrew M. Tobin
Subject: Re: Roevac Warranty

Peter,

I have reviewed the Roediger memo of 11/13. As with Fluidyne, we are up against the Board's meeting deadline without a full resolution. My comments follow:

Paragraph 2. As with the Fluidyne proposal, although I understand the desire to have a date certain at which liability exposure will end, I do not now understand any technical basis for that particular cutoff date. Considering that the Roediger equipment and materials are intended to be in place for 50 years or more, Roediger's reticence to stand behind its equipment after less than 4 years bothers me. This is especially true in light of Roediger's representations at the October 17 Board meeting that the valves have been in service for 20 and 25 years in Europe without problems.

Paragraph 3. I disagree with Roediger's position regarding costs associated with return of defective parts, and Haskell apparently does, as well. Although the amounts involved are probably minor, I cannot recommend that the District absorb the cost of removing and replacing defective parts.

Tom

----- Original Message ----- 
From: "Kinsley, Peter M." <peter.kinsley@thesaskellco.com>
To: "Thomas M. Dillon" <thomasdillon@terranova.net>
Cc: "Robert R. Sheets (E-mail)" <>sheets@govserv.com; "Charles L. Sweat (E-mail)" <>sweat@govserv.com; "Edward R. Castle (E-mail)" <edcastle@aol.com; "R. Jeff Weiler (E-mail)" <jeff@weilerengineer.org>
Sent: Thursday, November 13, 2003 4:55 PM
Subject: Roevac Warranty

> Attached, please find Roediger memo dated 11/13/03 responding to your comments dated 10/31/03. With the exception of item 3, they have accepted all requested modifications. With regard to Item 3, please note that any failure of an actual chamber due to improper installation or faulty manufacturing will certainly show itself in the first year of warranty in which The Haskell Company would be responsible to remove and replace said defective work at no expense to the District. My point is that the KLWTD has little risk in year 2 for this type of cost.
In addition, please note the additional extended warranty that I have negotiated into the agreement. All previous warranties were to begin after delivery or startup and not Owner Acceptance. I have convinced Roevac that the extended warranty must start from Owner's acceptance and after some deliberation, they accepted. In order to protect them from an open-ended arrangement, I have identified September 1, 2007 as the late date. This is two years from my contractual completion date and will ensure KLWTD of two full years of coverage.

If you find their response acceptable, please notify me as such and I will have them revise their original letter and warranty to reflect the changes.

Upon receipt, I will forward to GSG. Thanks...

Peter M. Kinsley
The Haskell Company
Division Leader - Water
904/ 357-4066 (phone)
904/ 357-4282 (fax)

-----Original Message-----
From: RightPAX E-mail Gateway
Sent: Thursday, November 13, 2003 11:27 AM
To: Kinsley, Peter M.
Subject: A new fax has arrived from (Part 1 of 1)

Time: 11/13/03 11:25:12 AM
Received from remote ID:
Inbound user ID PMKINSLLE, routing code 7642
Result: (0/352;0/0) Successful Send
Page record: 1 - 2
Elapsed time: 01:12 on channel 14
Fax Images: [double-click on image to view page(s)]
Kinsley, Peter M.

From: Kinsley, Peter M.
Sent: Tuesday, November 25, 2003 3:13 PM
To: Thomas M. Dillon; Robert E. Sheets (E-mail); Charles L. Sweat (E-mail)
Subject: Warranty Period

On both the Fluidyne and Roevac warranties, I established a two year warranty period from the date of Owner's acceptance, but not later than September 1, 2007. This was done as a compromise to protect the manufacturers from an open ended warranty but get KLWTD coverage for the full two years. My thoughts are this. We should finish the project before September 1, 2006. If this happens, there is not an issue. If we finish late due to our own actions, KLWTD will presume assess damages and can purchase the additional warranty with those funds. If we finish late due to the actions of KLWTD, the lost warranty will be can either be sacrificed or additional coverage can be purchased by KLWTD. I believe this is a very good deal for KLWTD, but it needs support beyond Haskell for approval. We briefly discussed this issue at the last meeting, but never heard GSG's position or resolved the point. What is GSG's position and if GSG is in support, how do we ensure this will be excepted by the board?

In addition, the service commitments have been included in the revised warranty that I have forwarded to Fluidyne. If acceptable to Fluidyne, are we comfortable this will satisfy the KLWTD?

Thanks...

Peter M. Kinsley
The Haskell Company
Division Leader - Water
904/357-4888 (phone)
904/357-4282 (fax)
Facsimile Letter

Data/Time: April 8, 2003

To: Thomas Dillon
    at: KLWTI Legal

Fax No.: 305/852-2693

Total No. Of Pages: 3 (including this cover sheet)

Message:

Attached, please find the revised Roediger warranty. Upon confirmation of your acceptance, I will forward formally. If you have any questions, let me know and we can set up a conference call to bring this issue to closure. Thanks...

From:

Peter M. Kinsley
Division Leader - Water

If you do not receive all of these pages, or are having a problem with the reception of this material, please call 904/791-4500, ext. 4868.

Return FAX Number:
- 904/791-4683
- 904/791-4697
- 904/791-4699
- 904/695-2112
- 904/695-2386
- 904/676-7542

HASKELL BUILDING • JACKSONVILLE, FLORIDA 32251-4100 • 904/791-4500 FAX 904/791-4699
Fax

To: Peter M. Kratke/The Haskell Co.
From: James R. Dalsey

Fax: 904-357-4222
Pages: 2

Date: April 7, 2004

Re: Roacac Warranty
Cc: Skip Dorton, Tom Evans

☐ Urgent ☐ For Review ☐ Please Comment ☐ Please Reply ☐ Please Recycle

- Comments:

Peter,

As requested, attached please find the "Statement of Limited Warranty" for the Key Largo Wastewater Treatment District/Key Largo Trailer Village Project and Key Largo Trailer Park Project.

If you have any questions please give me a call at 412-487-6010.

Sincerely,

James R. Dalsey
ROEDIGER PITTSBURGH, INC.

STATEMENT OF LIMITED WARRANTY
for the Key Largo Wastewater Treatment District
Key Largo Trailer Village Project and Key Largo Trailer Park Project

Equipment supplied by Roediger for these projects is warranted to be free from defects in materials and workmanship under normal use in service for a period of two (2) years from the date of acceptance of the projects by the Key Largo Wastewater Treatment District but in no event later than September 5, 2007.

In the event that the equipment fails to perform, Roediger will repair or replace without charge any part reasonably demonstrated to Roediger to be defective; provided, however, that Roediger is notified promptly in writing and that any such part is returned, upon request, to Roediger's factory in Pittsburgh, Pennsylvania, freight prepaid.

This warranty does not cover wear items designed for replacement under normal use, such as valve diaphragms, pump seals and filters. This warranty also does not cover defects caused by damage or loss resulting from misuse, accident, neglect, improper installation, operation or maintenance. Any unauthorized repair, modification or adjustment of the equipment voids the warranty set forth herein. This warranty does not cover starting equipment, electrical apparatus or other parts or equipment not manufactured by Roediger, since the same are usually covered by warranties of the respective manufacturer thereof.

THE WARRANTIES SET FORTH IN THIS AGREEMENT ARE IN LIEU OF ALL OTHER EXPRESS OR IMPLIED WARRANTIES, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

Roediger shall not be liable for loss of use, income or profit, incidental, special or consequential or other similar damages arising, directly or indirectly, out of or occasioned by the operation, use, installation, repair or replacement of the equipment whether such damages are based on a claim of breach of express or implied warranty (including negligence and fitness for a particular purpose), fraud, breach of contract (including negligence and strict liability) or any other cause of action.

[Signature]
Charles J. Yatsunish 04/05/04
Executive Vice President
Roediger Pittsburgh, Inc.

K3.1.6 (supersedes all prior versions)
Peter,

I have reviewed the Statement of Limited Warranty you provided by fax on Thursday evening. Here are my detailed comments:

First paragraph:

a. Beginning and Ending dates:

The warranty provides for a duration of two years beginning on the date of acceptance, but in any event no later than 9/5/07. Although the wording is not as clear as it might be, I understand Roediger's intent to be that the 9/5/07 does not refer to the beginning of the warranty period, but to the end of the warranty period.

In your email of 11/25/03 concerning Roediger's insistence on a cutoff date for the warranty, you advised that the District would be protected because, if the date of acceptance was later than 9/5/05, liquidated damages would apply, and the District would have funds available to pay for the risk of failure. I don't agree that the District should have to assume this risk to be paid for out of liquidated damages. If, however, the District were to assume the risk, in light of Haskell's 3/17/04 request for 162 days of additional contract time, the availability of liquidated damages to cover the exposure is not clear.

I don't want the District to have to burn 162 days, or any amount of warranty time, due to late completion. I suggest that the warranty be amended to commence on the date of substantial completion of the project.

b. Duration:

The warranty version of 10/29/03 covered three years for "ROEVAC components (chambers, valves, controllers)" and two years for mechanical and electrical equipment. The latest version is for two years, only, for all components. What is the basis for the reduction in coverage?

Second Paragraph:

I understand that the District would pay for freight to return the defective parts to Pittsburgh and that Roediger would pay for sending repaired or replaced parts back to the District. Apparently, Roediger does not intend to pay for the cost of removing the defective parts or installing the repaired or replaced parts. Are these understandings correct? If so, is this Roediger's final answer?

Third paragraph:

I note that the warranty is void if there is any "unauthorized repair, modification, or adjustment of the equipment." I need to understand whether it is Roediger's position that routine or event-driven maintenance by trained personnel retained as employees or contractor employees to perform the maintenance would void the warranty.

Fourth paragraph:

This paragraph appears to supersede Roediger's commitments made in Roediger's letter to you of 10/29/03 and its memorandum to you of 11/13/03, paragraph 4. I would like to have a revised letter from Roediger repeating

4/13/2004
those commitments and stating that they are not superseded by the Statement of Limited Warranty.

Tom

4/13/2004
I will jump into this today/tomorrow. If required, are you available for a conference call with Roevac?

Peter M. Kinsley
The Haskell Company
Division Leader - Water
904/357-4868 (phone)
904/357-4262 (fax)

From: Thomas Dillon [mailto:thomasdillon@terranova.net]
Sent: Monday, April 12, 2004 12:46 PM
To: Peter M. Kinsley
Cc: Robert Sheets; EdRCastle@aol.com; David Miles; Charles Sweat; Charles Fishburn; Jeff Weller; weiler7@comcast.net
Subject: Roe-Vac warranty

Peter,

I have reviewed the Statement of Limited Warranty you provided by fax on Thursday evening. Here are my detailed comments:

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Tom

4/13/2004
Thomas Dillon

From: "Thomas Dillon" <thomasdillon@terranova.net>
To: "Kinsley, Peter M." <peter.kinsley@thehaskellco.com>
Sent: Tuesday, April 13, 2004 9:32 AM
Subject: Re: Roe-Vac warranty

yes

--- Original Message ---
From: Kinsley, Peter M.
To: 'Thomas Dillon'
Cc: Robert Sheets ; EdRCastle@aol.com ; David Miles ; Charles Sweat ; Charles Fishburn ; Jeff Weiler ; weiler7@comcast.net
Sent: Tuesday, April 13, 2004 8:27 AM
Subject: RE: Roe-Vac warranty

I will jump into this today/tomorrow. If required, are you available for a conference call with Roevac?

Peter M. Kinsley
The Haskell Company
Division Leader - Water
904/357-4888 (phone)
904/357-4282 (fax)

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Sent: Monday, April 12, 2004 12:46 PM
To: Peter M. Kinsley
Cc: Robert Sheets; EdRCastle@aol.com; David Miles; Charles Sweat; Charles Fishburn; Jeff Weiler; weiler7@comcast.net
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Tom

4/13/2004
KLWTD Board Meeting
April 21, 2004

Item F - 3

Update on direct/indirect costs issue
Item F - 4

Update on legislation
Faith Doyle

From: TODD.LAURA [TODD.LAURA@myfloridahouse.com]
Sent: Wednesday, April 07, 2004 4:40 PM
To: Thomas Dillon
Subject: RE: KLWTD legislation

It passed out of the Local Government Committee unanimously. The bill will be scheduled on the next available Local Bill Special Order Calendar on second reading, the rules waived and the bill rolled over to third reading for a final vote of the House. It will then be sent to Senate Rules and Calendar and await a local bill calendar there too, where it will be voted out and sent to the Governor for his approval.

I already told Gary, and am surprised he didn't let you know.

Laura

-----Original Message-----
From: Thomas Dillon [mailto:thomasdillon@terranova.net]
Sent: Wednesday, April 07, 2004 12:12 PM
To: TODD.LAURA
Subject: Re: KLWTD legislation

Any news?

----- Original Message ----- 
From: TODD.LAURA 
To: Thomas Dillon 
Sent: Thursday, March 18, 2004 10:40 AM
Subject: RE: KLWTD legislation

Tom:

The bill is in the process of being analyzed by our Local Government Staff. It should be up in our committee next week. It only has one committee stop and that's Local Government, which Ken chairs.

After it's out of committee it will be placed with other local bills on an expedited local bill calendar which will be scheduled by special orders by the Speaker. During the expedited calendar the bill will be read a second time, roll over to third reading and voted on for final passage out of the House. The bill next goes to the Senate in messages, where it will wait in Senate Rules & Calendar for a local bill calendar there.

I'll keep you posted.

Laura
Laura,
Can you provide me a brief status report on the legislation?
Tom
KLWTD Board Meeting
April 21, 2004

Item F - 5

Update on County Funds
AGENDA ITEM WORDING

Public hearing of an ordinance to provide that ad valorem revenue raised by the MSTU together with land and grant funds may be used to pay compensation and expense reimbursement to the members of the Key Largo Wastewater Treatment District Governing Board.

ITEM BACKGROUND

PREVIOUS RELEVANT BOCC ACTION

Approval to advertise for one public hearing at the March 17, 2004 meeting.

CONTRACT/AGREEMENT CHANGES

STAFF RECOMMENDATIONS

Approval.

TOTAL COST

BUDGETED Yes ☐ No ☐

COST TO COUNTY

SOURCE OF FUNDS

APPROVED BY: County Attorney ☐ OMB/Purchasing ☐ Risk Management ☐

DIVISION DIRECTOR APPROVAL: John R. Collins

DOCUMENTATION: Included ☐ To Follow ☐ Not Required ☐

AGENDA ITEM #: T1

TO: Tom Dillon - 853-2693

Post-It® Fax Note 7671

Date 4/14 # of pages 4

To: Faith

From: Tom

Co./Dept.

Phone #

Fax #
ORDINANCE NO. 17-2003

AN ORDINANCE OF THE BOARD OF COUNTY COMMISSIONERS OF MONROE COUNTY, FLORIDA, AMENDING ORDINANCE NO. 17-2003 CODIFIED AS ART. VIII, CHAP. 15.5, MONROE COUNTY CODE, CREATING THE KEY LARGO WASTEWATER TREATMENT DISTRICT MUNICIPAL SERVICE TAXING UNIT (MSTU), IN ORDER TO PROVIDE THAT AD VALOREM REVENUE RAISED BY THE MSTU TOGETHER WITH THE PROCEEDS OF ANY GRANT OR LOAN TO THE KEY LARGO WASTEWATER TREATMENT DISTRICT MAY BE USED TO PAY COMPENSATION AND EXPENSE REIMBURSEMENT OF THE MEMBERS OF THE KEY LARGO WASTEWATER TREATMENT DISTRICT GOVERNING BODY; PROVIDING THAT SUCH REVENUE MAY BE USED TO PAY CERTAIN OTHER ADMINISTRATIVE COSTS AS DEFINED HEREIN; PROVIDING FOR SEVERABILITY; PROVIDING FOR THE REPEAL OF ALL ORDINANCES INCONSISTENT HEREWITH; PROVIDING FOR INCORPORATION INTO THE MONROE COUNTY CODE OF ORDINANCES; AND PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF MONROE COUNTY, FLORIDA:

Section 1. Sec. 5A of Ordinance No. 17-2003, codified as Sec. 15.5-125(a), Monroe County Code, is hereby amended to read:

(a) Revenues derived from ad valorem taxes levied within the Key Largo Wastewater Treatment District Municipal Service Taxing Unit pursuant to Section 4 shall be used solely to pay for and provide funding for administration, planning and development costs associated with and incurred in advancing of wastewater and reclaimed water projects within and benefiting the Key Largo Wastewater Treatment District Municipal Service Taxing Unit. For the purposes of this Subsection the phrase administration costs shall include the compensation and expense reimbursement of Key Largo Wastewater Treatment District (District) governing board members. Administration costs shall also include legal fees and expenses, consultant fees and expenses (including but not limited to all professions listed in Sec. 287.055(2)(a), Fla. Stat.), employee salaries and benefits, bond underwriting fees and all other costs usually associated with issuance of debt, the reimbursement of any public or private entity, person, firm, partnership or corporation for any monies advanced to further the District purposes, and all other expenses as may be necessary or incidental to the furtherance of District purposes. Administration costs, as described in this subparagraph, may also be paid out of the proceeds of any grant or loan made by the Unit or County to the District unless specifically prohibited by the terms of such grant or loan.
Section 3. All ordinances or parts of ordinances in conflict with this ordinance are hereby repealed to the extent of said conflict.

Section 4. The provisions of this ordinance shall be included and incorporated in the Code of Ordinances of the County of Monroe, Florida, as an addition or amendment thereto, and shall be appropriately renumbered to conform to the uniform numbering system of the Code.

Section 5. This ordinance shall take effect immediately upon receipt of official notice from the Office of the Secretary of State of the State of Florida that this ordinance has been filed with said Office.

PASSED AND ADOPTED by the Board of County Commissioners of Monroe County, Florida, at a regular meeting of said Board held on the ______ day of __________, 2004.

Mayor Nelson
Mayor Pro Tem Rice
Commissioner McCoy
Commissioner Neugent
Commissioner Spehar

(SEAL)
Attest: DANNY L. KOLHAGE, Clerk

By __________________________
Deputy Clerk
jordwwKlgb

BOARD OF COUNTY COMMISSIONERS
OF MONROE COUNTY, FLORIDA

By __________________________
Mayor/Chairperson

MONROE COUNTY ATTORNEY
APPROVED AS TO FORM:

ROBERT NAVOLFE
CHIEF APPRINTANT, COUNTY ATTORNEY
DATE: 5/13/04
KLWTD Board Meeting
April 21, 2004

Item G - 1

Approval of the Pending Payments List for April 14, 2004
Dear Commissioners:

This agenda item is designed to provide an update on the financial status of the Key Largo Wastewater Treatment District. As of April 13, 2004 the District had $229,865.52 in its bank account. We have $49,180.79 in invoices in-hand for payment by May 4, 2004. Exhibit A is the list of currently outstanding invoices pending payment. As requested by the Board at the January 14, 2004 meeting, separate accounting of cash balances are shown as follows as of April 13, 2004:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration &amp; Operations</td>
<td>$ 64,882.21</td>
</tr>
<tr>
<td>Key Largo Park</td>
<td>(14,374.56)</td>
</tr>
<tr>
<td>Key Largo Trailer Village</td>
<td>$ 179,357.87</td>
</tr>
<tr>
<td>Total</td>
<td>$ 229,865.52</td>
</tr>
</tbody>
</table>

Staff is still awaiting receipt of $151,251.15 in MSTU money from Monroe County requested March 3, 2004. A request for $129,607.00 for Monroe County matching funds for use in the Key Largo Park project, submitted March 23, 2004 is also still pending.

Board of Commissioners: Chairman Gary Bauman, Andrew Tobin, Cris Beaty, Charles Brooks, Jerry Wilkinson
**Date:**

<table>
<thead>
<tr>
<th>Date</th>
<th>Description</th>
<th>Amount</th>
<th>Vendor</th>
<th>Category</th>
<th>Payment</th>
<th>Invoice</th>
<th>Due Date</th>
<th>Payment Date</th>
<th>Amount</th>
<th>Vendor</th>
</tr>
</thead>
<tbody>
<tr>
<td>4/14/04</td>
<td>Key largo Travel Village Mar. 3333.39</td>
<td>$4.98</td>
<td>1.16</td>
<td>1.16</td>
<td>1.16</td>
<td>1.16</td>
<td>1.16</td>
<td>1.16</td>
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<td>1.16</td>
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<tr>
<td>4/10/04</td>
<td>Key Largo Travel Village Mar. 3333.39</td>
<td>$4.98</td>
<td>1.16</td>
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<td>$4.98</td>
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<td>1.16</td>
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<td>1.16</td>
<td>1.16</td>
</tr>
</tbody>
</table>

**Total Available:**

- Key Largo Travel Village Mar. 3333.39
- Key Largo Travel Village Mar. 3333.39
- Professional Services For March 2004

**Total Invoices for Key Largo Travel Village:**

- 3/31/04

**Total Available for Key Largo Park:**

- Cash Balance Forward for Key Largo Park

**Total Invoices for All Admit & Operations Invoices Paid:**

- 3/31/04

**Total Available for Admit & Operations:**

- Government Services Group, Inc.
- John M. Dillion

**Prepared Date:** 12/1/2004

**Key Largo Waterway Treatment District**
KLWTD Board Meeting
April 21, 2004

Item G - 2

Approval of the advertisement for the May 15, 2004 workshop
PUBLIC NOTICE OF THE KEY LARGO WASTEWATER TREATMENT DISTRICT WORKSHOP

The Board will hold a meeting at 10:00 am at the Key Largo Civic Club, 209 Ocean Bay Drive, MM 99.5, Key Largo, FL, on May 15, 2004. The Board will conduct a workshop to consider a wastewater master plan, commercial connections, and regular agenda items. The Agenda will be available 48 hours prior to the meeting date by contacting District Clerk Faith Doyle at 305-451-5105.
PUBLIC NOTICE OF THE KEY LARGO WASTEWATER TREATMENT
DISTRICT MEETINGS

The KLWTD Board hereby gives notice pursuant to Chapter 189, Florida Statutes, announces that it will conduct a workshop to discuss wastewater master planning, commercial connections and regular agenda items on May 15, 2004 beginning at 10:00 a.m. to be held at the Key Largo Civic Club, 209 Ocean Bay Drive, MM 99.5, Key Largo, FL 33037.

The agenda will be available 48 hours prior to the meeting or workshop date by contacting District Clerk Faith Doyle at 305-451-5105 or fdoyle@govmserv.com.

Pursuant to Section 286.0105, Florida Statutes, notice is given that if a person decides to appeal any decision by the Board with respect to any matter considered at such hearings or meetings, he or she will need a record of the proceedings, and that, for such purpose, he or she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

In accordance with the Americans with Disabilities Act, persons needing special accommodations to participate in this proceeding should contact the District Clerk Faith Doyle at 305-451-5105 or fdoyle@govmserv.com 72 hours prior to the meeting date.
Item G - 3

Approval of the Strategic Framework for the K LWTD
Strategic Framework

Key Largo Wastewater Treatment District

Draft 1.0

April 13, 2004
Purpose Statement

The purpose of the District is to build and operate a wastewater treatment system for the Key Largo/Tavernier area of Monroe County

Vision Statement

The District will be a fully operational, self-sustaining entity that provides cost efficient services while protecting the public and environmental health of the region it serves.

The Balanced Scorecard: Goals

Operations

Goal: Complete existing projects on the planned schedule (Very high priority)

Future Growth and Development

Goal: Refine the Master Plan (Very high priority)
Goal: Establish connection policies (High priority)

Financial Viability

Goal: Finalize the rate structure and associated rules (High priority)

Organizational Development

Goal: Engage staff (Very high priority)
Goal: Develop approach for the staffing and operation of facilities
Goal: Establish temporary office space
Goal: Initiate more structured decision making process in the board meetings with more formalized guidance to staff
Goal: Initiate board workshop schedule for in-depth analysis and discussion of a topic
The Balanced Scorecard: Action Plan

Operations

Goal: Complete existing projects on the planned schedule (Very high priority)

Lead: Manager, Engineer
Action assignment:
- Provide regular status reports and corrective action plans if key dates are not met.
Time: Monthly reports

Future Growth and Development

Goal: Refine the Master Plan (Very high priority)

Lead: Manager, Engineer
Action assignment:
- Prepare information sheet on current status for April 7th board meeting
- Prepare scope of services documents for April 21st board meeting
Time: April board meetings

Goal: Establish connection policies (High priority)

Lead: Manager, Engineer, Attorney
Action assignment:
- Develop an issues paper and plan for fall completion
Time: 2nd half of May, 2004

Financial Viability

Goal: Finalize the rate structure and associated rules (High priority)

Lead: Manager
Action assignment:
- Refine rules for board adoption, review adopted rates
Time: April 21, 2004
Organizational Development

Goal: Engage staff (Very high priority)

Lead: Attorney, Clerk
Action assignment:
  • Prepare job descriptions and advertising plan for board approval
Time: April 7th, 2004

Goal: Develop approach for the staffing and operation of facilities

Lead: Manager, Engineer
Action assignment:
  • Prepare options and recommendations report
Time: By August 31st, 2004

Goal: Establish temporary office space

Lead: Attorney
Action assignment:
  • Prepare report on options
Time: April 21st, 2004

Goal: Identify and resolve any outstanding issues not covered in prior goals

Lead: Manager, Engineer, Attorney
Action assignment:
  • Prepare report on issues to be resolved and proposed schedule
Time: May, 2004

Goal: Initiate more structured decision making process in the board meetings with more formalized guidance to staff

Lead: Chair
Action assignment:
  • Increase use of formal motions on decisions and actions
  • Provide mechanisms for discussion limited to board members
Time: Immediately

Goal: Regularly use board workshops for collegial discussions and further development of understanding of issues

Lead: Chair
Action assignment:
  • Develop a workshop schedule
Time: April 21st board meeting
Item G - 4

Approval of the rental space short list
103 MM Maytag Bldg
Location

1000 to 2000 Sqft- $12.50 per sqft Flexible configuration- ample parking
Pediatrics MM 103

2600 Sqft – $3000 mo – whole stand alone bldg- ample Parking – Good location – Doctors office Quarters
Available late May 04
NOTES:

1. LEGAL DESCRIPTION - LOTS 1 AND 2, BLOCK 11, TWIN LAKES, ACCORDING TO THE PLAT, RECORDED IN PLAT BOOK #3 AT PAGE 100 OF KENMORE COUNTY

2. ZONING - SUBURBAN COMMERCIAL

3. LOADING ZONE

4. BUFFERYARD - 10

5. Pediatrics

6. 3,000/mo
Sun Radio 103 Bldg
93351 Overseas HWY

1800 sqft $1800 mo Additional 400Sqft available in back 3rd floor Elev-ample Parking
Faith Doyle

From: Thomas Dillon [thomasdillon@terranova.net]
Sent: Wednesday, March 31, 2004 1:58 PM
To: Robert Sheets; EdRCastle@aol.com; David Miles; Charles Sweat; Charles Fishburn; Jeff Weiler; weller7@comcast.net; Andrew Tobin; Charles Brooks (E-mail); Cris Beaty (E-mail); Gary Bauman (E-mail); Jerry Wilkinson; Faith Doyle

Subject: Available leased space

Faith, please place this in the Agenda.

I understand that Mr. Brooks will be providing information regarding leasing opportunities north of Key Largo.

Mr. Wilkinson has investigated leasing opportunities south of Key Largo.

The Damaron space appears to remain available at about $15/s.f./month plus utilities.

There is a former retail space in the Tradewinds Shopping Center (former Book Nook) with 1250 s.f. available at $22.85/s.f./month plus utilities.

Tom
KLWTD Board Meeting
April 21, 2004

Item G - 5

Approval of the Government Services Group, Inc. letter of agreement
April 13, 2004

Gary Bauman, Chair
Key Largo Wastewater Treatment District
Board of Directors
P.O. Box 491
Key Largo, FL 33037

RE: Government Services Group, Inc. Letter of Agreement for Continuing Services

Dear Mr. Bauman:

As discussed at the April 7, 2004 Board meeting, Government Services Group, Inc. ("GSG") does hereby agree to continue our services for basic administration under our existing agreement for the current monthly fixed fee of $10,800.00. GSG also understands that this agreement will continue on a month-to-month basis and can be terminated upon 30 days notice. All terms and condition regarding the scope of service will be provided by GSG.

GSG is prepared to modify the agreement as the Board moves forward in its attempt to hire local resources for district manager, clerk to the board, and the financial/accounting function.

In regard to the Project/Grant Administration Work Authorization GSG will continue on a time and material basis with a maximum not to exceed $6,250.00 per month. This agreement can also be terminated upon 30 days written notice.

It is our hope that as the district transitions to local management, the GSG can continue to provide specialized assistance to the District. We hope this letter is consistent with the Board’s direction and that your signature below indicates your acceptance to the terms.

Sincerely,

Robert E. Sheets
Government Services Group, Inc.

RES/fd

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Gary Bauman, Chairman
KLWTD Board of Directors

Approved as to form:

Thomas Dillon, Esq.
KLWTD Board Attorney
KLWTD Board Meeting
April 21, 2004

Item H - 1

Presentation of the Draft Scope of Work for the Financial Component to Implement the Master Plan
Key Largo Wastewater Treatment District  
Sanitary Sewer Wastewater Master Plan  
Development of Financing Plan Annex

OBJECTIVE

The Weiler Engineering Corporation was requested to provide a scope of services for the updating of the Sanitary Sewer Wastewater Master Plan to include the full service area of the Key Largo Wastewater Treatment District (KLWTD). This master plan is designed to identify in discrete increments projects that can be designed and built to provide sanitary sewer services to all parcels permitted for residential or commercial use within the KLWTD service area. It is keeping with the objectives of the KLWTD enabling legislation which established a goal to provide sanitary sewer service to all potential wastewater sources on Key Largo. In order to accomplish the Master Plan, a corollary concern will be to obtain adequate and timely funding to insure that the construction of the system is accomplished as designed in the master plan. This annex to the master plan is designed to provide a framework for identifying the potential sources of funds, development of necessary applications, and accounting for the proceeds obtained to comply with grant agreements and other statutory and regulatory obligations the district may incur.

SCOPE OF SERVICES

Government Services Group, Inc. will assist the Weiler Engineering Corporation in developing the Key Largo Sanitary Sewer Wastewater Master Plan by reviewing and commenting of the scope and scale of each proposed project. This will include evaluating the cost of each project for reasonableness.

Since the KLWTD construction plans will require the scope of individual projects to be sized to meet available financial resources, GSG staff will participate in the identification of specific projects and sub-projects that can be implemented in a logical sequence within available funding sources. The concept proposed involves a building block approach of small, medium and large projects, with a priority system based on the location of hot spots, potential integration with the existing collection system and package plants of the KLWTD and financial feasibility. The Calusa Camp Resort project will be included in this study as a discretely separate project.

The proposed study will use budgetary estimates developed in the Weiler Master Plan Update as a baseline for identifying and sizing projects and subprojects. The use of subprojects will allow for more latitude in sizing work to be accomplished to available funding sources.
Each project and subproject will be analyzed to determine the most feasible funding sources. Options to be reviewed include federal, state and local (Monroe County) grants and loans, special assessment districts, revenue bonds and bank loans, connection charges (capacity fees) and operating revenues. For each project, one or more potential sources of funding will be identified, prior to ranking based on desirability.

Factors to be considered in the ranking of projects include project cost, availability of funding, revenue generation from the resulting project, treatment plant capacity utilization by the project and distance from the regional treatment plant site. Options to pick up adjacent service areas with existing collection systems and package plants for integration into the KLWTD Utility System will be given consideration. For example, the Calusa Camp Resort project will be given consideration based on its proximity to a nearby transmission line and its ability to generate revenue.

Each project and subproject will include a projection of revenue to be generated used as a ratio to the cost of the project (payback estimate). The payback estimate will serve as a useful tool in the prioritizing the projects to be completed. Revenues will be estimated based on the preliminary monthly sewer bill of $35.00 per EDU and the connection fee (capacity charge) of $2,700.00 per EDU. Those projects with the shortest payback period will be recommended to the Board for priority consideration.

DELIVERABLES:

- List of projects and related subprojects, with estimated construction cost.
- Matrix showing proposed ranking of projects based on project payback, and showing project cost, potential funding source(s), revenue generation, plant capacity utilization, hot spot ranking, and distance from regional plant site.
- Narrative recommendation on a priority basis for inclusion of the projects within the KLWTD five-year capital program to facilitate budgetary planning.

STUDY COST: $5,000.00 fixed fee. Payment of $2,000.00 due upon approval of the work authorization by KLWTD Board. Remaining payment of $3,000.00 due upon delivery of all deliverables and presentation of written report to the KLWTD Board.
KLWTD Board Meeting
April 21, 2004

Item H – 4b

Water Quality Testing
TO: Key Largo Wastewater Treatment District Board Members

CC: Charles Sweat, Director of Operations
Faith Doyle, Clerk to the Board
David Miles, Chief Financial Officer

FROM: Robert E. Sheets, General Manager

DATE: April 21, 2004

RE: Near Shore Water Quality Monitoring – Memo Update

As requested by the Board at the February 18, 2004 Meeting, staff has begun evaluating the feasibility of instituting a near-shore water quality monitoring program for Key Largo. In conversations with Gus Rios, at DEP, he indicated that currently there is an EPA funded near-shore water quality study underway in Marathon to assess the environmental results of the Little Venice system. He suggested that the results of this study could be applied to the Key Largo area and that any “meaningful” study would cost the district upwards of $100,000. He further went on to state that DEP could possibly conduct a future one-time sampling and testing event for Key Largo. The Florida Rural Water Association was also contacted regarding this subject but no programs of the scope and magnitude required by the KLWTD were readily available.

Florida Lakewatch, as previously reported, is a volunteer citizen lake monitoring program that facilitates citizen participation in the management of Florida lakes through monthly monitoring activities. Dan Willis, of Lakewatch, stated that their focus is predominately on freshwater they do monitor saltwater quality in some areas of the Florida Keys, most notably Tavernier and the Tarpon Basin. The saltwater testing done in the Keys is leftover from a similar program called Coastwatch. The state funding for Coastwatch is no longer in available, however as previously stated, they still facilitate some water quality monitoring in the Keys. The tests run by Lakewatch include total phosphorus, total nitrogen, chlorophyll and visibility. Volunteers are used to collect the samples and state funding pays for the laboratory fees. The results are then posted on the Lakewatch website for general dissemination. KLWTD Staff has spoken to the Director of Lakewatch, Dan Canfield and he did state that if the KLWTD was willing to pay the costs associated with the testing, in the form of an approximate $8,000 a year donation, he could use the trained volunteers already in the Keys for monthly sampling the Key Largo near-shore waters.

Furthermore, David Makepeace, a teacher at Coral Shores High School, indicated that a group of his students often do volunteer work, with the Village of Islamorada, to collect near-shore samples for lab testing. A copy of their sampling protocol is attached for your reference. Zuli Williams, with the Village of Islamorada, indicated that the Village is required, as per their Comprehensive Plan, to conduct monitoring of the near shore waters.
Staff consulted with Bill Kruczynski of the Local Keys EPA office and received some further input and advice. He first indicated that the results of the Little Venice study could be applicable to the situation in Key Largo and he would forward the methodology to the District for our review. At the time of this memo this information has not yet been received. He also went on to state that often the validity of water quality monitoring programs are challenged due to the multitude of diverse factors involved with the marine environment and that the development of a “meaningful” program requires the careful study of scientists.

Upon review of the information collected staff has made the following recommendation:

The intent of the Board is to provide the most accurate account of the water quality improvements over time, due to the implementation of a central wastewater system and consequent elimination of cess-pits and septic tanks. Near shore water quality monitoring is not a legal requirement imposed upon the KLWTD and not a “hoop” to jump through, therefore if it is done, it should be done correctly with the purpose of being accurate and defensible. The program utilized by the KLWTD must fully consider issues such as sample locations, parameters to be tested, frequency of sampling and the long-term costs. Every area is different and a “cookie cutter” approach will not be sufficient to address the true goals of the Board. If the program is not of the utmost quality, the money would be better spent on additional wastewater connections. Staff recommends that a Request for Proposals (RFP) be developed to retain the services of a firm specializing in developing and implementing near shore water quality monitoring programs.

If you have any questions please feel free to contact me.
KLWTD Board Meeting
April 21, 2004

Item H – 4e

Site mitigation
George,

I had to deliver a status report last night to my board regarding our progress in developing an Action Plan for the on-site mitigation at 100.5. To say that they were disappointed would be an understatement. Please excuse the directness of this email, but it is absolutely critical that progress is made in developing the Mitigation Action Plan.

FEMA has made it crystal clear to the District that they are going to rely on the Fish and Wildlife Services to accept the District's Action Plan. In other words, if Fish and Wildlife is happy, then FEMA is happy. If we are unable to develop an Action Plan that meets Fish and Wildlife requirements, our project cannot go forward.

Please contact me immediately, so you can tell me what course of action you are taking and the time frame for the resolution of this issue. As I've offered before, if you need any help in getting your priorities rearranged, please let me know.

Robert E. Sheets, CEO
rsheets@govserv.com <mailto:rsheets@govserv.com>
Government Services Group, Inc.
1500 Mahan Dr, Suite 250
Tallahassee, FL 32308
(850) 681-3717 office
(850) 224-7206 fax
www.govserv.com
April 13, 2004

Mayor Murray Nelson
By Facsimile

Dear Mayor Nelson,

Per our discussion today, I am sending the first page and final 3 pages of a June 11, 2001 biological opinion developed by the U.S. Fish & Wildlife Service in connection with the FEMA environmental assessment. The omitted pages contain an interesting discussion of the Schaus swallowtail butterfly and the Stock Island tree snail. However, the part I want to emphasize is the Terms and Conditions section beginning on Page 18.

Condition 1 requires that FEMA must locate 2.6 acres of hardwood hammock habitat to be restored as habitat for the butterfly and the snail.

The FONSI issued by FEMA on March 19, 2004 imposes the obligation on the District, requiring it to “restore” 2.6 acres of habitat as provided in the biological opinion.

I understand that these requirements do not necessarily mean that the land must be purchased, but that it must be somehow protected from actions inconsistent with use as habitat. As provided in the FONSI, these actions must be approved by the U.S. Fish & Wildlife Service.

As I understand the requirements, the District must develop an action plan in consultation with the County to identify and preserve the 2.6 acres of land. I understand that the County Planning Department is working with the District and the U.S. Fish & Wildlife Service to accomplish these goals. Clearly, additional funds will be needed in order to do so.

Sincerely,

[Signature]

C: client
United States Department of the Interior

FISH AND WILDLIFE SERVICE
South Florida Ecological Services Office
3359 20th Street
Vero Beach, Florida 32960

June 11, 2001

William R. Straw
Regional Environmental Officer
Federal Emergency Management Agency
3003 Chamblee Tucker Road
Atlanta, Georgia 30341-4130

Log No.: 4-1-00-F-736
Dated: December 18, 2000
Applicant: Federal Emergency Management Agency
County: Monroe

Dear Mr. Straw:

This document transmits the Fish and Wildlife Service’s (Service) Biological Opinion based on our review of the Federal Emergency Management Agency’s (FEMA) proposal to construct the Key Largo Wastewater Treatment Plant (WTP) and its effects on the endangered Schaus swallowtail butterfly (Heraclides aristodemus ponceanus), the threatened Stock Island tree snail (Orthalicus reses), and the threatened eastern indigo snake (Drymarchon corais couperi) in accordance with section 7 of the Endangered Species Act (ESA) of 1973, as amended (16 U.S.C. 1631 et seq.). Your request for consultation was received on December 18, 2000.

This Biological Opinion is based on information provided in the October 30, 2000, draft Endangered Species Biological Assessment (FEMA 2000), telephone conversations with FEMA and Monroe County representatives, species experts, members of the public, field investigations, and other sources of information. A complete administrative record of this consultation is on file at the Florida Keys Ecological Services Field Office on Big Pine Key, Monroe County, Florida.

Consultation history

The Biological Opinion presented here is the result of informal coordination and consultation between the Service and FEMA. This consultation history represents coordination letters and documents from this process.

On April 7, 2000, the Service sent a letter to Monroe County informing the County of the presence of several federally-listed threatened and endangered species on Key Largo, and expressing an interest in assisting the County in the selection of wastewater treatment plant facility locations.
take should be minimized by implementation of the following reasonable and prudent measures. The incidental take is expected to be in the form of harm and harassment.

Amount or extent of take anticipated

The Service anticipates incidental take of Schaus swallowtail butterfly and Stock Island tree snail associated with the direct loss of 2.6 acres of habitat. Incidental take should be minimized by implementation of the following reasonable and prudent measures. The incidental take is expected to be in the form of harm and harassment. The Service determined that this level of take is not likely to result in jeopardy to these species.

Reasonable and prudent measures

The Service believes the following reasonable and prudent measures are necessary and appropriate to minimize take of Schaus swallowtail butterflies and Stock Island tree snails associated with the proposed action.

1. Restore an area of hardwood hammock habitat equal to the area lost (2.6 acres) as a result of the proposed action in order to replace the habitat functions essential to the long-term conservation of the species in the action area.

2. Preserve the 23 acres of the action area not required for construction of the proposed action to prevent any further adverse impacts and to ensure proper long-term management of the habitat.

Terms and conditions

In order to be exempt from the prohibitions of section 9 of the ESA, FEMA must comply with the following terms and conditions, which implement the reasonable and prudent measure described above and outline required reporting/monitoring requirements. These terms and conditions are non-discretionary.

1. FEMA shall locate a site or sites totaling 2.6 acres for hardwood hammock habitat restoration on the island of Key Largo. The site should consist of habitat conditions currently unsuitable for the Schaus swallowtail butterfly and Stock Island tree snail, but through restoration actions could be reasonably expected to support these species. The selected site must be approved by the Service.

2. FEMA shall coordinate with the CARL program or another suitable environmental lands management program to receive title to the 23 acres of hardwood hammock in the action area not proposed for development. Coordination with the Florida Department of Community Affairs and Monroe County Growth Management should be initiated to address issues related to the Monroe County Comprehensive Plan open space requirements.
The reasonable and prudent measures, with their implementing terms and conditions, are designed to minimize the incidental take of Schaus swallowtail butterfly and Stock Island tree snail that might otherwise result from the proposed action. If, during the course of the action, this level of incidental take is exceeded, such incidental take represents new information requiring reinitiation of consultation and review of the reasonable and prudent measures provided. The Federal agency must immediately provide an explanation of the causes of the taking and review, with the Service, the need for possible modification of the reasonable and prudent measures.

**CONSERVATION RECOMMENDATIONS**

Section 7(a)(1) of the ESA directs Federal agencies to use their authorities to further the purposes of the ESA by carrying out conservation programs for the benefit of threatened and endangered species. Conservation recommendations are discretionary agency activities to minimize or avoid adverse effects of a proposed action on listed species or critical habitat, to help implement recovery plans, or to develop information that can be used to further the purposes of the ESA.

1. **FEMA should develop guidelines for the siting and construction of any future wastewater treatment facilities in the Florida Keys specifically aimed at avoiding adverse effects to threatened and endangered species.** The Service recognizes the need for these facilities to be built in the Florida Keys, but has a responsibility to provide for the protection and conservation of trust resources. The Service is prepared to assist FEMA in the identification of potential wastewater treatment facility sites throughout the Keys that will have no effect on threatened or endangered species.

**REINITIATION NOTICE**

This concludes formal consultation on the action outlined in the consultation request. As provided in 50 CFR 402.16, reinitiation of formal consultation is required where discretionary Federal agency involvement or control over the action has been retained (or is authorized by law) and if: (1) the amount or extent of incidental take is exceeded; (2) new information reveals effects of the agency action that may affect listed species or critical habitat in a manner or to an extent not considered in this opinion; (3) the agency action is subsequently modified in a manner that causes an effect to the listed species or critical habitat not considered in this opinion; or (4) a new species is listed or critical habitat designated that may be affected by the action. In instances where the amount or extent of incidental take is exceeded, any operations causing such take must cease pending reinitiation.
Thank you for your cooperation in the effort to protect threatened and endangered species and their habitats. If you have any questions regarding this project, please contact Tom Grah at (561) 562-3908, extension 236.

Sincerely yours,

[Signature]

*James J. Slack*
Field Supervisor
South Florida Ecological Services Office

cc:
FWS, Big Pine Key, FL
FWS, ARD-ES, Atlanta, GA
Florida Keys Aqueduct Authority, Key West, FL (Jack Teague)
Monroe County Growth Management, Marathon, FL (Tim McGarry)
EPA, Marathon, FL (Bill Kruzcinsky)
KLWTD Board Meeting
April 21, 2004

Item H – 4f

KLP vacant lot resolution
Faith Doyle

From: Andrew Tobin [Tobinlaw@Terranova.net]
Sent: Saturday, April 10, 2004 4:45 PM
To: Conaway-Marlene@MonroeCounty-FL.Gov; McGarry-Tim
Cc: Jerry Wilkinson; Gary Bauman; Chris Beaty; Charles Brooks (E-mail); Tobin, Andrew; Robert Sheets; Dillon, Thomas; Faith Doyle
Subject: Key Largo Park

Tim/Marlen;

The KLWWTD is required to make a decision on whether to install some/all of the sewer lines and valve pits in Key Largo Park. In order to make an informed decision we need to understand which lots are likely to be developed in the next year/two/three, etc.

Can you please attend our next meeting on April 21, 2004, @ 5 pm to discuss this subject with the Board. If you are unable to attend can you please send someone from the planning department that can advise us accordingly.

As we meet from 5-8 pm we can schedule you at anytime that is convenient for you.

Thank you,

Andy
Andrew M. Tobin
P.O. Box 620
Tavernier, FL 33070
305-852-3388
Tobinlaw@Terranova.net
Item H – 5

Discussion of Monroe County BOCC Letter dated 4-8-04
April 8, 2004

Mr. James Reynolds, Executive Director
Florida Keys Aqueduct Authority
1100 Kennedy Drive
Key West, Florida 33040

Mr. Robert Sheets
Key Largo Wastewater Board
Government Services Group
1500 Mahan Drive, Suite 250
Tallahassee, Florida 32308

Gentlemen:

Recently, the Board of County Commissioners and the Florida Department of Community Affairs have been in negotiations concerning moving forward with their Work Program to implement the 2010 Comprehensive Plan. That was a detailed and lengthy process with good will on both sides ultimately prevailing. On March 9, 2004, the Governor and Cabinet, sitting as the Administration Commission, instructed their staff to proceed with the development of an administrative rule that met the conditions of the Agreement.

That administrative rule will go through a number of public hearings/meetings and will include issues pertaining to wastewater, affordable housing and habitat protection. In reference to the wastewater issues, the County has committed to providing bond financing for up to $40 million in support of the implementation of wastewater systems throughout unincorporated Monroe County. In that regard, the Florida Keys Aqueduct Authority and the Key Largo Wastewater Board are the entities that will actually implement the specific projects.

There will, of course, be a number of potential funding sources for the wastewater treatment plant and collection systems. Not only will there probably be some additional state money in the near future, there is also the long term, although murky, prospects for additional federal funds. The County is committed to providing its share through bonding and we know that both of your entities have the capacity to do dept financing to assist with the capital costs of the projects. The County Commissions overall goal is to have that portion of the capital costs of the projects, when translated to hookup fees for property owners, to be $2,700 per equivalent dwelling unit.
While the state is preparing the administrative rule and organizing its public meetings, it would be appropriate for the County, the Aqueduct and the Key Largo Wastewater Board to begin discussions concerning specific needs for funding, how the funding streams can fit together and how we can all work together to achieve what we recognize is a necessary goal. I would suggest that the three of us begin discussions, with appropriate support staff, so that we can determine the steps necessary in the future and the supportive relationships that must exist. I shall ask my office to work out a meeting date with you so we can begin those discussions.

The County is aware that we must all address water quality and the provision of adequate wastewater treatment and collection facilities. We look forward to working closely together for the future of the County.

Very truly yours,

[Signature]

James L. Roberts
County Administrator

JLR:dlf

Cc: Board of County Commissioners
    Tim McGarry, Growth Management Director
    John R. Collins, County Attorney
KLWTD Board Meeting
April 21, 2004

Item I – 1

Letter to KLTV Board of Directors
addressing concerns expressed
by residents
April 14, 2004

Re: Wastewater Management System For
The Key Largo Trailer Village Area
Key Largo, Florida
Homeowner Concerns

Mr. Robert Burt
KLTV Homeowners Assoc. President
219 Allen Avenue
Key Largo, Florida 33037

Dear Mr. Burt:

To address the homeowner concerns you raised in the board meeting of Wednesday April 7, 2004, a note will be added to Sheet C-3 stating that the ring and covers of all valve pits, sumps and clean outs will be flush with grade. Additionally, reasonable measures will be made to keep the valve pits, sumps and clean outs clear of driveways where possible.

Should you have any questions or require further information, please do not hesitate to contact me at (904) 357-4225.

Sincerely,

William T. English

cc: Mr. Ed Castle, Weiler Engineering
    Mr. Joe Paterniti, Brown and Caldwell
    Mr. Charles Sweat, Government Services Group
    Mr. Walt Messer, DN Higgins
KLWTD Board Meeting
April 21, 2004

Item I – 2

Presentation of the Sanitary Sewer Wastewater Master Plan Refinement and Recommendations
WORK AUTHORIZATION NO. WEC 04-01

a Contract for Consulting/Professional Services Agreement Between the

Key Largo Wastewater Treatment District (KLWTD),

a legal entity and public body created by
Chapter 02-337, Laws of Florida, 2003

and

The Weiler Engineering Corporation

A. SCOPE OF SERVICE

Sanitary Sewer Wastewater Master Plan
Refinement and Recommendations

Objective
The objective of updating the Sanitary Sewer Wastewater Master Plan for the areas included in the Key Largo Wastewater Treatment District is to provide a working tool to help the KLWTD Board make informed decisions related to providing central wastewater treatment service to the residents of the Key Largo area. Due to the constraints of funding, the Board must schedule projects in a manner that matches the funding as it becomes available. The update to the Master Plan will provide recommendations for phased construction of the collection, transmission and treatment systems that will serve the District. Operating revenue will also be considered when recommending the phased expansion of the wastewater system.

Scope of Services

Conceptual Design
Overlay Property Appraiser maps on scaled aerials, showing locations of Hot Spots, existing collection systems and package plants as identified in the Monroe County Sanitary Wastewater Master Plan. Review the Study Areas defined in Technical Memorandum No. 6 and verify optimal configuration. Adjust the Study Areas if necessary to define collection basins, or service areas, for the KLWTD. Provide conceptual locations and flow capacities of remote pump stations, whether vacuum or conventional, and associated transmission mains.

Show proposed sizes and location of transmission mains along the US 1 corridor, including highway crossings. All piping is to be sized with appropriate peaking factors, with cumulative build-out flow capacity to be considered. Evaluate friction losses and optimize performance of the transmission main system, considering pipe sizing, operating pressure and possible use of booster pump stations if needed. Show locations where service would be provided to properties with existing collection systems and pump stations. Identify larger commercial properties that may be better served with a force main force.

Provide a conceptual footprint of the MM 100.5 site showing future expansion phases, including additional skid-mounted package plants and the regional plant. Verify the regional plant capacity at build-out and identify the influent design flow at which the switch to the regional plant structure would take place.

Budgetary Cost Estimates
Three cost components for each recommended expansion will be estimated. These components are: 1.) Service area collection system and pump station cost; 2.) Transmission main cost; and 3.) Treatment plant expansion.
1. For each service area in the District, update the collection system cost estimates from Technical Memorandum No. 6. Verify estimated quantities as listed in Appendix A with the boundaries of the Study Areas adjusted, if needed, to reflect the boundaries of the proposed collection basins. With quantities verified, the costs for design, permitting and construction of each service area will be estimated using unit pricing from bids recently received in Monroe County.

2. The cost of the transmission main from each service area to the wastewater treatment plant site will be estimated using the unit pricing cited above. It is understood that the first phase of expansion will most likely include a section of transmission main that may pass adjacent to service areas to be connected in future phases. Once the first phase of expansion is selected, the cost of certain other phases of expansion may be reduced if a properly sized transmission main passes adjacent to the property.

3. The extent of expansion of the wastewater treatment plant will determined by the flow contribution from the service area to be connected. The transition to a regional wastewater plant will occur at the design influent flow determined in the conceptual design. For each service area considered, the cost of the appropriate expansion of the wastewater treatment plant will be estimated, using unit pricing as discussed earlier.

Supplementary to the examination of the cost of phased expansion of the regional wastewater system, the cost effectiveness of providing package wastewater treatment plants for remotely located service areas will be examined. The intent would be to construct a collections system to be compatible with the transmission main system, but to provide interim treatment with a package plant on site with the intent of connecting to the regional system at a future date.

Recommendations
After the updated cost estimates are determined as described, recommendations will be made for the first phase of expansion. The recommendation to be implemented will be dependent on the amount of funding available. Depending on the range of the estimated costs, four or more projects will be recommended for: 1.) In the range of $300,000 to $1.5 M  2.) In the range of $10 M  3.) In the range of $20 M; and 4.) In the range of $35 M or more.

In considering which service areas will be recommended, factors other than capital costs will be considered. The ranking of Hot Spots in the Sanitary Wastewater Master Plan will be used as a guide for prioritizing projects in each of the cost ranges. The potential for providing points of connection for properties with existing wastewater collection systems will also be considered as a potential operating revenue source for the District in the ranking process. The impact on construction costs for future phases will also be considered.

The recommendations for each range of funding will include a base service area and plant expansion, and will identify additional adjacent service areas that can be added to adjust the total project cost incrementally to match the available funding. The estimates will also include a table identifying estimated annual wastewater system operation and maintenance costs for the District at completion of the phase versus the estimated total annual sewer revenue generated. The revenue generated from the connection fees will also be tabulated. Revenue estimates will be based on the targeted monthly sewer bill of $35.00 per EDU and the targeted connection fee of $2,700 per EDU.

Summary of Deliverables

- Scaled aerials with Appraisers map overlay, identifying Hot Spots, existing collection systems, conceptual locations of future pump stations and transmission mains – 2 full size sets and 10 reduced sets.

- Updated cost estimates for service areas identified in Technical Memorandum No. 6 with updated costs based on unit costs costs received for projects recently bid in Monroe County.

- Master Plan Refinement Report – Narrative report summarizing activities, assumptions used, conclusions reached. Will include summaries of the four individual project recommendations and the recommended flow at which phasing to the regional WWTP will take place. A conceptual transition plan from skid-mount package plants to the regional plant will be provided. A discussion of the relative merits of Design/Build versus conventional Design/Bid/Build approaches to project implementation will also be included.
- Project Recommendation No. 1 -- for a base project of approximately $300,000 with additional incremental service areas to increase project scope to match any additional funding.

- Project Recommendation No. 2 -- for a base project of approximately $10 M with incremental service areas identified to increase or decrease scope to match the available funding.

- Project Recommendation No. 3 -- for a base project of approximately $20 M with incremental service areas identified to increase or decrease scope to match the available funding.

- Project Recommendation No. 4 -- for a base project of approximately $35 M with incremental service areas identified to increase or decrease scope to match the available funding. This recommendation will include a conceptual transition plan from skid-mount package plants to the regional plant.

B. PROJECT COST

The cost of performing the scope of work described is $77,660.00. The proposal is lump sum based on the estimated times allocated for each task listed below. If the scope of work is changed, the lump sum cost of the task will be adjusted accordingly.

**KCLWTD Master Plan Estimating Worksheet**

<table>
<thead>
<tr>
<th>Task Description</th>
<th>Principal @ $125</th>
<th>Engineer @ $105</th>
<th>Engineer @ $105</th>
<th>IE or RPR @ $85</th>
<th>Sr. Designer @ $75</th>
<th>Clerical @ $35</th>
<th>SubTotal</th>
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<td>16</td>
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<tr>
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<tr>
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<td>$3,590.00</td>
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<tr>
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<td>8</td>
<td>12</td>
<td></td>
<td>$5,460.00</td>
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</tbody>
</table>

SubTotals 48 229 193 222 109 28

Total Cost = $77,660.00

C. PROJECT SCHEDULE

Work on this project will be begun on receipt of the executed Work Authorization. The scope of work and submission of the deliverables will take place no later than four (4) calendar months after work has begun. Progress on the project will be reported at the regularly scheduled KCLWTD Board meetings and in the Engineer’s Status Report each month.
NOTICE/PROJECT MANAGER OF CONSULTANT

R. Jeff Weiler, President
Weiler Engineering Corporation
20020 Veterans Blvd, Ste 7-9
Port Charlotte, FL 33954

Gary Bauman, Chairman
KLWTD
Post Office Box 491
Key Largo, FL 33037

Robert E. Sheets, General Manager

Charles L. Sweat, Director of Operations

Certification that Sufficient Funds are Available:

David R. Miles, Chief Financial Officer

Cris Beaty, KLWTD Secretary

Dated this ___ day of ____________, 2004.
RESOLUTION NO. 471-2003

A RESOLUTION OF THE MONROE COUNTY BOARD OF COMMISSIONERS COMMITTING FUNDS TO ASSIST LOW AND VERY LOW INCOME HOUSEHOLDS IN THE PAYMENT OF WASTEWATER CONNECTION FEES AND IN MAKING NECESSARY AND RELATED ON-SITE IMPROVEMENTS FOR PROJECT AREAS LOCATED IN THE STOCK ISLAND, BAYPOINT, CONCH KEY, AND KEY LARGO (KEY LARGO TRAILER VILLAGE, KEY LARGO PARK AND SUNSET WATERWAYS) WASTEWATER PROJECT AREAS, BASED ON SPECIFIC FUNDING PROJECTIONS PROVIDED BY THE MONROE COUNTY HOUSING AUTHORITY AND ADOPTING AN IMPLEMENTATION PLAN FOR UTILIZATION OF COUNTY FUNDS TO BE ADMINISTERED THROUGH THE MONROE COUNTY HOUSING AUTHORITY FOR ELIGIBLE HOUSEHOLDS SEEKING ASSISTANCE UNDER THE PROGRAM.

WHEREAS, the County currently has oversight for the following four wastewater projects either under construction or nearing the point at which construction will begin:

- Stock Island
- Baypoint
- Conch Key and
- Key Largo (Key Largo Trailer Village, Key Largo Park, and Sunset Waterways); and

WHEREAS, Resolution 306-2002 commits the County to assist "economically disadvantaged households" in the low and very low income categories as defined by HUD; and

WHEREAS, the FEMA, which is providing funding for three of the projects noted above, requires that the County mitigate financial impacts to economically disadvantage households as part of its Environmental Justice standards; and

records, a projected number of applicants for each area (at a 50% participation level), and the necessary funding commitment (with a $2,700 connection fee assumed); and

WHEREAS, the County wishes to establish and implement a plan for the provision of funds to assist low and very low income qualified households in making payments toward wastewater connection fees and wastewater related on-site expenses; and

WHEREAS, a Interlocal Agreement between the County and the Monroe County Housing Authority (MCHA) exists, which allows the MCHA to implement this program on behalf of the County, now, therefore,

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS, MONROE COUNTY, FLORIDA THAT:

Section 1. The Board shall reserve sufficient funds from available funding sources, including an existing Community Development Block Grant (CDBG) to meet the estimated financial assistance needs of low and very income households as itemized for each of the following four project service areas:

1. Stock Island
   - Connection Costs: $852,390
   - Abandonment / Lateral Costs: $947,100

2. Baypoint
   - Connection Costs: $86,098
   - Abandonment / Lateral Costs: $95,664

3. Conch Key
   - Connection Costs: $39,492
   - Abandonment / Lateral Costs: $43,880

4. Key Largo
   - Connection Costs: $207,751
   - Abandonment / Lateral Costs: $230,834

Total
   - Connection Costs: $1,185,730
   - Abandonment / Lateral Costs: $1,317,478

Grand Total: $2,503,209

Section 2. The estimated funds required are considered approximate based on available census data and 50 percent program participation. These numbers

Marine Resources

will be adjusted as needed based on the actual number of applicants from low and very low income households participating and on actual capital construction costs.

Section 3. Such funds and their use for the purposes set out herein shall be administered through the Monroe County Housing Authority as provided for in the attached Implementation Plan (Attachment 2).

Section 4. The Board adopts the attached Implementation Plan (Attachment 2) as the criteria by which qualification for assistance will be determined and the means by which the amount of funding assistance to be provided each applicant will be established. This implementation shall be utilized for all wastewater funding assistance projects unless otherwise specifically identified or modified. Background for the Implementation Plan is provided in Attachment 3, provided for information purposes.

PASSED AND ADOPTED by the Board of County Commissioners, Monroe County, Florida at a regular meeting of said Board held on the 15th day of October, A.D., 2003.

Mayor Dixie Spehar
Mayor Pro Tem Murray Nelson
Commissioner George Neugent
Commissioner Charles "Sonny" McCoy
Commissioner David Rice

BOARD OF COUNTY COMMISSIONERS
MONROE COUNTY, FLORIDA

BY:
MAYOR/CHAIR PERSON

ATTEST:
DANNY I. KOLHAGE, CLERK

BY:
DEPUTY CLERK

MONROE COUNTY ATTORNEY
APPROVED AS TO FORM:

ROBERT N. WOLFE
CHIEF ASSISTANT COUNTY ATTORNEY
DATE: 10/28/03
Marine Resources

Attachment 1

Funding Estimates
Marine Resources

Estimated Funding Commitment Necessary to Meet Needs of Financially Disadvantaged Households

<table>
<thead>
<tr>
<th>Project Area</th>
<th>Est. No. of Eligible Households</th>
<th>Projected No. of Applicants*</th>
<th>Projected Funding Commitment**</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stock Island</td>
<td>763</td>
<td>382</td>
<td>$1,799,490</td>
</tr>
<tr>
<td>Baypoint</td>
<td>82</td>
<td>41</td>
<td>$181,762</td>
</tr>
<tr>
<td>Conch Key</td>
<td>36</td>
<td>18</td>
<td>$83,372</td>
</tr>
<tr>
<td>Key Largo</td>
<td>193</td>
<td>97</td>
<td>$438,585</td>
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</table>

* - Estimated maximum program participation = 50%
** - 70% grant for low income households
  90% grant for very low income households
  Assumed $2,700 Connection Fee
  Assumed $3,000 maximum on-site improvement cost
Marine Resources

Attachment 2

Implementation Plan for
Wastewater Assistance for Low and Very-Low Income Households
Marine Resources

All funds awarded will be in the form of grants to the homeowners and loans to property owners providing rentals to qualified beneficiaries.

The process for selecting, accepting, reviewing and approving requests for assistance will be by advertisement in local newspapers of general circulation on at least four occasions. This process will provide a minimum sixty (60) day application period. Additional outreach activities shall include, press releases, announcements at public meetings and notification to the following: non-profit organizations, social service providers, local churches, daycare providers and organizations serving the elderly. Any subsequent application periods necessary shall meet the criteria outlined above.

Properties to be addressed shall meet all of the following criteria:

Priority #1
- Single family unit
- Owner occupied
- Primary residence
- Contain Housing Quality Standards or Health/Safety Violations or sewer connection requirements

Priority #2
- Property owners
- Single family unit or multifamily rental properties
- Occupied by qualified beneficiaries has sewer connection requirements.

Applications received within the application period(s) which meet the primary criteria above shall be prioritized based on the schedule outlined herein. Those household/projects receiving the greatest priority score shall be addressed until all available funding has been expended.

Priorities

Elderly (one owner greater than 62 yrs.) 10
Disabled household member 10
Documented Multiple Housing Quality Standard violations 10
Very low income 05
Children in household (greater than 2) 05
Length of Ownership (greater than 15 yrs.) 05
(0-5yrs = 0; 6-10yrs = 2; 11-15yrs = 3; 16yrs+ = 5)
Single head of household (2 or more persons) 05

Note: In the event of tie scores, very low-income households will receive priority.

Conflicts of interest will be addressed pursuant to 24 C.F.R. Section 570.489 and Chapter 112.311-112.3143, F. S. by immediate identification of potential conflicts.

Additionally, beneficiaries will be identified in minutes of the Monroe Board of County Commissioners (BOCC) and the CDBG Citizens Advisory Task Force meeting(s) so that any previously unknown conflicts may be surfaced. The conflicts will be acknowledged publicly along with the final selection of beneficiaries.

It is the intent of the Monroe County Commission and the CDBG Citizens Advisory Task Force to deal with these conflicts if such conflicts occur on a local level and request waiver for acknowledgement of the conflicts when appropriate.

Monroe County will also provide funding for sewer connections for property owners of single-family rental properties, occupied by eligible households. These will fall under the priority #2 category listed above. In the event of funds availability and completion of all applicants under priority #1, the County will provide funds for the sewer connection and on-site improvements for Priority #2 under the following process.

Assistance will be provided as a loan. Applicants will execute a note secured by a mortgage on the subject property. The term of the note will be for five (5) years at zero (0) percent interest and requires no regular payments. The principal balance shall be forgiven by 1/5th annually on the anniversary date. The mortgage shall contain affordability covenants that require that during the term of the loan, the property shall be rented on an annual lease to very low- and low-income households subject to annual income certification.
Marine Resources

Attachment 3

Background for Implementation Plan
The County is using FEMA funding to assist in build wastewater systems throughout the county. FEMA has addressed assistance to Low- and Very Low-Income eligible residents through Executive Order (EO) 12898:

Executive Order (EO) 12898 (Environmental Justice), entitled "Federal Action to Address Environmental Justice in Minority Populations," directs Federal agencies "to make achieving environmental justice part of its mission by identifying and addressing, as appropriate, disproportionately high and adverse human health or environmental effects of its programs, policies, and activities on minority populations and low-income populations in the United States..." To reduce costs to low-income and very low-income service recipients in compliance with EO 12898, financial assistance guidelines have been developed.

Under this EO, FEMA has provided a minimum requirement to be met:

Low-income property owners would receive assistance with at least 70% of their system capital cost; and 70% of their existing system abandonment and lateral costs, up to $3,000.

Very low-income property owners would receive assistance with at least 90% of their system capital cost, and 90% of their existing system abandonment and lateral costs, up to $3,000.

The assistance guidelines presented above represent a minimum goal and will be required during project implementation in order for the Monroe County/FKAA to receive FEMA grant funding. Costs to low-income service recipients may be further offset at the County's discretion. Further assistance could come from State grant funding made available from Community Development Block Grants, the State Housing Initiative Partnership Program, and/or a project contingency made available from existing State and Federal grant funding. Monroe County has identified recently awarded CDBG funds that are available to help low-income wastewater service recipients throughout the county.

The 90% / 70% assistance program set forth is designed to address the needs of low-income and very low-income property owners. FEMA does not have specific requirements under EO 12898 to assist low-income renters. The County will provide such assistance to homeowners that rent to income eligible tenants. The County intends to provide the same level of service to this renting population. With the implementation of the FEMA assistance program and the use of FEMA grant funding and Monroe County funding, no highly disproportionate or adverse affects would be felt by low-income or very-low income.
Marine Resources

The Monroe County Housing Authority currently uses the first two tiers of the U.S. Department of Housing and Urban Development's (HUD's) MFI-based income levels to administer its low-income assistance programs. To administer their programs fairly, HUD makes annual projections of MFI by county and adjusts for family size. The first two tiers of low- and very low-income levels are set as percentages of the county MFI. In 2003, the income limits for a family of three in Monroe County were $40,700 for the low-income level and $25,450 for the very low-income level.

Table below shows HUD’s FY 2003 poverty, very low-and low-income levels for various family sizes in Monroe County.

<table>
<thead>
<tr>
<th>Number of People In Household</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
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</thead>
<tbody>
<tr>
<td>Low-Income</td>
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<td>$40,700</td>
<td>45,200</td>
<td>$48,800</td>
</tr>
<tr>
<td>Very Low-Income</td>
<td>$19,800</td>
<td>$22,600</td>
<td>$25,450</td>
<td>$28,250</td>
<td>$30,500</td>
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<tr>
<td>Poverty</td>
<td>$11,850</td>
<td>$13,550</td>
<td>$15,250</td>
<td>$16,950</td>
<td>$18,300</td>
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</table>

The Community Development Program Administrator, Special Programs Office (SPO), Monroe County Housing Authority (MCHA) will be administrator of this program and implement the program.

The Implementation Plan is administered according to the County’s Housing Assistance Plan (HAP)(Amended). See pertinent information from the HAP at Attachment A. Whether funds are provided through the State / Federal CDBG grant process or provided by the County through other funding mechanisms and sources, the Implementation Plan will be administered as identified below, as a CDBG program with the same stipulations and application forms.

The application process is based on the County HAP. An application with a cover letter explaining this CDBG program is mailed out and available at the SPO office. The application period is for 60-days. The SPO staff is available to assist in answering any questions regarding eligibility and completing the application. When the applications are received, they are reviewed for completeness. If additional information is needed, this is requested of the applicant. The application consists of: a cover letter; application instructions; application form for information on address, household composition, income level, and, status – owner-

occupied, primary residence or owner renting to eligible tenant; release form; resident income certification form; social security consent for release of information form; statement of no tax return form. A letter from the SPO staff to the applicant is provided to inform them that they have a complete application and that they have or have not met the CDBG application requirements. If they have not met the requirements, the reasons are stated in the letter, e.g., over the income limit or the property is not their primary residence. If they did meet the requirement, their letter will inform them to expect another letter as to the amount to be awarded and additional instructions.

When the application period is closed, all outstanding information is requested of applicants, i.e., 1040 tax return for the previous year, applied for Homestead Exemption, and any other exigent circumstances. If required, the Citizens Advisory Task Force (CATF) will approve an extension of this application completion process to close out outstanding issues. Once all applicant issues are resolved, an order-of-merit listing is prepared for approval by the CATF and forwarded to the BOCC for conflict of interest resolution and approval. Based on the funding allocated, and the number of applicants on the list, a household dollar amount can be allotted to each applicant.

When the funding for each household is known, the SPO staff sends a letter of commitment to the household and instructions on contracting a plumber to connect their home to the sewer system and their septic cesspit abandonment. At this point the SPO staff works directly with the applicant to ensure timely payments are made to the plumbers and the contract requirements are being met, i.e., permits obtained, county inspections made, etc.

Funding requests to DCA are made from a combination of the individual funding amount and the plumbing contractor costs. The owners, primary-residence receives the money as a grant. The owner renting to income eligible tenants, receive their funding in the form of a promissory note. Attachment A provides the promissory note process. The SPO staff will coordinate all of the payments through the County. Once all payments have been completed and the CDBG funds have been expended, the SPO staff can begin closing out this CDBG grant. Close out with DCA will take three (3) months.

10/27/2003

Board of County Commissioners
Agenda Item Summary

Meeting Date: April 21, 2004
Division: County Attorney

AGENDA ITEM WORDING

Public hearing of an ordinance to provide that ad valorem revenue raised by the MSTU together with land and grant funds may be used to pay compensation and expense reimbursement to the members of the Key Largo Wastewater Treatment District Governing Board.

ITEM BACKGROUND

PREVIOUS RELEVANT BOCC ACTION

Approval to advertise for one public hearing at the March 17, 2004 meeting.

CONTRACT/AGREEMENT CHANGES

STAFF RECOMMENDATIONS

Approval.

TOTAL COST

<table>
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<th>BUDGETED</th>
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<th>No</th>
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</table>

COST TO COUNTY

SOURCE OF FUNDS

APPROVED BY: County Attorney □ OMB/Purchasing □ Risk Management □

DIVISION DIRECTOR APPROVAL: John R. Collins 03/25/04

JOHN R. COLLINS

DOCUMENTATION:

Included □ To Follow □ Not Required □

AGENDA ITEM #: T1- Revised Ord.

TO: FAITH DOYLE
DEPT: 3 Pgs
CO:
FAX: 407-629-6963

Received
Apr. 17 2004
COMM. NELSON
ORDINANCE NO. _____ - 2004

AN ORDINANCE OF THE BOARD OF COUNTY COMMISSIONERS OF MONROE COUNTY, FLORIDA, AMENDING ORDINANCE NO. 18-2003 CODIFIED AS ART. VIII, CHAP. 15.5, MONROE COUNTY CODE, CREATING THE KEY LARGO WASTEWATER TREATMENT DISTRICT MUNICIPAL SERVICE TAXING UNIT (MSTU), IN ORDER TO PROVIDE THAT AD VALOREM REVENUE RAISED BY THE MSTU TOGETHER WITH THE PROCEEDS OF ANY GRANT OR LOAN TO THE KEY LARGO WASTEWATER TREATMENT DISTRICT MAY BE USED TO PAY COMPENSATION AND EXPENSE REIMBURSEMENT OF THE MEMBERS OF THE KEY LARGO WASTEWATER TREATMENT DISTRICT GOVERNING BODY; PROVIDING THAT SUCH REVENUE MAY BE USED TO PAY CERTAIN OTHER ADMINISTRATIVE COSTS AS DEFINED HEREIN; PROVIDING FOR SEVERABILITY; PROVIDING FOR THE REPEAL OF ALL ORDINANCES INCONSISTENT HEREWITH; PROVIDING FOR INCORPORATION INTO THE MONROE COUNTY CODE OF ORDINANCES; AND PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF MONROE COUNTY, FLORIDA:

Section 1. Sec. 5A of Ordinance No. 18-2003, codified as Sec. 15.5-125(a), Monroe County Code, is hereby amended to read:

(a) Revenues derived from ad valorem taxes levied within the Key Largo Wastewater Treatment District Municipal Service Taxing Unit pursuant to Section 4 shall be used solely to pay for and provide funding for administration, planning and development costs associated with and incurred in advancing of wastewater and reclaimed water projects within and benefiting the Key Largo Wastewater Treatment District Municipal Service Taxing Unit. For the purposes of this Subsection the phrase administration costs shall include the compensation and expense reimbursement of Key Largo Wastewater Treatment District (District) governing board members. Administration costs shall also include legal fees and expenses, consultant fees and expenses (including but not limited to all professions listed in Sec. 287.055(2)(a), Fla. Stat.), employee salaries and benefits, bond underwriting fees and all other costs usually associated with issuance of debt, the reimbursement of any public or private entity, person, firm, partnership or corporation for any monies advanced to further the District purposes, and all other expenses as may be necessary or incidental to the furtherance of District purposes. Administration costs, as described in this subparagraph, may also be paid for out of the proceeds of any grant or loan made by the Unit or County to the District unless specifically prohibited by the terms of such grant or loan.
Section 2. If any section, subsection, sentence, clause or provision of this ordinance is held invalid, the remainder of this ordinance shall not be affected by such invalidity.

Section 3. All ordinances or parts of ordinances in conflict with this ordinance are hereby repealed to the extent of said conflict.

Section 4. The provisions of this ordinance shall be included and incorporated in the Code of Ordinances of the County of Monroe, Florida, as an addition or amendment thereto, and shall be appropriately renumbered to conform to the uniform numbering system of the Code.

Section 5. This ordinance shall take effect immediately upon receipt of official notice from the Office of the Secretary of State of the State of Florida that this ordinance has been filed with said Office.

PASSED AND ADOPTED by the Board of County Commissioners of Monroe County, Florida, at a regular meeting of said Board held on the _____ day of _________, 2004.

Mayor Nelson
Mayor Pro Temp Rice
Commissioner McCoy
Commissioner Neugent
Commissioner Spahar

(SEAL)
Attest: DANNY L. KOLHAGE, Clerk

By __________________________
Deputy Clerk

jordwwKlgb

BOARD OF COUNTY COMMISSIONERS
OF MONROE COUNTY, FLORIDA

By __________________________
Mayor/Chairperson

4/15/04
April 14, 2004

Re: Wastewater Management System For
The Key Largo Trailer Village Area
Key Largo, Florida
Issue No. 01-026 – Direct/Indirect
Cost

Mr. Robert Sheets
Government Services Group, Inc.
1500 Mahan Drive
Suite 250
Tallahassee, Florida 32308

Dear Mr. Sheets:

In response to Mr. Thomas Dillon’s March 4, 2004 e-mail regarding, in part, the definition of direct and indirect cost, I offer the following:

We are in general agreement with the definitions provided by Mr. Dillon for direct and indirect cost. However, these definitions must be used in context with a design-build project. For example, plan reproduction and design review are direct material and labor cost required for the performance of design work in the identical manner that lumber and finishing are direct material and labor cost required for the performance of concrete construction. In addition, indirect cost as defined by Mr. Dillon can become direct cost if the magnitude or timing of a change order introduces these types of cost beyond what could have been reasonable anticipated at the time of pricing. For example, if a change order introduces the need for an additional project superintendent, these cost, which typically are considered indirect, become direct because the project originally required one superintendent and now requires two superintendents. Along those same lines, if a change order extends the duration a project superintendent is assigned to a project beyond what was originally anticipated, this additional cost would become direct in lieu of indirect because the project originally required a superintendent for X number of months and now requires a superintendent for Y number of months.

Should you have any questions or require further information, please do not hesitate to contact me at (904) 357-4868.

Sincerely,

Peter M. Kinsley

cc: Mr. Thomas Dillon, KLWTD
Issue File 01-026
During last week's meeting, there was much discussion regarding a location for the KLWTD to operate. In addition to leased space or building ownership, the Board may want to consider expanding their on-site building to accommodate future operations. The footprint of the building is nearly square and by adding a second floor, 1200 to 1300 sf of usable space could be created. This would not satisfy immediate needs, but could be a long term solution.

If this is a viable option that the board would like to consider, I would request that we get through planning and development first. As a requirement of the application, we submitted floor plans and building elevations, which would be significantly altered by adding a second floor. In addition, building and life safety issues related to public access and traffic impact would both have to be reviewed. My guess is that the county would require a full blown resubmission of our application. In order to avoid any associated delays to the development and planning process, I would request we receive county approval first and then discuss amending our application.

I am sure there are other considerations that I am missing, but I thought I would offer this idea for your consideration.

Peter M. Kinsley
The Haskell Company
Division Leader - Water
904/ 357-4868 (phone)
904/ 357-4282 (fax)
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Contracts for Metro Dade Water and Sewer Department. She was referred to me
by DEP to discuss the possibility of Dade County providing waste water
treatment to Key Largo from their south county facility located in the
Florida City area.

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plan and now would be a good time to have this discussion regarding
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explore capacity expansion for any of the new projects we identify as result
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Keep in mind we only have 2.6 acres to build all future treatment
facilities, it will have to meet AWT standards and additional land is hard
to find a very expensive. This option could afford us unrestricted treatment
capacity at non- AWT cost plus avoid any need for additional land.

I would recommend to the Board that we be authorized to have additional
discussions with Dade County regarding this alternative.

This item should be placed on the agenda for discussion Wednesday..
Robert,

The Board has asked on several occasions about the ability to expand the treatment plant. Before we go exploring in another County I would like something in writing from the engineers stating EXACTLY how much capacity we have for expansion.

Please add this to the discussion.

Thank you.
Andrew M. Tobin
P.O. Box 620
Tavernier, FL 33070
305-852-3388
Tobinlaw@Terranova.net

----- Original Message ----- 
From: Robert Sheets 
To: Andy Tobin (E-mail) ; Charles Brooks (E-mail) ; Cris Beaty (E-mail) ; Gary Bauman (E-mail) ; Jerry Wilkinson (E-mail) 
Cc: Charles Sweat ; Faith Doyle ; Ed Castle (E-mail) ; Jeff Weiler (E-mail) ; Thomas M. Dillon (E-mail) 
Sent: Tuesday, April 20, 2004 8:41 AM 
Subject: Discussion with Metro Dade 

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Total All Invoices

Design Build Service - KL Tower UI100907.9
33.191.16
77.933.39
145.274.82
21.95
24.185.86
75.993.93
14 14.166.71
34.167.16
69.357.17

Balance Forward for Key Largo Trailer Village

03/31/10
The Harrell Company
Cash Balance Forward for Key Largo Trailer Village
Balance Forward for All Key Largo Park

Total Available

Cash Balance Forward for Key Largo Park

Total Invoices for Administration & Operations

Total Invoices for Administration & Operations

Prepared April 13, 2004
Key Largo Waterway Treatment District
MEMORANDUM

TO: Key Largo Board Members
FROM: Robert E. Sheets, District Manager
DATE: April 14, 2004
RE: February Billing By GSG for Projects/Grant Administration Services

Based on an inquiry by Andy Tobin, who questioned our February 2004 invoice, my office has conducted an evaluation of this invoice and has the following analysis and recommendations: Andy's concerns addressed in his April 10, 2004, email addressed the issue of the allocation of hours by David Miles and other GSG staff members between our basic service agreement and the work order for Capital Project Administrative Support and Grant Management. Based on my review of this over the last two days, there is sufficient merit to warrant an adjustment in the GSG invoice for February 2004.

The February 2004 invoice was the first invoice based on time and materials. Up to that point the GSG staff has been allocating percentages of their time between Base Management Services, Capital Project Administration and Grant Support, based on work load, number of accounting transactions, and an estimation of time spent in preparing agenda items, pay requests, contract reviews and time spent on conference calls and email responses. In the beginning of February 2004, staff should have been more diligent in isolating those hours specific to the Key Largo Park and the Trailer Village Project. Once those hours were identified they should have been distributed between the two projects based on the number of E.D.U.'s, which is 1/3 of the expenses to the Park and 2/3 to the Village.

For example, Faith Doyle had 74 hours of time spent in support of the District. Her time should have been more discretely identified, which would show that almost one half of her time was spent in document preparation, correspondence preparation and agenda preparation specific to the Key Largo Park and Key Largo Trailer Village. However, we have failed to do this and allocated all of the time to Basic Services. This same allocation of time was applied to David Miles and Charles Sweat. Because this practice does not adequately describe to the Board the level of effort provided by GSG staff, all future billings to the Board,
including March 2004, which will be adjusted, and will be based only on actual hours assigned to the Key Largo Park and Key Largo Trailer Village (KLP & KLTV) Projects. Please keep in mind that the number of hours spent by your District Manager for the Key Largo Park and Key Largo Trailer Village Project are not being charged to the District. In the last two months, the District Manager’s time has been considerable in participating in all issues regarding both projects and include conversations with the County on site mitigation and FEMA on completion of the FONSI.

I hope this information helps to explain how the error on the February 2004 invoice occurred. In order to correct this error, we have recognized only those hours that have been directly identified in the timesheet and charged directly to the Key Largo Park and Key Largo Trailer Village Project. The following chart shows the actual hours worked by staff members assigned to KLP and KLTV and their hourly rates:

### CAPITAL PROJECT ADMINISTRATION

<table>
<thead>
<tr>
<th>Staff Member</th>
<th>Hourly Rate</th>
<th>KLP Hours</th>
<th>KLTV Hours</th>
<th>Total Hours</th>
<th>Total Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>R. Sheets</td>
<td>$150.00/hr</td>
<td></td>
<td></td>
<td></td>
<td>$ -</td>
</tr>
<tr>
<td>C. Sweat</td>
<td>$150.00/hr</td>
<td></td>
<td></td>
<td></td>
<td>$750.00</td>
</tr>
<tr>
<td>D. Miles</td>
<td>$130.00/hr</td>
<td>1.50</td>
<td></td>
<td>5.00</td>
<td>$195.00</td>
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<tr>
<td>C. Fishburn</td>
<td>$90.00/hr</td>
<td>1.00</td>
<td></td>
<td>4.00</td>
<td>$360.00</td>
</tr>
<tr>
<td>J. Roma</td>
<td>$85.00/hr</td>
<td>2.00</td>
<td>0.00</td>
<td>2.00</td>
<td>$170.00</td>
</tr>
<tr>
<td>Z. Gorin</td>
<td>$85.00/hr</td>
<td>4.25</td>
<td>4.25</td>
<td>8.50</td>
<td>$722.50</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td>8.75</td>
<td>9.25</td>
<td>19.50</td>
<td><strong>$2,197.50</strong></td>
</tr>
</tbody>
</table>

As you can see, based on these hours, I have applied our contracted hourly rate. If GSG had billed only for the hours shown in these categories, the amount would have been $2,197.50, and would have included no travel related expenses or production costs, because those costs had not been identified specific to those projects. Based on the amount actually billed to the District, out of the $6,250, GSG will apply a $4,057.50 credit to the March 2004 bill for Capital Project Administration and Grant Support. GSG will also assure the Board that GSG staff will be more thorough in identifying the hours specific to the Management Services, Capital Project Administration and Grants Management.

I hope this addresses the billing error issue, and should the Board have any further questions or require additional information, please forward any inquiries to my office.

RS/ssh

c: Thomas Dillon
Faith Doyle

From: Trulock, Shelley F SAJ [Shelley.F.Trulock@sa02.usace.army.mil]
Sent: Monday, April 19, 2004 8:41 AM
To: Banks, Timothy; Bartus, John; Brooks, Charles; Burnett, Clyde; Fernandez, David; Fisher, Kathleen; Jetton, Rebecca; kruczynski, Bill; Reynolds, Jim; Rios, Gus; Roberts, Jim; Stor, Erik; Tavano, Michael; Trulock, Shelley; Weaver, Celecia
Cc: St Clair, Thomas SAJ Contractor; Ulrich, Cheryl P SAJ; 'cweaver@sfwmd.gov'

Subject: Update

Team, sorry its been so long since an update! I wanted to take a minute and fill you in on where we currently are with our program. The Draft PEIS is currently being printed. I ran into some short delays with the document and the print shop, but now we're full steam ahead. We are having to print 140 copies for the review. The number seems high but when you add up the number that each reviewing agency needs, pdt copies, my internal copies, congressional interests, etc... it doesn't take too long to get to that number. You will be receiving you own personal copy of the Draft PEIS as well as the Draft PMP. Both of these documents will be posted to the web for public review. With these two documents you will also have a memorandum from me which will tell you the web page where the documents are located as well as some background info.

We are also currently working on the Program Cooperation Agreement (PCA) so that once we have a final PEIS and Record of Decision we can execute the PCA very quickly. At that point is when money can begin flowing for construction. Unfortunately with the timeframe required for NEPA review, this will likely not happen until late summer. However, be assured that we will do everything in our power to expedite this when at all possible.

With regard to our next PDT meeting, I thought we would probably need to get together while the document is being reviewed. At this time we do not know if a public workshop will be necessary. NEPA doesn't require you to hold one but if we begin getting significant questions or concerns about the program we will likely set one up so that we can make sure the public is well informed of how we are proceeding.

There is a lot going on but if you have any questions/comments/concerns please feel free to call me anytime! I am really excited for the Keys and look forward to continuing our work together on this program!

Take Care!
Shelley

Shelley Trulock
Senior Project Manager
South Florida Restoration Branch
Programs and Project Management Division
904-232-3292 phone
904-232-1251 fax
904-728-4066 cell
email: shelley.f.trulock@usace.army.mil
To: Peter M. Kinsley  
Cc: Robert Sheets; EdRCastle@aol.com; David Miles; Charles Sweat; Charles Fishburn; Jeff Weiler; weiler7@comcast.net  
Subject: draft amendment No. 1  

Peter,  
I am attaching proposed Amendment No. 1 to the design-build agreement. Please comment or print and sign two originals.  
Tom  

4/19/04
Faith Doyle

From: Thomas Dillon [thomasdillon@terranova.net]
Sent: Monday, April 19, 2004 2:56 PM
To: Kinsley, Peter M.
Cc: Faith Doyle; Charles Sweat; Robert Sheets
Subject: Re: draft amendment No. 1

Peter,

I have read your draft letter.

Regarding copies, I think that your discussion is reasonable. However, I think that if Haskell intended something different from the standard definitions of direct and indirect costs, Haskell should have proposed a definition for inclusion in the contract. It would seem more appropriate to include the costs of multiple copies of design work in the direct costs of the design work covered by future proposed change orders.

Based on our phone conversation, I understand that a change order covering the Park work would not require additional supervision or result in additional duration, and I understand Haskell's position to be that the types of costs identified in your draft letter will not be part of any change order that might be used to cover the Park work.

It is highly unlikely that the District could award much other work to Haskell without competitive bidding, so I don't anticipate the latter types of costs being included in any future change order.

Tom

----- Original Message -----  
From: Kinsley, Peter M.
To: 'Thomas Dillon'
Cc: Robert Sheets ; Charles Sweat
Sent: Wednesday, April 14, 2004 3:17 PM
Subject: RE: draft amendment No. 1

Upon review of the amendment with the appropriate parties, I offer the following:

- Revision 1 - OK
- Revision 2 - I do not understand the need for the change as payment procedures are defined by Article 11 of the DB Agreement. In addition, this project requires a design phase NTP and a construction phase NTP due to funding schedule/limitations. I would not expect the KLWTD to issue the construction phase NTP until funding is received and therefore the addition of the federal funding reference is unnecessary. As I am sure you would assume, The Haskell Company cannot proceed with construction at risk awaiting funding to be received.

Please provide additional explanation of the need for Revision 2 for our review. Thanks...

Peter M. Kinsley
The Haskell Company
Division Leader - Water
904/ 357-4868 (phone)
904/ 357-4282 (fax)

-----Original Message-----
From: Thomas Dillon [mailto:thomasdillon@terranova.net]
Sent: Tuesday, March 16, 2004 11:30 AM
Faith Doyle

From: Thomas Dillon [thomasdillon@terranova.net]
Sent: Monday, April 19, 2004 3:00 PM
To: Kinsley, Peter M.
Subject: Re: draft amendment No. 1

Peter,

See Fla. Stat. 218.77. It looks to me like omission of the Prompt Payment Act provision was a scrivener's error.

Does Haskell contend that it was not aware that payment for the construction work was contingent on the receipt of federal funds?

Tom

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From: Kinsley, Peter M.
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Cc: Robert Sheets ; Charles Sweat
Sent: Wednesday, April 14, 2004 3:17 PM
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4/19/04
Faith Doyle

From: Andrew Tobin [Tobinlaw@Terranova.net]
Sent: Tuesday, April 20, 2004 10:09 AM
To: Robert Sheets; Charles Brooks (E-mail); Cris Beaty (E-mail); Gary Bauman (E-mail); Jerry Wilkinson (E-mail)
Cc: Charles Sweat; Faith Doyle; Ed Castle (E-mail); Jeff Weiler (E-mail); Thomas M. Dillon (E-mail)
Subject: Re: Discussion with Metro Dade

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Tobinlaw@Terranova.net

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Peter M. Kinsley
The Haskell Company
Division Leader – Water
904/ 357-4868 (phone)
904/ 357-4282 (fax)
Key Largo Wastewater Treatment District
Board of Commissioner's Meeting Agenda
5:00 PM Wednesday, April 21, 2004
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 Regular Meeting Agenda
D. Minutes – Draft March 27, 2004 and Draft April 7, 2004
E. Public Comment
F. Legal Counsel's Report
   1. Update on the Haskell Notice of Delay
   2. Update on Roe-Vac warranty
   3. Update on direct/indirect costs issue
   4. Update on legislation
   5. Update on County funds
G. Action Items
   1. Approval of the Pending Payments List for April 14, 2004
   2. Approval of the advertisement for the May 15, 2004 workshop
   3. Approval of the Strategic Framework for the K LWTD
   4. Approval of the rental space short list
   5. Approval of the Government Services Group, Inc. letter of agreement
H. General Manager's Report
   1. Presentation of the Draft Scope of Work for the Financial Component to Implement
      the Master Plan, which will include the Calusa Camp Resort Connection
   2. Discussion of the use of a facilitator at the May 15, 2004 workshop
   3. Update on the Design Team Meeting of 4/21/04
   4. Update on past agenda items:
      a. FEMA FONSI Status
      b. Water Quality Testing
      c. Project Design Protocol
      d. Resolution of $100K Loan repayment issue
      e. Site mitigation
      f. KLP vacant lot resolution "Ms. Conaway invited for 4-21-04 meeting"
      g. Project request for FEMA deadline extension
      h. CDBG Grants and/or funds for private connections
      5. Discussion of Monroe County BOCC letter dated 4-8-04
I. Engineer's Report

1. Letter to KLTV Board of Directors addressing concerns expressed by residents
2. Presentation of the Sanitary Sewer Wastewater Master Plan Refinement and Recommendations – Work Authorization WEC 04-01

J. Public Comment

K. Commissioner's Items

1. Placement of the personnel ads – Chairman Bauman
2. Request for information on the status of the District Procedures and Web Site – Chairman Wilkinson

L. Meeting Adjournment
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
                           Thomas Dillon, Board Attorney

FROM:                      David R. Miles, Director of Finance

DATE:                      April 14, 2004

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 April 13, 2004 the District had $229,865.52 in its bank account. We have $49,180.79 in invoices in-hand for payment by May 4, 2004. Exhibit A is the list of currently outstanding invoices pending payment. As requested by the Board at the January 14, 2004 meeting, separate accounting of cash balances are shown as follows as of April 13, 2004:

| Administrative & Operations: | $64,882.21 |
| Key Largo Park:               | (14,374.56) |
| Key Largo Trailer Village:    | 179,357.87  |
| **Total**                     | **$229,865.52** |

Staff is still awaiting receipt of $151,251.15 in MSTU money from Monroe County requested March 3, 2004. A request for $129,607.00 for Monroe County matching funds for use in the Key Largo Park project, submitted March 23, 2004 is also still pending.
<table>
<thead>
<tr>
<th>Date</th>
<th>Item</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>4/26/041</td>
<td>FEMA Phase II grant</td>
<td>RES</td>
</tr>
<tr>
<td>4/26/042</td>
<td>Proposed Amendment No. 3 to the DEP Grant Agreement - combining the KLTV</td>
<td>RES</td>
</tr>
<tr>
<td>4/26/043</td>
<td>Amendment No. 1 to the Haskell contract <em>(prompt pay act and change to notice)</em></td>
<td>TD</td>
</tr>
<tr>
<td>4/26/044</td>
<td>Calusa Campground RE: future options and need to meet</td>
<td>CLS</td>
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<tr>
<td>4/26/045</td>
<td>Conditional use permit</td>
<td>RES</td>
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<tr>
<td>4/26/046</td>
<td>County Terms to receive MSTU funds</td>
<td>CLS</td>
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<tr>
<td>4/26/047</td>
<td>County Terms to receive non-fema FKAA money</td>
<td>DRM</td>
</tr>
<tr>
<td>4/26/048</td>
<td>design-build agreement design team meetings</td>
<td>TD</td>
</tr>
<tr>
<td>4/26/049</td>
<td>direct/indirect cost</td>
<td>TD</td>
</tr>
<tr>
<td>4/26/0410</td>
<td>Draft scope of service to update the master plan</td>
<td>RES</td>
</tr>
<tr>
<td>4/26/0411</td>
<td>Equipment list to Purchase</td>
<td>TD</td>
</tr>
<tr>
<td>4/26/0412</td>
<td>GSG new terms for continue work until 5-9-04</td>
<td>RES/T</td>
</tr>
<tr>
<td>4/26/0413</td>
<td>H. Marlowe's strategic framework for the KLWTD document</td>
<td>RES</td>
</tr>
<tr>
<td>4/26/0414</td>
<td>Haskell insurance and bonds</td>
<td>TD</td>
</tr>
<tr>
<td>4/26/0415</td>
<td>Jerry's list -- 1. FONSI 2. Water quality testing 3. Project design protocol 4. $100</td>
<td>TD</td>
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<tr>
<td>4/26/0416</td>
<td>Legislative Change - House Bill 471 to 2002-337 Laws of Florida - RE board vac</td>
<td>TD</td>
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<tr>
<td>4/26/0417</td>
<td>letter to KLTV Homeowners RE: 'spider' lines and manholes</td>
<td>RES</td>
</tr>
<tr>
<td>4/26/0418</td>
<td>Near Shore Water Testing</td>
<td>RES</td>
</tr>
<tr>
<td>4/26/0419</td>
<td>Notices of delay from Haskel and need for critical events schedule</td>
<td>TD</td>
</tr>
<tr>
<td>4/26/0420</td>
<td>Payments Pending list for 5-5-04</td>
<td>DM</td>
</tr>
<tr>
<td>4/26/0421</td>
<td>Presentation of Quarterly R &amp; A Report</td>
<td>DRM</td>
</tr>
<tr>
<td>4/26/0422</td>
<td>Rental space -- action item per board for 5/5 check with Brooks/tobin for info to</td>
<td>DR</td>
</tr>
<tr>
<td>4/26/0423</td>
<td>site mitigation action plan</td>
<td>RES</td>
</tr>
<tr>
<td>4/26/0424</td>
<td>Value Engineering (must have separate schedules of value for KLTV/KLP project)</td>
<td>EC</td>
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<td>4/26/0425</td>
<td>workshops</td>
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<td>4/7 - per res told board maybe act</td>
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<td>4/19 - RES to set meeting with Bank</td>
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<td>4/19 - email response rcvd from Pe</td>
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<td>4/21 - Board directed staff to do IND</td>
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<td>4/12 - RES to verify with FKAA on t</td>
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<td>4/19 - draft haskell response being</td>
<td>Legal 5/5/04</td>
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<td>4/23 - Board requested work to be</td>
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<td>4/21 - pulled from 4/7 new letter to</td>
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<td>4/23 - board accepted with 90 day u</td>
<td>7/21/04</td>
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<td>4/19 - TD must determin costs prior</td>
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<td>4/23 - board wants this punch list a</td>
<td>5/5/04</td>
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<td>4/19 - RES to call Pat this week; 4/</td>
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<td>4/21 - Board instructed staff to draft</td>
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<td>4/21 - board wants agreement w/La</td>
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<td>Legal 5/5/04</td>
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<td>CUT OFF 4/27/04 AT NOON</td>
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<td>4/12 - CLS/EC/MH to meet b4 5/5</td>
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<td>4/23 - DRAFT agenda for board rev</td>
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KLWTD Board Meeting
April 21, 2004

Draft Meeting Minutes

March 27, 2004
DRAFT
Key Largo Wastewater Treatment District
Board of Commissioner’s Meeting Minutes
5:00 PM Wednesday, March 27, 2004
Westin Beach Resort, 97000 Overseas Highway
Key Largo, Monroe County, Florida

Board Members Present

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

Staff Members Present

Robert Sheets, General Manager, Government Services Group, Inc.
Charles L. Sweat, Director of Operations, Government Services Group, Inc.
David Miles, Chief Financial Officer, Government Services Group,
Thomas Dillon, Esq., Board Attorney
Ed Castle, P.E., Board Engineer, Weiler Engineering Corporation
Mike Hatfield, P.E., Weiler Engineering Corporation
Charles Fishburn, Government Services Group, Inc.
Faith Doyle, Board Clerk

Guests Present

Mayor Murray Nelson
Herb Marlowe
Ann Henson, Reporter
Burke Cannon

Chairman Gary Bauman called the meeting to order at 1:11 p.m. Chairman Bauman stated that Mayor Murray Nelson was planning on attending the meeting.

The Board agreed to suspend the pledge due to the lack of a flag.

Chairman Bauman introduced Dr. Herbert Marlowe who would be facilitating the planning workshop.
The agenda and resulting draft Strategic Planning Framework for KLWTD is made part of this record as Attachment A.

Mayor Murray Nelson joined the meeting at 1:16 p.m. Mayor Nelson stated that the KLWTD Board was formed and seated in November 2002, empowered by State statute and originally funded with federal funds. The Mayor stated that there will be additional funds to be distributed in the Keys and that he would work with the KLWTD on getting funds for the District’s future projects. However, the projects must be defined and beyond the planning stages. Mayor Nelson cautioned the Board that if they projects are not defined with number of edu’ s and approximate costs then funds will not be reserved for the District. If this happens Mayor Nelson would not be able to intervene and the funding would go to other areas that have planned. Mayor Nelson stated that beyond federal and state funding the Board needs to consider funding future expansion by issuing bonds.

Mayor Nelson thanked the Board for their hard work and for service they provide to the community.

Dr. Marlowe began the planning workshop agenda at 1:40 p.m.

Discussion ensued on the role of staff and the Board as a policy maker, on the process of making motions and voting and giving staff clear direction.

Chairman Bauman recessed the meeting at 2:40 p.m. and reconvened at 2:50 p.m.

Dr. Marlow presented the following list that was a result of the previous exercises and discussions:

TO DO LIST – STRATEGIC PLAN

1. REFINE THE MASTER PLAN
2. MORE STRUCTURED DECISION MAKING PROCESS
3. EXISTING PROJECTS ARE ON TRACK
4. CUSTOMER RELATIONS STRUCTURE (CUSTOMER SERVICE)
5. STAFF
6. RATES, FEE SCHEDULE & RULES
7. GENERAL LOOSE ENDS
8. CONNECTION FEES AND POLICIES
9. TEMPORARY OFFICE SPACE
10. STAFF AND OPERATE FACILITIES

Dr. Marlowe continued the workshop with discussions on, management and operations, and the importance of having a local presence. Lengthy discussion
ensued on the future capacity of GSG and the development of a local staffing plan.

The following action plan was developed from the exercises:

ACTION ITEM: Refine Master Plan

Lead: manager/engineer to develop a scope of service
Time Frame: April 7 info item; April 21 to board for action

ACTION ITEM: Existing projects on line

Lead: manager/engineer
Time Frame: regular status reports

ACTION ITEM: hiring staff

Lead: Attorney/Clerk
Time Frame: April 7 for action

ACTION ITEM: rate fee schedule and rules

Lead: manager
Time frame: April 21 will have recommendation on a course of action

ACTION ITEM: connection policy – standards for campground and other commercial establishments

Lead: manager/engineer/legal
Time Frame: as soon as possible or approximately 6 months

ACTION ITEM: staffing for the operating of facilities

Lead: manager; engineer
Time Frame: at the Board directions or by end of summer
Comments: staff, contract operators, RFP to be development

ACTION ITEM: TEMPORARY office space

Lead: attorney/realtor
Time Frame: options to the board by 4-21

Dr. Marlowe state that the Board had developed a broad framework and that each individual item could be discussed for future action after reading and preparation.
Chairman Bauman asked if there were any other items of business to be discussed with the Board.

Mr. Sheets and Mr. Dillon informed the Board that a notice of delay letter had been received from Haskell, however, it needs additional review and research before a recommendation would be made to the Board.

Chairman Bauman adjourned the meeting at 5:30 p.m.
Strategic Framework

Key Largo Wastewater Treatment District

Draft 1.0

March 29, 2004
Purpose Statement

The purpose of the District is to build and operate a wastewater treatment system for the Key Largo/Tavernier area of Monroe County

Vision Statement

The District will be a fully operational, self-sustaining entity that provides cost efficient services while protecting the public and environmental health of the region it serves.

The Balanced Scorecard: Goals

Operations

Goal: Complete existing projects on the planned schedule (Very high priority)

Future Growth and Development

Goal: Refine the Master Plan (Very high priority)

Goal: Establish connection policies (High priority)

Financial Viability

Goal: Finalize the rate structure and associated rules (High priority)

Organizational Development

Goal: Engage staff (Very high priority)

Goal: Develop approach for the staffing and operation of facilities

Goal: Establish temporary office space

Goal: Initiate more structured decision making process in the board meetings with more formalized guidance to staff

Goal: Initiate board workshop schedule for in-depth analysis and discussion of a topic
The Balanced Scorecard: Action Plan

Operations

Goal: Complete existing projects on the planned schedule (Very high priority)

Lead: Manager, Engineer
Action assignment:
- Provide regular status reports and corrective action plans if key dates are not met.
Time: Monthly reports

Future Growth and Development

Goal: Refine the Master Plan (Very high priority)

Lead: Manager, Engineer
Action assignment:
- Prepare information sheet on current status for April 7th board meeting
- Prepare scope of services documents for April 21st board meeting
Time: April board meetings

Goal: Establish connection policies (High priority)

Lead: Manager, Engineer, Attorney
Action assignment:
- Develop an issues paper and plan for fall completion
Time: 2nd half of May, 2004

Financial Viability

Goal: Finalize the rate structure and associated rules (High priority)

Lead: Manager
Action assignment:
- Refine rules for board adoption, review adopted rates
Time: April 21, 2004
Organizational Development

Goal: Engage staff (Very high priority)

Lead: Attorney, Clerk
Action assignment:
• Prepare job descriptions and advertising plan for board approval
Time: April 7th, 2004

Goal: Develop approach for the staffing and operation of facilities

Lead: Manager, Engineer
Action assignment:
• Prepare options and recommendations report
Time: By August 31st, 2004

Goal: Establish temporary office space

Lead: Attorney
Action assignment:
• Prepare report on options
Time: April 21st, 2004

Goal: Identify and resolve any outstanding issues not covered in prior goals

Lead: Manager, Engineer, Attorney
Action assignment:
• Prepare report on issues to be resolved and proposed schedule
Time: May, 2004

Goal: Initiate more structured decision making process in the board meetings with more formalized guidance to staff

Lead: Chair
Action assignment:
• Increase use of formal motions on decisions and actions
• Provide mechanisms for discussion limited to board members
Time: Immediately

Goal: Regularly use board workshops for collegial discussions and further development of understanding of issues

Lead: Chair
Action assignment:
• Develop a workshop schedule
Time: April 21st board meeting
KLWTD Board Meeting
April 21, 2004

Draft Meeting Minutes
April 7, 2004
Board Members Present

Gary Bauman, Chairman
Cris Beaty, Member (joined the meeting in progress at 5:35 p.m.)
Charles Brooks, Member
Andrew Tobin, Member
Jerry Wilkinson, Member

Staff Members Present

Robert Sheets, General Manager, Government Services Group, Inc.
Charles L. Sweat, Director of Operations, Government Services Group, Inc.
David Miles, Chief Financial Officer, Government Services Group,
Thomas Dillon, Esq., Board Attorney
Ed Castle, P.E., Board Engineer, Weiler Engineering Corporation
Mike Hatfield, P.E., Weiler Engineering Corporation
Faith Doyle, Board Clerk

Guests Present

Will English, Haskell Company, Project Manager
Pete Kinsley, Haskell Company
Walt Messer, DN Higgins
Bill & Robin Willis, Key Largo residents
Robert E. Burt, President, Key Largo Trailer Village Homeowners Association

A. Call to Order

Chairman Bauman called the meeting to order at 5:05 p.m.

B. Pledge of Allegiance

The Pledge of Allegiance was recited.

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

There were no additions, deletions or corrections to the agenda.

D. Minutes – Draft March 17, 2004

COMMISSIONER BROOKS MOVED TO APPROVE THE MARCH 17, 2004 MEETING MINUTES. COMMISSIONER WILKINSON SECONDED THE MOTION. THOSE PRESENT VOTED IN FAVOR AND THE MOTION WAS APPROVED.
E. Public Comment

Mr. Robert Burt addressed the Board. He and other KLTV residents have concerns with the 60% drawings that were presented at their meeting on March 27, 2004. Mr. Burt and the residents requested that they be able to meet with the contractors and staff to discuss the connection points and the dimensions and designs of manhole covers. Discussion ensued on the elevation of the manholes and the locations of the connection points. Mr. Sweat stated for the record that he had attended the March 27 KLTV homeowners meeting and assured the residents that the manholes were traffic bearing and would not be a trip hazard and would be level and flush with the ground.

Discussion ensued on the scheduling of a community meeting that would include staff and representatives of Haskell and Brown and Caldwell.

Bill Willett addressed the Board he is concerned because the plans show a pit directly in the middle of where his gate opens. Walt Messer of Higgins stated that this could be adjusted. Mr. Willett was also concerned about the height of the manholes as shown on the drawings. Staff stated that the manholes would not be trip hazards.

Robert Sheets stated that concerned neighbors could work with the GSG staff to work through these issues.

Mr. Burt stated that the KLTV board meets on April 15, 2004. Staff would not be able to attend the meeting but would provide a letter addressing the issues and offering future meeting dates.

Commissioner Cris Beaty joined the meeting in progress at 5:35 p.m.

F. Legal Counsel’s Report

1. Update on the Haskell Notice of Delay

Mr. Dillon met with Peter Kinsley of Haskell concerning their notice of delay. Mr. Dillon has requested additional information from Haskell before offering a final recommendation.

Mr. Dillon stated that the District is obligated by contract law to act in good faith and to deal fairly with Haskell. Discussion ensued on liquidated damages. Mr. Dillon stated that he would provide a progress report at the April 21, 2004 meeting. Commissioner Tobin asked if this could be discussed in executive session because it may result in litigation. Mr. Dillon stated that he does not believe an executive session could be opened because it has not reached the level of a claim. Discussion ensued on what would be considered circumstances beyond Haskell’s control. Mr. Peter Kinsley stated that Haskell had no intent on filing a claim and that their costs have increased due to the increased costs of petroleum and steel. They requested more time to avoid acceleration of construction.

2. Update on Roe-Vac warranty

Mr. Dillon stated that on March 16 he had sent email to Haskell concerning the final Roevac warranty, but has received no response. Mr. Kinsley stated that he would follow up with Roediger and forward the final document to Mr. Dillon for final consideration at the April 21, 2004 meeting.

3. Update on direct/indirect costs issue
Mr. Kinsley informed Mr. Dillon that the Haskell lawyers are reviewing Mr. Dillon's definition of direct/indirect costs and will respond shortly.

4. Discussion of Government Services Group, Inc. Continuing Services Contract as of May 9, 2004

Mr. Dillon stated that he requires direction from the Board on the GSG relationship after May 9, 2004. Mr. Sheets is to provide a list of costs for certain tasks for discussion at the April 21, 2004 meeting. Mr. Sheets informed the Board that he would not be present for that meeting.

**Commissioner Wilkinson moved to continue with Government Services Group on a month to month basis at “Status Quo” as of May 10 and until they are told not to. Commissioner Brooks seconded the motion. All were in favor.**

5. Update on legislation

Mr. Dillon stated that he was contacted by Pat Cichon of the Governor's office of Management & Budget concerning the legislation. The money spending issue was confusing to them and she believes the Governor would not act until he is clear on the issue. Chairman Bauman stated that per Ms. Laura Todd the legislation has been through the 3rd reading.

6. Update on County funds

Mr. Dillon stated that there is a County ordinance pending that would relieve Mr. Kohlage of liability if he releases funds to KLWTD. Mr. Dillon will request a copy of the ordinance from County for review. Mr. Miles added that Mr. Kohlage is reviewing the second draw and the district should have the money in hand by the end of April. Commissioner Tobin asked if the dispute was on the reimbursement of Board salaries. Mr. Miles stated that the County is now questioning all administrative costs. Discussion ensued on the issue.

7. Report on office space survey

Mr. Dillon provided information on the two rental properties. Commissioner Brooks provided handouts on several spaces. Commissioner Wilkinson stated that south of Key Largo there are no viable spaces available. Mr. Brooks reviewed his handout. He stated that Emma Fishburn had suggested purchasing an investment property.

Discussion ensued concerning the square footage needed and the length of the lease and if a regular meeting room should be included. Discussion ensued on owning vs. renting is worth pursuing. The Board agreed on a short list of properties including 1/2 of the pediatrics building, the Maytag building, the Sun Radio building and the Damaron building for future consideration. Commissioner Tobin stated that he would check on the availability of space at the TIB Bank Building. The Board requested the item be tabled and brought back as an action item on the next agenda.

8. Revised personnel ads

Mr. Dillon stated that the ads provided for consideration had been presented by the transition committee with minor modifications.

**Commissioner Wilkinson moved to approve the advertisements for a manager, a finance officer and a clerk. Commissioner Beaty seconded for discussion. Commissioner Tobin**
requested that the attorney accept comments and revisions at his discretion. Commissioner Brooks was opposed to the suggestion. Commissioner Wilkinson did not want the ads to specify that specific degrees were required. Discussion ensued. The board agreed that "or equivalent experience" be added to the advertisements. All were in favor.

Discussion ensued on which newspapers to advertise with. The Board agreed to advertise in the Free Press and the Reporter. The Board directed the attorney state in the advertisement that resumes would be accepted for one month. Chairman Bauman ads also be placed in the Keynoter.

G. Action Items

1. Approval of the Pending Payments List for April 7, 2004

Mr. Miles stated that the list included invoices received by 3/31/04 for a total amount of $138,530.82.

Mr. Miles stated that the information provided at H1 is to inform the Board that the $929,000 cesspit grant to be forwarded from the FKAA will be shorted by $137,000 because the funds were spent by the Health Department. Mr. Sheets wants the County to provide the District with a plan on how the funds would be replaced. Mr. Sheets stated that the FY2004 budget included these funds.

Commissioner Brooks moved to approve the payment pending list in the amount of $138,530.82. Commissioner Wilkinson seconded for discussion. Commissioner Tobin questioned the negative balance. Mr. Miles stated that these are enterprise funds and the cash on hand can be used for accounts payable. Commissioner Tobin questioned the time break down from GSG and WEC. Mr. Miles stated they had been provided in emails from him to the Board. The question was called. All ere in favor and the motion was unanimously approved.

2. Approval of the advertisement and setting of future workshop dates

Mr. Sheets recommended the next workshop date and time be set to discuss the master plan update or resume review prior to candidate interviews. Discussion ensued on the date and time of the next workshop. Discussion ensued. Chairman Bauman suggests a facilitator be present. The Board agreed the next workshop should include discussion on the master plan, Calusa Camp Resort connection and personnel/staffing.

Commissioner Tobin stated that he would invite Ms. Marlene Conaway to the next regular meeting to provide information on the vacant lots that can potential be served. Discussion ensued on how much of the KLP project can be completed and if it is impacts connecting Calusa Resort.

The Board agreed the next workshop should be held on May 15, 2004 at 10:00 a.m. to discuss the KLP final designs and Calusa Resort. Brown and Caldwell and Haskell representatives should be present. The meeting would be held at the Civic Club if available and the Westin if not.

The Board tabled the item until the next meeting. The Board stated they would discuss if a facilitator should be used for the workshop.
3. Approval of local staff employment advertisements

Please see above, Item F8.

4. Approval to postpone payments of the County $100,000 loan

**Commissioner Wilkinson moved to postpone payments to the County on the $100,000.00 loan. Commissioner Beaty seconded the motion. All were in favor and the motion was unanimously approved.**

H. General Manager’s Report

1. Update on Local Match Funding for Key Largo Park Project

Discussed as part of G1.

2. Update on the March 10, 2004 Design Team Meeting

Mr. Sweat presented his memorandum that had been included with the agenda.

3. Presentation of the Permitting & Design Calendar

Mr. Sweat presented the calendar that had been included with the agenda. Mr. Sweat noted that the planning commission meeting to consider the conditional use permit would be held on May 26th instead of June 9.

4. Presentation of the Strategic Framework for the KLWTD

Mr. Sheets presented the document that was provided with the agenda. The final document would be presented as an action item for acceptance on the April 21, 2004 agenda.

5. Update on past agenda items:
   a. FEMA FONSI Status

Mr. Sheets stated that the FEMA PHASE II agreement might be an action item at the next meeting. He has been in contact with Miles Anderson of the DCA who indicated the document would be arriving in the near future.

   b. Water Quality Testing

Mr. Sweat presented his memorandum. Commissioner Wilkinson stated that he had been informed that there were no trained volunteers available to collect samples. Mr. Sweat stated he is aware of the importance of the testing and he recommended the requested $8,000 donation to the University be considered to set a schedule and implement a testing plan. The Board required this item be presented for action on April 21, 2004 so that there would be a base line for future testing.

   c. Project Design Protocol

Per Ed Castle final revisions have been forwarded to Haskell for consideration and the final protocol would be presented to the Board at a future meeting.
d. $100K Loan Payment in-kind

Please see above, item G4.

e. Site mitigation

Mr. Sheets stated that effort is not being put forth by the FKAA to meet with Fish and Wildlife concerning an action plan for site mitigation. FEMA requires Fish and Wildlife must approve the action plan to release funds and the action plan. Discussion ensued on the involvement of the FKAA and the FKAA staff on this issue. MR. Sheets and Mr. Dillon stated that would take action to help the process along.

f. KLP vacant lot resolution

Commissioner Tobin stated he would invite Ms. Marlene Conaway to the next regular meeting to provide information on this issue.

g. Project request for FEMA deadline extension

FEMA can do in future Miles Anderson has stated no problem

I. Engineer's Report

1. WEC Engineer's Report for the period ending March 30, 2004

Mr. Castle presented the report that was included with the agenda.

2. Discussion of the draft scope of service to update the master plan

Mr. Castle presented the bullet point list. Discussion ensued. Mr. Castle stated that he would provide a more detailed scope of service at the next meeting.

Mr. Sheets stated that the financing component to the strategic plan would need to be considered in the future. Discussion ensued. Mr. Sheets stated that GSG would provide a financing component draft scope of work to the Board. Chairman Bauman requested the draft scope of work be presented for discussion on the April 21st agenda for possible action in May.

J. Public Comment

No one present wished to address the Board.

K. Commissioner's Items

Commissioner Brooks requested that the Board review the Haskell monthly report that had been forwarded to the Board under separate cover. Chairman Bauman tabled the request.

L. Meeting Adjournment

Chairman Bauman adjourned the meeting at 8:12 p.m.
Available Office Space Key Largo

April 7, 2004

prepared by Charlie Brooks
MM 106 Divers Outlet

space, space -- see attached drawing -- lots of open space -- actually there are nine separate bays -- can be subdivided -- ample parking --
MM 105  700 sqft
$800 mo
453-0505

Bluewater World

Not Available
Pink Plaza MM 103
Down Stairs

Open space — 1000 ft.², 20 by 50
$1450 per month — share bathroom
in the back with adjoining unit
Suite 230

KEY LARGO
995 36
977 SF (93.65% excess space overall)

APPROVED:
M.M. King, COG
Executive Officer
NRD
Daniel O'Neill Jr.,
Flight Commander, Support Fld
Executive Officer
333D Rctg Sqdn

$750/mo incl. elec.
Pink Plaza MM 103
Down Stairs

Open space – 1000 ft², 20 by 50
$1450 per month – share bathroom
in the back with adjoining unit
1. **Key Plan**

- **Scale:** 1" = 40'

**Pink Plaza Ground Flr**

- **Existing Drywall on Furring Over 8" CMU Exterior Wall w/ Blown Cellulose Insulation (R-4)**
- **Replace Existing Door w/ 20 Min Rated Door**
- **Remove Existing Restroom Walls and Door**
- **Relocate Electrical Panel with New Wall**
- **Remove Existing Electrical Panel**

**Existing CMU Shear Wall**

- **Existing 1-Hour Rated Drywall Demising Wall on Column Line**

**Unit #12**
- 1,000 GSF (20' x 50')

**Unit #13**
- 1,000 GSF (20' x 50')

**Existing 6" sq steel columns**

**Existing 5" sq steel columns**

- Each side of exp joint

- **Remove Panel for New Entry Door**

- **Existing alum frame, single glazed storefront system**
Dolphin

20 x 50 Possible Available August 04
In Same Bldg w Dolphin Patio & Grill
MM 103 US 1
Ace Hardware Bldg

5000 sqft $5000 per mo
103 MM Maytag Bldg
Location

1000 to 2000 Sqft- $12.50 per sqft Flexible configuration- ample parking
Pediatrics MM 103

2600 Sqft – $3000 mo – whole stand alone bldg - ample Parking – Good location – Doctors office Quarters Available late May 04
SITE PLAN
SCALE: 1" = 20'

NOTES:
1. LEGAL DESCRIPTION - LOTS 1 AND 2, BLOCK 11, TWIN LAKES,
   ACCORDING TO THE PLAT, RECORDED IN
   PLAT BOOK #3 AT PAGE 160 OF MOHAVE COUNTY
2. ZONING - SUBURBAN COMMERCIAL

$3,000/mo

DES. 05 - Pediatrics

DESIGNED

CENTELINE GEORGE STREET

10' WIDE BUFFERYARD

COMMERICAL RETAIL SPACE

HANDICAP PARKING

10' CLASS "D" (1/2)
BUFFER ZONE WITH 3
CANOPY TREES & 11 SHRUBS
Sun Radio 103 Bldg
93351 Overseas HWY

1800 sqft $1800 mo Additional 400Sqft available in back 3rd floor Elev-ample Parking
KLWTD Board Meeting
April 21, 2004

Item F - 1

Update on the
Haskell Notice of Delay
March 17, 2004

Re: Wastewater Management System For
The Key Largo Trailer Village Area
Key Largo, Florida
Notice of Delay
Issue No. 01-003 — Secondary
Treatment Process Selection
Issue No. 01-012 — FEMA
Environmental Assessment

Mr. Robert Sheets
Government Services Group, Inc.
1500 Mahan Drive
Suite 250
Tallahassee, Florida 32308

Dear Mr. Sheets:

In response to your February 10, 2004 letter requesting additional information regarding our Notices of Delay, we offer the following:

The October 13, 2003 Notice of Delay was prepared in response to our being notified by GSG on October 13, 2003 that due to delays associated with the FEMA Environmental Assessment, construction could not begin until March of 2004. Effective the day of this letter, FEMA has yet to provide final approval of the site, and therefore creates a continuing delay that cannot be resolved until the final FEMA Environmental Assessment is complete and the site is released for construction. In order to avoid additional cost and schedule impact being introduced to the project, it is imperative that FEMA provide final approval in advance of design and permitting being complete which is anticipated in May 2004 for the collection system and June 2004 for the wastewater treatment plant.

With regard to the October 31, 2003 and December 12, 2003 Notices of Delay, The Haskell Company prepared a detailed explanation of our position in a document dated December 29, 2003. This document was prepared using the best information available at the time and included CPM schedule impacts to demonstrate and quantify the delays encountered. Although this approach is customary to the industry, it appears as if CPM schedule impacts have lead to greater confusion in this regard. To facilitate the review of the Key Largo Wastewater Treatment District (KLWTD), this document will take a more simplistic approach in explaining and quantifying the delays encountered that have negatively impacted Haskell’s ability to execute the services defined by the Design-Build Agreement.
Mr. Robert Sheets  
March 17, 2004  
Page 2  

Our response will be structured as follows:  

- Substantiation of Delay  
- Schedule Impact of Delay  
- Cost Impact of Delay  
- Delay Impact Mitigation Measures  

Substantiation of Delay  
As agreed upon during contract negotiations and as defined by Exhibit F, Division 11, Item 2, the K LWTD was required to select the secondary treatment process for the project by August 4, 2003 in order to avoid cost escalation and schedule impact being introduced to the project. As you are aware, the K LWTD selected USBF on December 3, 2003 and reversed their decision to SBR on January 14, 2004. This greater than five month delay was due to the cumulative effect of extended contract negotiations between the K LWTD and Haskell, untimely hiring of Weiler Engineering by the K LWTD and extensive delays associated with K LWTD’s selection of the secondary treatment process.  

The K LWTD established a team to represent their interest during negotiation of the Design-Build Agreement. The team included Charlie Brooks of the K LWTD, Robert Sheets of GSG, David Reffing of Boyle Engineering and Terry Lewis of Lewis, Longman & Walker. After weeks of negotiation, a mutually agreeable contract was presented to the K LWTD for approval. Although the K LWTD designated representative participated throughout the negotiation, the agreed upon contract was rejected by the board. This introduced weeks of additional contract negotiation and ultimately delayed issuance of the Notice to Proceed from June 16, 2003 to July 8, 2003.  

After successful contract negotiation and K LWTD’s issuance of the Phase 1 Notice to Proceed on July 8, 2003, Haskell requested a Kick-off Meeting be conducted by all project participants. This is a contractual requirement, standard practice for Haskell and a prerequisite for design development. Due to the fact that the K LWTD had not yet hired their engineer, it was requested that we postpone our Kick-off Meeting until Weiler Engineering was under contract. This postponement introduced additional weeks of delay as the Kick-off Meeting was ultimately conducted on August 18, 2003 in lieu of June 23, 2003.  

After conducting the Kick-off Meeting on August 18, 2003, Haskell immediately initiated design development beginning first with reviewing the two allowable secondary treatment processes and making recommendation. This issue has been well documented in numerous previous correspondences and will not be revisited in detail in this response. In summary, Haskell performed it’s due diligence in the thirty days that followed the Kick-off Meeting and
recommended SBR to the KLWTD on September 17, 2003. KLWTD ignored the recommendations of Haskell as well as their manager, GSG and engineer, Weiler, and selected USBF on December 3, 2003 and ultimately reversed their decision to SBR on January 14, 2004 after the implications of that decision were fully understood by the KLWTD. KLWTD’s selection of the secondary treatment process should have taken days to complete and ultimately introduced months of delay to the project.

As substantiated above, the contract schedule has been delayed due to the actions of the KLWTD associated with extended contract negotiation, solicitation of engineering services and selection of the secondary treatment process. Haskell has performed every service in the time allotted in the Preliminary Project Schedule contained in Exhibit B of the Design-Build Agreement, but has not been able to initiate such services as planned awaiting the actions of the KLWTD.

**Schedule Impact of Delay**
All of the delays substantiated above impact the critical path of the project schedule, extend the project completion date and therefore require a day-for-day time extension. Notice to Proceed and the Kick-off Meeting are the first two activities of the Preliminary Project Schedule following project award and clearly fall on the critical path. With regard to the selection of the secondary treatment process, this KLWTD responsibility was to be complete prior to initiating the 30% Design Development Submittal which is also on the critical path of the Preliminary Project Schedule.

Provided below is a table that summarizes the delays that have been encountered on the project, identifies the number of days that the project has been delayed and establishes our claim for time extension. As illustrated below and substantiated above, the actions of the KLWTD have negatively impacted the critical path of the Preliminary Project Schedule and extended the project completion date by 162 days which is the time extension required by Haskell.

<table>
<thead>
<tr>
<th>Activity Delayed</th>
<th>Schedule Date</th>
<th>Actual Date</th>
<th>Individual Delay</th>
<th>Cumulative Delay</th>
<th>Cause of Delay</th>
</tr>
</thead>
<tbody>
<tr>
<td>Notice To Proceed</td>
<td>6/16/03</td>
<td>7/8/03</td>
<td>22 Days</td>
<td>22 Days</td>
<td>Contract Negotiation</td>
</tr>
<tr>
<td>Kick-off Meeting</td>
<td>6/23/04</td>
<td>8/18/03</td>
<td>34 Days</td>
<td>56 Days</td>
<td>Awaiting Engineer</td>
</tr>
<tr>
<td>Treatment Selection</td>
<td>8/4/03</td>
<td>1/14/04</td>
<td>106 Days</td>
<td>162 Days</td>
<td>Awaiting KLWTD</td>
</tr>
<tr>
<td>TOTAL DELAY</td>
<td></td>
<td></td>
<td>162 Days</td>
<td>162 Days</td>
<td></td>
</tr>
</tbody>
</table>
Mr. Robert Sheets  
March 17, 2004  
Page 4

Cost Impact of Delay
Haskell and our utility contractor, DN Higgins, submitted the proposal for this project in February of 2003 with an anticipated construction start date of November 4, 2003. The 162 days of delay encountered on the project to date have introduced cost for both organizations in which we require reimbursement. But for delays caused by the K LWTD, all material for the project would be purchased and not subject to the volatility of today’s market which includes double digit escalation in the prices of steel and petroleum-based products. Escalation is these two markets alone impact the cost of structural steel, concrete reinforcing, process equipment, PVC pipe and asphalt. In addition, if construction began in November of 2003 as planned, significant labor and equipment hours would have been expended at rates lower than those required today. In summary, the direct cost of executing the contract has increased as the cost for labor, insurance, material and equipment has risen dramatically during the delay.

Upon review of the cost impact associated with the schedule delay, The Haskell Company anticipates a 5% annual increase in cost while DN Higgins anticipates a 7% annual increase in cost. Please see the enclosed February 19, 2004 and March 1, 2004 letters prepared by DN Higgins substantiating their position. Based upon the weighted distribution of the contract value, the project will incur a 6% annual increase in the cost, which equates to $478,200.00 per year or $39,850.00 per month. Therefore the 162 days of delay have introduced $212,242.00 (162 days/365 days x $478,200.00) of increased cost to the project in which we required reimbursement.

Delay Impact Mitigation Measures
In recognition of the delays that have been encountered on the project, The Haskell Company has undertaken a number of design-related initiatives in order to mitigate additional schedule delay. The following efforts have been made for the benefit of the project and have been provided at no additional cost to the KLWTD.

- Separated the design and permitting of the collection system and the wastewater treatment plant. This allowed design of the collection system to progress while awaiting selection of the secondary treatment process.
- Initiated design of the vacuum collection system for the Key Largo Park based upon the approval of the KLWTD, but prior to written authorization. This allowed design of the park to begin immediately as opposed to weeks later awaiting receipt of the written change order.
- Incorporated the vacuum collection system design for the Key Largo Park into the Key Largo Village to facilitate and expedite design development and permitting. This allowed design and permitting of the two projects to progress as a single, fully coordinated project.
Mr. Robert Sheets  
March 17, 2004  
Page 5

- Initiated design of the wastewater treatment plant prior to resolution of the secondary treatment process selection. This allowed design of the wastewater treatment plant to progress while awaiting selection of the secondary treatment process.

Per Section 6.2.2 of the Design-Build Agreement, The Haskell Company offers the following suggestions to facilitate the project schedule.
- Secure FEMA approval of the project site before design and permitting is complete.
- Authorize selective procurement in order to avoid further material and equipment cost escalation.
- Authorize construction of the collection system as soon as possible and, if required, in advance of the wastewater treatment plant.
- Expedite your review of the design development submittals.
- Assist with resolution of Monroe County planning and permitting issues.

The Haskell Company and DN Higgins remain committed to this very important project and are prepared to discuss this issue in an effort to develop a solution that is fair and equitable to all related parties. Based upon the schedule and cost impacts introduced by the delays encountered on the project to date, The Haskell Company requires a time extension of 162 days and cost reimbursement of $212,242.00 plus bonds and insurance.

Should you have any questions or require further information, please do not hesitate to contact me at (904) 357-4868.

Sincerely,

Peter M. Kinsley  
Division Leader – Water

Enclosures

cc: Mr. Thomas Dillon  
Mr. Walt Messer, DN Higgins, Inc.  
Mr. Stuart Oppenheim, Brown and Caldwell  
Mr. Ed Whelan, McGuire Woods  
Mr. John Patton, The Haskell Company  
Issue No. 01-003  
Issue No. 01-012  
Issue No. 02-003
February 19, 2004

Mr. Peter M. Kinsley
Division Leader, Water
The Haskell Company
111 Riverside Avenue
Haskell Building
Jacksonville, Florida 32231

RE: Key Largo Trailer Village and Key Largo Park

Dear Mr. Kinsley,

We are writing as a follow up to our September 19, 2003 letter regarding the financial impacts from the delays on the above referenced projects. Due to the increased costs for employee wages, health insurance, workman’s compensation, liability insurance, raw materials, stone, pipe, equipment, etc. we can no longer hold our prices. As a whole our costs have increased roughly 7%. Therefore we must increase our prices by an equivalent 7% on both the Key Largo Trailer Village Project and on the Key Largo Park Project.

Please contact me with any questions or concerns.

Sincerely,

Walter E. Messer
Vice President
Florida Operations
DOUGLAS N. HIGGINS, INC.

cc: file
March 1, 2004

Mr. Peter M. Kinsley
Division Leader – Water
The Haskell Company
111 Riverside Avenue
Haskell Building
Jacksonville, FL 32231

RE: Key Largo Trailer Village and Key Largo Park

Dear Mr. Kinsley,

We are writing as a follow up to our September 19, 2003 and February 19, 2004 letters regarding the financial impacts from the delays on the above referenced projects. Following is a chart that shows the increased costs by item.

<table>
<thead>
<tr>
<th>Description</th>
<th>% of Project Costs</th>
<th>% Cost Increase</th>
<th>% Weighted Cost Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Labor</td>
<td>41.27%</td>
<td>7.890%</td>
<td>3.256%</td>
</tr>
<tr>
<td>Equipment</td>
<td>12.51%</td>
<td>3.000%</td>
<td>0.375%</td>
</tr>
<tr>
<td>Asphalt/Flow/Stone</td>
<td>12.51%</td>
<td>9.000%</td>
<td>1.126%</td>
</tr>
<tr>
<td>Trenching Subcontractor</td>
<td>13.76%</td>
<td>9.000%</td>
<td>1.238%</td>
</tr>
<tr>
<td>Roevac Material</td>
<td>10.01%</td>
<td>0.000%</td>
<td>0.000%</td>
</tr>
<tr>
<td>Piping Material</td>
<td>5.00%</td>
<td>19.000%</td>
<td>0.960%</td>
</tr>
<tr>
<td>Housing</td>
<td>4.85%</td>
<td>7.000%</td>
<td>0.347%</td>
</tr>
<tr>
<td><strong>Total % Cost Increase:</strong></td>
<td><strong>7.292%</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The labor cost increase is broken down further in the next chart.

<table>
<thead>
<tr>
<th>Description</th>
<th>% of Labor Cost</th>
<th>% Cost Increase</th>
<th>% Weighted Cost Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wage</td>
<td>71.63%</td>
<td>4%</td>
<td>2.885%</td>
</tr>
<tr>
<td>Health Insurance</td>
<td>7.27%</td>
<td>28%</td>
<td>2.037%</td>
</tr>
<tr>
<td>Workers' Compensation</td>
<td>11.19%</td>
<td>9%</td>
<td>1.007%</td>
</tr>
<tr>
<td>Liability Insurance</td>
<td>9.90%</td>
<td>20%</td>
<td>1.981%</td>
</tr>
<tr>
<td><strong>Total % Labor Cost Increase:</strong></td>
<td><strong>7.890%</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

EEO
As soon as the actual start date for this project is established we will submit further
documentation of our increased costs. To date, a fair estimate of our increased costs is
7.3%.

Please contact me with any questions or concerns. I can be contacted at 734-996-9500.

Sincerely,
DOUGLAS N. HIGGINS, INC.

[Signature]
Daniel N. Higgins,
Vice President
KLWTD Board Meeting
April 21, 2004

Item F - 2

Update on
Roe-Vac Warranty
April 14, 2004

The Haskell Company
Haskell Building
Jacksonville, FL 32231-4100

Attention: Peter M. Kinsley

Re: Wastewater Management System for the Key Largo Trailer Village Area

Dear Pete:

Following from our telephone conference calls of yesterday, we confirm the following:

Limited Warranty
Roediger Pittsburgh offers a limited warranty, version KL.v.6, incorporating the modifications agreed upon yesterday, a copy of which is attached hereto. The new language represents an improvement for the KLWTD. The original version, dated October 29, 2003, fixed the term to two or three years (depending on the type of equipment) from date of delivery to the job site. The new version starts the clock at the date of substantial completion—a date more significant to the KLWTD— with a uniform term of two years thereafter, but a limit at three-and-a-half years from delivery. Another modification clarifies that those service personnel who repair, modify or adjust the equipment need to be Roediger Pittsburgh-trained. See the attached warranty for the prevailing language.

On-Site Representation During the Project
We first addressed this vital issue in writing in our letter dated October 29, 2003, and reiterate it at this time. This project represents a major investment in the future for the KLWTD. Its success is the primary concern of the Board, which has selected a design/build team, a project manager, and an operating company to ensure that success, both in the construction phase and in the subsequent operation and management of the system. Roediger Pittsburgh is likewise committed to the success of this project. The reputation of the Roevac® brand name is of utmost importance to us, now and in the future. Consequently, we will provide qualified representation on-site throughout the project to the extent required by the KLWTD. As we have made known to the Board and to the design/build team, it is our judgment and recommendation that 100% coverage is unnecessary and will serve as an encumbrance to the contractor; however, we will defer to the decision and directives of the Board, or the design/build team, if so empowered by the Board. In any event, we will provide training and re-training to assist the contractor.
Roediger Pittsburgh, Inc.
every step of the way during installation. We will cooperate with the project manager to help optimize the project. When it comes time to start the system, we will familiarize the operators with the system and how to best keep it running smoothly. And most importantly, we will aid in the education of the citizens to increase acceptance and understanding of their new system.

Future Prices of Valves and Controllers
The KLTWD Board raised a reasonable concern in October 2003, about future pricing of new and replacement parts, a concern Roediger Pittsburgh addressed in our October 29, 2003 letter. Roediger Pittsburgh confirms the price protection to the KLTWD and extends it, at the specific request of the KLTWD's legal counsel, to two additional types of Roevac® brand equipment: controllers and chamber vessels.

<table>
<thead>
<tr>
<th>Valve Order Quantity</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Over 30</td>
<td>$400</td>
<td>$410</td>
<td>$420</td>
<td>$430</td>
<td>$440</td>
</tr>
<tr>
<td>5 – 29</td>
<td>$450</td>
<td>$460</td>
<td>$470</td>
<td>$480</td>
<td>$490</td>
</tr>
<tr>
<td>1 – 4</td>
<td>$630</td>
<td>$645</td>
<td>$660</td>
<td>$675</td>
<td>$690</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Controller Order Quantity</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Over 30</td>
<td>$739</td>
<td>$749</td>
<td>$759</td>
<td>$769</td>
<td>$779</td>
</tr>
<tr>
<td>5 – 29</td>
<td>$821</td>
<td>$831</td>
<td>$841</td>
<td>$851</td>
<td>$861</td>
</tr>
<tr>
<td>1 – 4</td>
<td>$925</td>
<td>$935</td>
<td>$945</td>
<td>$955</td>
<td>$965</td>
</tr>
</tbody>
</table>

Note: Add $100.00 for low activation controller.

<table>
<thead>
<tr>
<th>Collection Chamber Flood Proof 00251-FP-SB (includes lid order Qty.)</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Over 30</td>
<td>$1507</td>
<td>$1522</td>
<td>$1537</td>
<td>$1552</td>
<td>$1567</td>
</tr>
<tr>
<td>5 – 29</td>
<td>$1582</td>
<td>$1597</td>
<td>$1612</td>
<td>$1627</td>
<td>$1642</td>
</tr>
<tr>
<td>1 – 4</td>
<td>$1650</td>
<td>$1665</td>
<td>$1680</td>
<td>$1695</td>
<td>$1710</td>
</tr>
</tbody>
</table>

Note: Does not include valve, controller or internal fitting package.
Roediger Pittsburgh, Inc.

The applicable year for pricing shall be the year that delivery is taken for the parts ordered. For years beyond 2008 and until 2013, prices within each category shall not increase at a rate exceeding that of the PPI. Delivery charges from Roediger Pittsburgh to K.L.W.T.D. are additional, as are any sales taxes that may be or become applicable.

Also at the specific request of the K.L.W.T.D.'s legal counsel, Roediger Pittsburgh now adds that future pricing of new and replacement parts as offered to the K.L.W.T.D. will be favorable pricing compared to that offered to other Roediger Pittsburgh customers whose order quantities of said new and replacement parts are equal to those of the K.L.W.T.D., where favorable is intended to mean equal to or less than.

We expect that this will fulfill your requirements and satisfy any remaining concerns. We are very excited about this project and look forward to its getting underway.

Very truly yours,

ROEDIGER PITTSBURGH, INC.

James R. Datesh
Director, Business Development

JRD/ft

cc: Walt Messer/DN Higgins
Tom Evans/Tom Evans Environmental

attachment
ROEDIGER PITTSBURGH, INC.

STATEMENT OF LIMITED WARRANTY
for the Key Largo Wastewater Treatment District
Wastewater Management System for the Key Largo Trailer Village Area

Equipment supplied by Roediger for these projects is warranted to be free from defects in materials and workmanship under normal use in service for a period of two (2) years from the date of substantial completion, as that term is defined in the Design/Build Agreement for this project, but in any event no later than forty-two (42) months after delivery.

In the event that its equipment fails to perform, Roediger will repair or replace without charge any part reasonably demonstrated to Roediger to be defective; provided, however, that Roediger is notified promptly in writing and that any such part is returned, upon request, to Roediger's factory in Pittsburgh, Pennsylvania, freight prepaid.

This warranty does not cover wear items designed for replacement under normal use, such as valve diaphragms, pump seals and filters. This warranty also does not cover defects caused by damage or loss resulting from misuse, accident, neglect, improper installation, operation or maintenance. Any repair, modification or adjustment of the equipment performed by someone other than a Roediger-trained service technician voids the warranty set forth herein. This warranty does not cover starting equipment, electrical apparatus or other parts or equipment not manufactured by Roediger, since the same are usually covered by warranties of the respective manufacturer thereof.

THE WARRANTIES SET FORTH IN THIS AGREEMENT ARE IN LIEU OF ALL OTHER EXPRESS OR IMPLIED WARRANTIES, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

Roediger shall not be liable for loss of use, income or profit, incidental, special or, consequential or other similar damages arising, directly or indirectly, out of or occasioned by the operation, use, installation, repair or replacement of the equipment whether such damages are based on a claim of a breach of express or implied warranty (including negligence and fitness for a particular purpose), tortious conduct (including negligence and strict liability) or any other cause of action.

Signature

Charles J. Yatesconish 04/13/04
Executive Vice President
Roediger Pittsburgh, Inc.

KLY.6 (supersedes all prior versions)
Facsimile Letter

Date/Time: October 28, 2003

To: Tom Evans

at: Tom Evans Environmental, Inc.

Fax No.: 863/619-8098 & 305/451-1498

Total No. Of Pages: 1 (including this cover sheet)

Message:

The Key Largo Wastewater Treatment District has requested written confirmation of the commitments you provided during the recent special board meeting. Therefore, please provide written confirmation of your warranty, on-site representation and future vacuum valve pricing with allowable CPI.

The K LWTD understands that RoeVac provided an extended warranty for Stock Island and expects the same. I believe we discussed the fact that RoeVac's standard warranty is 2 or 3 years which would suffice. Please prepare the requested letter with RoeVac's standard warranty as an attachment and forward it to my attention via fax no later than Wednesday @ 12:00 PM. If you have any questions, please contact me on my mobile @ 904/759-5287.

As you will notice, I am copying Walt Messer of DN Higgins on this correspondence as that is who you will be contracting with directly.

Thanks in advance for your timely response.

Cc: Walt Messer @ 305/292-7717

Issue File 01-004

From:

Peter M. Kinsley

Division Leader - Water

If you do not receive all of these pages, or are having a problem with the reception of this material, please call: 904/791-4500, ex. 4868

Return FAX Number: ☐ 904/791-4693 ☐ 904/791-4697 ☐ 904/791-4699 ☐ 904/695-2112 ☐ 904/695-2396 ☒ 904-475-7642

HASKELL BUILDING • JACKSONVILLE, FLORIDA 32231-4100 • 904/791-4500 FAX 904/791-4699

01/09/04 FRI 14:10 [TX/RX NO 7810] © 002
ROEDIGER PITTSBURGH, INC.

STATEMENT OF LIMITED WARRANTY
for the Key Largo Wastewater Treatment District
Key Largo Trailer Village Project and Key Largo Trailer Park Project

Equipment supplied by Roediger for these projects is warranted to be free from defects in materials and workmanship under normal use in service for a period of:

a.) ROEVAC® components (chambers, valves, controllers): Three (3) years
b.) Mechanical and electrical equipment: Two (2) Years

after date of delivery to Purchaser. In the event that its equipment fails to perform, Roediger will repair or replace without charge any part proven to Roediger's satisfaction to be defective; provided, however, that Roediger is notified promptly in writing and that any such part is returned, upon request, to Roediger's factory in Pittsburgh, Pennsylvania, freight prepaid.

This warranty does not cover wear items designed for replacement under normal use, such as valve diaphragms, pump seals and filters. This warranty also does not cover defects caused by damage or loss resulting from misuse, accident, neglect, improper installation, operation or maintenance. Any unauthorized repair, modification or adjustment of the equipment voids the warranty set forth herein. This warranty does not cover starting equipment, electrical apparatus or other parts or equipment not manufactured by Roediger, since the same are usually covered by warranties of the respective manufacturer thereof.

THE WARRANTIES SET FORTH IN THIS AGREEMENT ARE IN LIEU OF ALL OTHER EXPRESS OR IMPLIED WARRANTIES, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

Roediger shall not be liable for loss of use, income or profit, incidental, special or consequential or other similar damages arising, directly or indirectly, out of or occasioned by the operation, use, installation, repair or replacement of the equipment whether such damages are based on a claim of a breach of express or implied warranty (including negligence and fitness for a particular purpose), tortious conduct (including negligence and strict liability) or any other cause of action.

Signature

Charles J. Yetsonish 10/29/03
Executive Vice President
Roediger Pittsburgh, Inc.

01/09/04 FRI 14:10 [TX/RX NO 7910] 005
October 29, 2003

The Haskell Company
Haskell Building
Jacksonville, FL 32231-4100

Attention: Peter M. Kinsley

Subject: Key Largo Wastewater Treatment District

Dear Pete:

In response to your memo dated October 28, we offer the following:

Limited Warranty
Roediger Pittsburgh extends to the KLWTD a limited warranty as follows. We warrant:

a) all Roevac® components (collection chambers, interface valves and controllers), and
b) all mechanical and electrical components of the vacuum station, to be free from defects in material and workmanship under normal use in service, for a period of three years and two years, respectively. Please refer to the attached warranty document for more details.

On-Site Representation During the Project
This project represents a major investment in the future for the KLWTD. Its success is the primary concern of the Board, which has selected a design/build team, a project manager, and an operating company to ensure that success, both in the construction phase and in the subsequent operation and management of the system. Roediger Pittsburgh is likewise committed to the success of this project. The reputation of the Roevac® brand name is of utmost importance to us, now and in the future. Consequently, we will provide qualified representation on-site throughout the project to the extent required by the KLWTD. As we have made known to the Board and to the design/build team, it is our judgment and recommendation that 100% coverage is unnecessary and will serve as an encumbrance to the contractor; however, we will defer to the decision and directives of the Board, or the design/build team, if so empowered by the Board. In any event, we will provide training and re-training to assist the contractor every step of the way during installation. We will cooperate with the project manager to help optimize the project. When it comes time to start the system, we will familiarize the operators with the system and how to best keep it running smoothly. And most importantly, we will aid in the education of the citizens to increase acceptance and understanding of their new system.
Roediger Pittsburgh, Inc.

Future Prices of Valves and Controllers
The KLWTD Board has raised a reasonable concern about future pricing of new and replacement parts. By the very nature of vacuum sewer systems, certain key components are proprietary. The concern follows that the supplier, without competition, will be free to increase pricing without competitive constraints. In response to that concern, Roediger Pittsburgh offers the following price protection to the KLWTD:

<table>
<thead>
<tr>
<th>Valve Order Quantity</th>
<th>Price Per Valve to KLWTD not to Exceed</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2004  2005  2006  2007  2008</td>
</tr>
<tr>
<td>Over 30</td>
<td>$400  $410  $420  $430  $440</td>
</tr>
<tr>
<td>5 – 29</td>
<td>$450  $460  $470  $480  $490</td>
</tr>
<tr>
<td>1 – 4</td>
<td>$630  $645  $660  $675  $690</td>
</tr>
</tbody>
</table>

The applicable year for pricing shall be the year that delivery is taken for the parts ordered. For years beyond 2008 and until 2013, prices within each category shall not increase at a rate exceeding that of the CPI. Delivery charges from Roediger Pittsburgh to KLWTD are additional, as are any sales taxes that may be or become applicable.

We expect that this will fulfill your requirements. If you need additional information, please contact me. I look forward to working with you and the rest of the design/build team.

Very truly yours,

ROEDIGER PITTSBURGH, INC.

James R. Datteh
Director, Business Development

JRD/jt

cc: Walt Messer/DN Higgins
    Tom Evans/Tom Evans Environmental

Attachment
Memo

To: Key Largo Wastewater Treatment District
From: Thomas M. Dillon
CC: None
Date: 10/31/03
Re: Roediger Pittsburgh, Inc. (Roevac®) warranty revision

Note: This memorandum constitutes attorney work product and attorney communications.

I have reviewed the Roediger Pittsburgh, Inc. ("Roediger") warranty as transmitted to Peter M. Kinsley of The Haskell Company under date of October 29, 2003. My comments follow. Note that my recommendations are in bold type.

In general, since I have not seen the original warranty, I am assuming that the revised warranty is more favorable to the District than the original warranty. I understand that the duration of the original warranty was one year. However, I note that the life of the revised warranty begins to run upon "delivery to Purchaser." Depending on when the equipment is delivered, a significant part of the warranty period might run before the equipment is installed and used in normal use.

As I understood the testimony and Board comments at the October 17 meeting, the expected life of the system is on the order of 50 years or more. In that context, a warranty of two or three years, while better than one year, is probably not a substantial benefit to the District, and probably does not constitute a significant risk to Roediger. In other words, the extended warranty has little monetary value to the District or cost to Roediger.

I do not know whether it would be possible to negotiate further revisions, or whether the District desires to pursue this issue further. However, if the District wants to consider further revisions, I suggest the following:

1. I note that before Roediger will repair or replace the equipment, the District must prove "to Roediger's satisfaction" that the equipment is defective. Proving a defect to the manufacturer's satisfaction is not always an easy task, because the element of "satisfaction" is a subjective element, and no objective standard is specified by which an alleged defect may be judged. This problem is somewhat mitigated by the fact that the contract with Roediger is subject to an implied duty of good faith and fair dealing, and Roediger cannot merely reject a warranty claim without undertaking a reasonable investigation and reaching reasonable conclusions as to whether the equipment is defective. Nevertheless, to avoid future disputes, I recommend deletion of the words, "to Roediger's satisfaction" from the warranty.

2. As noted above, the warranty begins to run on "delivery to the Purchaser." I cannot tell what is meant by that term. The term "Purchaser" is not defined, even though it is a capitalized term.

01/09/04 FRI 14:10 [TX/RX NO 7810] ©008
However, Roediger's contract is not with the District, so it is not clear that "Purchaser" is intended to mean "the District." In any case, for the District to get the full benefit of the warranty, the warranty period should not begin to run until the equipment is in service. I recommend that the words "after date of delivery to Purchaser" be replaced with "after final completion of each Project."

3. The warranty will not apply unless the District returns the part to Pittsburgh, if requested by Roediger. The warranty also excludes any consequential damages resulting from the defect. I believe that warranty limitations generally appropriately exclude damages such as loss of use, loss of income, and loss of profit. These types of damages are not the types of risks that a manufacturer of a component is normally willing to undertake. On the other hand, repair and replacement of a defective component could be an expensive proposition if the District has to bear the cost of excavating and removing the defective component, shipping it to Pittsburgh, and installing the new or repaired component. Normally, these types of costs are borne by a supplier of defective goods under the Uniform Commercial Code, and I think that if a part is shown to be defective, Roediger should bear these incidental costs. I recommend that the following sentence be added at the end of the warranty: "Notwithstanding the foregoing, if a component is defective and must be repaired or replaced by Roediger, Roediger will also compensate the Key Largo Wastewater Treatment District for all reasonable costs of excavating, shipping, and replacing the defective equipment, including actual direct reasonable costs and overhead at the rate of 10% of direct reasonable costs."

4. In addition to transmitting the revised warranty, the Roediger letter makes certain representations about the future prices of valves and controllers. Although the heading of the first paragraph of the second page of the letter is "Future Prices of Valves and Controllers," the prices appear to be limited to valves, only. It is not clear to me why the prices are not applied to other Roavac® components, including collection chambers, interface valves, and controllers. Further, in addition to the prices and escalators in the letter, the District may desire to include a "most favored nation" provision, as follows: "In addition to the foregoing representations as to prices, Roediger Pittsburgh represents and warrants to the Key Largo Wastewater Treatment District that the prices charged to the District by Roediger Pittsburgh for new and replacement parts will not be higher than prices then charged by Roediger Pittsburgh to any other customer for similar quantities of the same parts."
Memo

To: Peter Kinsley
From: James Datesh
CC: Walt Messer / D.N. Higgins, Tom Evans
Date: 11/13/03
Re: Memo of Thomas Dillon to the Key Largo Wastewater Treatment District dated 11/3/03

Mr. Dillon included four suggestions in his memo, to which we offer the following responses:

1. His recommendation to delete the words “to Roediger's satisfaction” from the warranty. Some degree of subjectivity is inevitable, but, as Mr. Dillon notes, Roediger is "subject to an implied duty of good faith and fair dealing." Consider this as an alternative: "...any part reasonably demonstrated to Roediger to be defective; ..."

2. His comments with respect to the term “Purchaser” and from when the warranty should run. That the District is not (technically) the purchaser creates an ambiguity that we can clarify. Mr. Dillon's recommendation that the clock start "after final completion of each project" is exceedingly broad. Consider an alternative in which the warranty period would be two (2) years from the District's acceptance of the project but not later than September 5, 2007. Note that for many warranted parts, that will be three and-a-half years from delivery from Roediger to DN Higgins.

3. His recommendations with respect to incidental costs associated with return of defective parts. This issue transcends the District-Roediger relationship and is properly dealt with between the District and the Design Build Team.

4. His request for a "most favored nation" provision on pricing. In concept, we recognize such a provision as reasonable. Also, we can add the Roevac® controller and chamber to the price list.

JBJ

* Page 1
Roediger Pittsburgh, Inc.
Kinsley, Peter M.

From: Thomas M. Dillon (thomasdillon@terranova.net)
Sent: Monday, November 17, 2003 3:50 PM
To: Kinsley, Peter M.
Cc: Charles Sweat; David Miles; Jeff Weiler; Robert Sheets; Jerry Wilkinson; Faith Doyle; Gary Bauman; Cris Beaty; Charles Brooks; Andrew M. Tobin
Subject: Re: Roevac Warranty

Peter,

I have reviewed the Roediger memo of 11/13. As with Fluidyne, we are up against the Board’s meeting deadline without a full resolution. My comments follow:

Paragraph 2. As with the Fluidyne proposal, although I understand the desire to have a date certain at which liability exposure will end, I do not now understand any technical basis for that particular cutoff date. Considering that the Roediger equipment and materials are intended to be in place for 50 years or more, Roediger’s reticence to stand behind its equipment after less than 4 years bothers me. This is especially true in light of Roediger’s representations at the October 17 Board meeting that the valves have been in service for 20 and 30 years in Europe without problems.

Paragraph 3. I disagree with Roediger’s position regarding costs associated with return of defective parts, and Haskell apparently does, as well. Although the amounts involved are probably minor, I cannot recommend that the District absorb the cost of removing and replacing defective parts.

Tom

----- Original Message ----- 
FROM: "Kinsley, Peter M." <peter.kinsley@thehaskellco.com>
To: "Thomas M. Dillon!" <thomasdillon@terranova.net>
Cc: "Robert R. Sheets (E-mail)" <rsheets@govserv.com>; "Charles L. Sweat (E-mail)" <csweat@govserv.com>; "Edward R. Castle (E-mail)" <edrcastle@aol.com>; "R. Jeff Weiler (E-mail)" <jeff@weilerengineer.org>
Sent: Thursday, November 13, 2003 4:55 PM
Subject: Roevac Warranty

> Attached, please find Roediger memo dated 11/13/03 responding to your comments dated 10/31/03. With the exception of item 3, they have accepted all requested modifications. With regard to Item 3, please note that any failure of an actual chamber due to improper installation or faulty manufacturing will certainly show itself in the first year of warranty in which The Haskell Company would be responsible to remove and replace said defective work at no expense to the District. My point is that the KLWTD has little risk in year 2 for this type of cost.
In addition, please note the additional extended warranty that I have negotiated into the agreement. All previous warranties were to begin after delivery or startup and not Owner Acceptance. I have convinced Roevac that the extended warranty must start from Owner's acceptance and after some deliberation, they accepted. In order to protect them from an open-ended arrangement, I have identified September 1, 2007 as the late date. This is two years from my contractual completion date and will ensure KLWID of two full years of coverage.

If you find their response acceptable, please notify me as such and I will have them revise their original letter and warranty to reflect the changes.

Upon receipt, I will forward to GSG. Thanks...

Peter M. Kinsley
The Haskell Company
Division Leader - Water
904/ 357-4868 (phone)
904/ 357-4283 (fax)

-----Original Message-----
From: RightFAX E-mail Gateway
Sent: Thursday, November 13, 2003 11:27 AM
To: Kinsley, Peter M.
Subject: A new fax has arrived from (Part 1 of 1)

Time: 11/13/03 11:25:12 AM
Received from remote ID:
Inbound user ID PMKINSLE, routing code 7642
Result: (0/352;0/0) Successful Send
Page record: 1 - 2
Elapsed time: 01:12 on channel 14
Fax Images: [double-click on image to view page(s)]
Kinsley, Peter M.

From: Kinsley, Peter M.
Sent: Tuesday, November 25, 2003 3:13 PM
To: Thomas M. Dillon; Robert E. Sheets (E-mail); Charles L. Sweat (E-mail)
Subject: Warranty Period

On both the Fludyne and Ro evac warranties, I established a two year warranty period from the date of Owner's acceptance, but not later than September 1, 2007. This was done as a compromise to protect the manufacturers from an open ended warranty but get KLWTD coverage for the full two years. My thoughts are this. We should finish the project before September 1, 2005. If this happens, there is not an issue. If we finish late due to our own actions, KLWTD will presumably assess damages and can purchase the additional warranty with those funds. If we finish late due to the actions of KLWTD, the lost warranty will be can either be sacrificed or additional coverage can be purchased by KLWTD. I believe this is a very good deal for KLWTD, but it needs support beyond Haskell for approval. We briefly discussed this issue at the last meeting, but never heard GSG's position or resolved the point. What is GSG's position and if GSG is in support, how do we ensure this will be excepted by the board?

In addition, the service commitments have been included in the revised warranty that I have forwarded to Fluydey. If acceptable to Fludyne, are we comfortable this will satisfy the KLWTD?

Thanks...

Peter M. Kinsley
The Haskell Company
Division Leader - Water
904/357-4888 (phone)
904/357-4282 (fax)
Facsimile Letter

Date/Time: April 8, 2003

To: Thomas Dillon
at: KLWTD Legal

Fax No.: 305/853-2693
Total No. Of Pages: 3 (including this cover sheet)

Message:

Attached, please find the revised Roediger warranty. Upon confirmation of your acceptance, I will forward formally. If you have any questions, let me know and we can set up a conference call to bring this issue to closure. Thanks...

From:

Peter M. Kinsley
Division Leader - Water

HASKELL BUILDING • JACKSONVILLE, FLORIDA 32251-4100 • 904/791-4500 FAX 904/791-4699
Fax

To: Peter M. Kinney/The Haskell Co.
From: James R. Dalesh

Fax: 904-357-4202
Date: April 7, 2004

Re: Roebac Warranty

To: Skip Dorton, Tom Evans

Comments:

Peter,

As requested, attached please find the "Statement of Limited Warranty" for the Key Largo Wastewater Treatment District/Kay Largo Trailer Village Project and Key Largo Trailer Park Project.

If you have any questions please give me a call at 412-487-3010.

Sincerely,

James R. Dalesh
ROEDIGER PITTSBURGH, INC.

STATEMENT OF LIMITED WARRANTY
for the Key Largo Wastewater Treatment District
Key Largo Trailer Village Project and Key Largo Trailer Park Project

Equipment supplied by Roediger for these projects is warranted to be free from defects in materials and workmanship under normal use in service for a period of two (2) years from the date of acceptance of the projects by the Key Largo Wastewater Treatment District but in no event later than September 5, 2007.

In the event that the equipment fails to perform, Roediger will repair or replace without charge any part reasonably demonstrated to Roediger to be defective; provided, however, that Roediger is notified promptly in writing and that any such part is returned, upon request, to Roediger's factory in Pittsburgh, Pennsylvania, freight prepaid.

This warranty does not cover wear items designed for replacement under normal use, such as valve diaphragms, pump seals and filters. This warranty also does not cover defects caused by damage or loss resulting from misuse, accident, neglect, improper installation, operation or maintenance. Any unauthorized repair, modification or adjustment of the equipment voids the warranty set forth herein. This warranty does not cover starting equipment, electrical apparatus or other parts or equipment not manufactured by Roediger, since the same are usually covered by warranties of the respective manufacturer thereof.

THE WARRANTIES SET FORTH IN THIS AGREEMENT ARE IN LIEU OF ALL OTHER EXPRESS OR IMPLIED WARRANTIES, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

Roediger shall not be liable for loss of use, income or profit, incidental, special or consequential or other similar damages arising, directly or indirectly, out of or occasioned by the operation, use, installation, repair or replacement of the equipment whether such damages are based on a claim of breach of express or implied warranty (including negligence and fitness for a particular purpose), fraud, misrepresentation, negligence and strict liability or any other cause of action.

[Signature]

Charles J. Yetsonich 04/05/04
Executive Vice President
Roediger Pittsburgh, Inc.

KL1.S (supersedes all prior versions)
Thomas Dillon

From: "Thomas Dillon" <thomasdillon@terranova.net>
To: "Peter M. Kinsley" <peter.kinsley@thehaskellco.com>
Cc: "Robert Sheets" <raheets@govserv.com>; <EdRCastle@aol.com>; "David Miles" <DMiles@GovMServ.com>; "Charles Sweat" <CSweat@GovMServ.com>; "Charles Fishburn" <cfishburn@aol.com>; "Jeff Weller" <jeff@weilerengineering.org>; <weller7@comcast.net>
Sent: Monday, April 12, 2004 12:45 PM
Subject: Roe-Vac warranty

Peter,

I have reviewed the Statement of Limited Warranty you provided by fax on Thursday evening. Here are my detailed comments:

First paragraph:

a. Beginning and Ending dates:

The warranty provides for a duration of two years beginning on the date of acceptance, but in any event no later than 9/5/07. Although the wording is not as clear as it might be, I understand Roediger's intent to be that the 9/5/07 does not refer to the beginning of the warranty period, but to the end of the warranty period.

In your email of 11/25/03 concerning Roediger's insistence on a cutoff date for the warranty, you advised that the District would be protected because, if the date of acceptance was later than 9/5/05, liquidated damages would apply, and the District would have funds available to pay for the risk of failure. I don't agree that the District should have to assume this risk to be paid for out of liquidated damages. If, however, the District were to assume the risk, in light of Haskell's 3/17/04 request for 162 days of additional contract time, the availability of liquidated damages to cover the exposure is not clear.

I don't want the District to have to burn 162 days, or any amount of warranty time, due to late completion. I suggest that the warranty be amended to commence on the date of substantial completion of the project.

b. Duration:

The warranty version of 10/29/03 covered three years for "ROEVAC components (chambers, valves, controllers)" and two years for mechanical and electrical equipment. The latest version is for two years, only, for all components. What is the basis for the reduction in coverage?

Second Paragraph:

I understand that the District would pay for freight to return the defective parts to Pittsburgh and that Roediger would pay for sending repaired or replaced parts back to the District. Apparently, Roediger does not intend to pay for the cost of removing the defective parts or installing the repaired or replaced parts. Are these understandings correct? If so, is this Roediger's final answer?

Third paragraph:

I note that the warranty is void if there is any "unauthorized repair, modification, or adjustment of the equipment." I need to understand whether it is Roediger's position that routine or event-driven maintenance by trained personnel retained as employees or contractor employees to perform the maintenance would void the warranty.

Fourth paragraph:

This paragraph appears to supersede Roediger's commitments made in Roediger's letter to you of 10/29/03 and its memorandum to you of 11/13/03, paragraph 4. I would like to have a revised letter from Roediger repeating
those commitments and stating that they are not superseded by the Statement of Limited Warranty.

Tom
I will jump into this today/tomorrow. If required, are you available for a conference call with Roevac?

Peter M. Kinsley
The Haskell Company
Division Leader - Water
904/ 357-4868 (phone)
904/ 357-4282 (fax)

-----Original Message-----
From: Thomas Dillon [mailto:thomasdillon@terranova.net]
Sent: Monday, April 12, 2004 12:46 PM
To: Peter M. Kinsley
Cc: Robert Sheets; EdRCastle@aol.com; David Miles; Charles Sweat; Charles Fishburn; Jeff Weller; weller7@comcast.net
Subject: Roe-Vac warranty

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Tom

4/13/2004
From: "Thomas Dillon" <thomasdillon@terranova.net>
To: "Kinsley, Peter M." <peter.kinsley@thehaskellco.com>
Sent: Tuesday, April 13, 2004 9:32 AM
Subject: Re: Roe-Vac warranty

yes

----- Original Message -----
From: Kinsley, Peter M.
To: 'Thomas Dillon'
Cc: Robert Sheets; EdRCastle@aol.com; David Miles; Charles Sweat; Charles Fishburn; Jeff Weller;
weller7@comcast.net
Sent: Tuesday, April 13, 2004 8:27 AM
Subject: RE: Roe-Vac warranty

I will jump into this today/tomorrow. If required, are you available for a conference call with Roevac?

Peter M. Kinsley
The Haskell Company
Division Leader - Water
904/ 357-4888 (phone)
904/ 357-4282 (fax)

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4/13/2004
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Tom

4/13/2004
KLWTD Board Meeting
April 21, 2004

Item F - 3

Update on direct/indirect costs issue
April 14, 2004

Re: Wastewater Management System For
The Key Largo Trailer Village Area
Key Largo, Florida
Issue No. 01-026 – Direct/Indirect Cost

Mr. Robert Sheets
Government Services Group, Inc.
1500 Mahan Drive
Suite 250
Tallahassee, Florida 32308

Dear Mr. Sheets:

In response to Mr. Thomas Dillon’s March 4, 2004 e-mail regarding, in part, the definition of direct and indirect cost, I offer the following:

We are in general agreement with the definitions provided by Mr. Dillon for direct and indirect cost. However, these definitions must be used in context with a design-build project. For example, plan reproduction and design review are direct material and labor cost required for the performance of design work in the identical manner that lumber and finishing are direct material and labor cost required for the performance of concrete construction. In addition, indirect cost as defined by Mr. Dillon can become direct cost if the magnitude or timing of a change order introduces these types of cost beyond what could have been reasonable anticipated at the time of pricing. For example, if a change order introduces the need for an additional project superintendent, these cost, which typically are considered indirect, become direct because the project originally required one superintendent and now requires two superintendents. Along those same lines, if a change order extends the duration a project superintendent is assigned to a project beyond what was originally anticipated, this additional cost would become direct in lieu of indirect because the project originally required a superintendent for X number of months and now requires a superintendent for Y number of months.

Should you have any questions or require further information, please do not hesitate to contact me at (904) 357-4868.

Sincerely,

Peter M. Kinsley

cc: Mr. Thomas Dillon, KLWTD
Issue File 01-026
Item F - 4

Update on legislation
Faith Doyle

From: TODD.LAURA [TODD.LAURA@myfloridahouse.com]
Sent: Wednesday, April 07, 2004 4:40 PM
To: Thomas Dillon
Subject: RE: KLWTD legislation

It passed out of the Local Government Committee unanimously. The bill will be scheduled on the next available Local Bill Special Order Calendar on second reading, the rules waived and the bill rolled over to third reading for a final vote of the House. It will then be sent to Senate Rules and Calendar and await a local bill calendar there too, where it will be voted out and sent to the Governor for his approval.

I already told Gary, and am surprised he didn't let you know.

Laura

-----Original Message-----
From: Thomas Dillon [mailto:thomasdillon@terranova.net]
Sent: Wednesday, April 07, 2004 12:12 PM
To: TODD.LAURA
Subject: Re: KLWTD legislation

Any news?

----- Original Message -----  
From: TODD.LAURA
To: Thomas Dillon
Sent: Thursday, March 18, 2004 10:40 AM
Subject: RE: KLWTD legislation

Tom:

The bill is in the process of being analyzed by our Local Government Staff. It should be up in our committee next week. It only has one committee stop and that's Local Government, which Ken chairs.

After it's out of committee it will be placed with other local bills on an expedited local bill calendar which will be scheduled by special orders by the Speaker. During the expedited calendar the bill will be read a second time, roll over to third reading and voted on for final passage out of the House. The bill next goes to the Senate in messages, where it will wait in Senate Rules & Calendar for a local bill calendar there.

I'll keep you posted.

Laura
-----Original Message-----
From: Thomas Dillon [mailto:thomasdillon@terranova.net]
Sent: Thursday, March 18, 2004 7:36 AM
To: TODD.LAURA
Subject: KLWTD legislation

Laura,
Can you provide me a brief status report on the legislation?
Tom

4/8/04
BOARD OF COUNTY COMMISSIONERS  
Agenda Item Summary

Meeting Date  April 21, 2004  Division  County Attorney

AGENDA ITEM WORDING

Public hearing of an ordinance to provide that ad valorem revenue raised by the MSTU together with land and grant funds may be used to pay compensation and expense reimbursement to the members of the Key Largo Wastewater Treatment District Governing Board.

ITEM BACKGROUND

PREVIOUS RELEVANT BOC ACTION

Approval to advertise for one public hearing at the March 17, 2004 meeting.

CONTRACT/AGREEMENT CHANGES

STAFF RECOMMENDATIONS

Approval.

TOTAL COST  BUDGETED  Yes  No
COST TO COUNTY  SOURCE OF FUNDS
APPROVED BY:  County Attorney  OMB/Purchasing  Risk Management

DIVISION DIRECTOR APPROVAL:  John R. Collins  03/25/04

DOCUMENTATION:  Included  To Follow  Not Required

AGENDA ITEM #  T1

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AN ORDINANCE OF THE BOARD OF COUNTY COMMISSIONERS OF MONROE COUNTY, FLORIDA, AMENDING ORDINANCE NO. 17-2003 CODIFIED AS ART. VIII, CHAP. 15.5, MONROE COUNTY CODE, CREATING THE KEY LARGO WASTEWATER TREATMENT DISTRICT MUNICIPAL SERVICE TAXING UNIT (MSTU), IN ORDER TO PROVIDE THAT AD VALOREM REVENUE RAISED BY THE MSTU TOGETHER WITH THE PROCEEDS OF ANY GRANT OR LOAN TO THE KEY LARGO WASTEWATER TREATMENT DISTRICT MAY BE USED TO PAY COMPENSATION AND EXPENSE REIMBURSEMENT OF THE MEMBERS OF THE KEY LARGO WASTEWATER TREATMENT DISTRICT GOVERNING BODY; PROVIDING THAT SUCH REVENUE MAY BE USED TO PAY CERTAIN OTHER ADMINISTRATIVE COSTS AS DEFINED HEREIN; PROVIDING FOR SEVERABILITY; PROVIDING FOR THE REPEAL OF ALL ORDINANCES INCONSISTENT HERewith; PROVIDING FOR INCORPORATION INTO THE MONROE COUNTY CODE OF ORDINANCES; AND PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF MONROE COUNTY, FLORIDA:

Section 1. Sec. 5A of Ordinance No. 17-2003, codified as Sec. 15.5-125(a), Monroe County Code, is hereby amended to read:

(a) Revenues derived from ad valorem taxes levied within the Key Largo Wastewater Treatment District Municipal Service Taxing Unit pursuant to Section 4 shall be used solely to pay for and provide funding for administration, planning and development costs associated with and incurred in advancing wastewater and reclaimed water projects within and benefiting the Key Largo Wastewater Treatment District Municipal Service Taxing Unit. For the purposes of this Subsection the phrase administration costs shall include the compensation and expense reimbursement of Key Largo Wastewater Treatment District (District) governing board members. Administration costs shall also include legal fees and expenses, consultant fees and expenses (including but not limited to all professions listed in Sec. 297.056(2)(a), Fla. Stat.), employee salaries and benefits, bond underwriting fees and all other costs usually associated with issuance of debt, the reimbursement of any public or private entity, person, firm, partnership or corporation for any monies advanced to further the District purposes, and all other expenses as may be necessary or incidental to the furtherance of District purposes. Administration costs, as described in this subparagraph, may also be paid for out of the proceeds of any grant or loan made by the Unit or County to the District unless specifically prohibited by the terms of such grant or loan.
Section 3. All ordinances or parts of ordinances in conflict with this ordinance are hereby repealed to the extent of said conflict.

Section 4. The provisions of this ordinance shall be included and incorporated in the Code of Ordinances of the County of Monroe, Florida, as an addition or amendment thereto, and shall be appropriately renumbered to conform to the uniform numbering system of the Code.

Section 5. This ordinance shall take effect immediately upon receipt of official notice from the Office of the Secretary of State of the State of Florida that this ordinance has been filed with said Office.

PASSED AND ADOPTED by the Board of County Commissioners of Monroe County, Florida, at a regular meeting of said Board held on the _____ day of ________, 2004.

Mayor Nelson
Mayor Pro Tem Rice
Commissioner McCoy
Commissioner Neugent
Commissioner Spehar

(SEAL)
Attest: DANNY L. KOLHAGE, Clerk

By ______________________________
Deputy Clerk
jordwwKlgb

BOARD OF COUNTY COMMISSIONERS
OF MONROE COUNTY, FLORIDA

By ______________________________
Mayor/Chairperson

MONROE COUNTY ATTORNEY
APPROVED AS TO FORM:

ROBERT N. WOLFE
CHIEF ASSOCIATE COUNTY ATTORNEY
Item G - 1

Approval of the Pending Payments List for April 14, 2004
KLWTD Board Meeting
April 21, 2004

Item G - 2

Approval of the advertisement for the May 15, 2004 workshop
PUBLIC NOTICE OF THE KEY LARGO WASTEWATER TREATMENT DISTRICT WORKSHOP

The Board will hold a meeting at 10:00 am at the Key Largo Civic Club, 209 Ocean Bay Drive, MM 99.5, Key Largo, FL, on May 15, 2004. The Board will conduct a workshop to consider a wastewater master plan, commercial connections and regular agenda items. The Agenda will be available 48 hours prior to the meeting date by contacting District Clerk Faith Doyle at 305-451-5105.
PUBLIC NOTICE OF THE KEY LARGO WASTEWATER TREATMENT
DISTRICT MEETINGS

The KLWTD Board hereby gives notice pursuant to Chapter 189, Florida Statutes, announces that it will conduct a workshop to discuss wastewater master planning, commercial connections and regular agenda items on May 15, 2004 beginning at 10:00 a.m. to be held at the Key Largo Civic Club, 209 Ocean Bay Drive, MM 99.5, Key Largo, FL 33037.

The agenda will be available 48 hours prior to the meeting or workshop date by contacting District Clerk Faith Doyle at 305-451-5105 or fdoyle@govmserv.com.

Pursuant to Section 286.0105, Florida Statutes, notice is given that if a person decides to appeal any decision by the Board with respect to any matter considered at such hearings or meetings, he or she will need a record of the proceedings, and that, for such purpose, he or she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

In accordance with the Americans with Disabilities Act, persons needing special accommodations to participate in this proceeding should contact the District Clerk Faith Doyle at 305-451-5105 or fdoyle@govmserv.com 72 hours prior to the meeting date.
Item G - 3

Approval of the Strategic Framework for the KLWTD
Strategic Framework

Key Largo Wastewater Treatment District

Draft 1.0

April 13, 2004
Purpose Statement

The purpose of the District is to build and operate a wastewater treatment system for the Key Largo/Tavernier area of Monroe County

Vision Statement

The District will be a fully operational, self-sustaining entity that provides cost efficient services while protecting the public and environmental health of the region it serves.

The Balanced Scorecard: Goals

Operations

Goal: Complete existing projects on the planned schedule (Very high priority)

Future Growth and Development

Goal: Refine the Master Plan (Very high priority)

Goal: Establish connection policies (High priority)

Financial Viability

Goal: Finalize the rate structure and associated rules (High priority)

Organizational Development

Goal: Engage staff (Very high priority)

Goal: Develop approach for the staffing and operation of facilities

Goal: Establish temporary office space

Goal: Initiate more structured decision making process in the board meetings with more formalized guidance to staff

Goal: Initiate board workshop schedule for in-depth analysis and discussion of a topic
The Balanced Scorecard: Action Plan

Operations

Goal: Complete existing projects on the planned schedule (Very high priority)

Lead: Manager, Engineer
Action assignment:
  • Provide regular status reports and corrective action plans if key dates are not met.
Time: Monthly reports

Future Growth and Development

Goal: Refine the Master Plan (Very high priority)

Lead: Manager, Engineer
Action assignment:
  • Prepare information sheet on current status for April 7th board meeting
  • Prepare scope of services documents for April 21st board meeting
Time: April board meetings

Goal: Establish connection policies (High priority)

Lead: Manager, Engineer, Attorney
Action assignment:
  • Develop an issues paper and plan for fall completion
Time: 2nd half of May, 2004

Financial Viability

Goal: Finalize the rate structure and associated rules (High priority)

Lead: Manager
Action assignment:
  • Refine rules for board adoption, review adopted rates
Time: April 21, 2004
Organizational Development

Goal: Engage staff (Very high priority)

Lead: Attorney, Clerk
Action assignment:
- Prepare job descriptions and advertising plan for board approval
Time: April 7th, 2004

Goal: Develop approach for the staffing and operation of facilities

Lead: Manager, Engineer
Action assignment:
- Prepare options and recommendations report
Time: By August 31st, 2004

Goal: Establish temporary office space

Lead: Attorney
Action assignment:
- Prepare report on options
Time: April 21st, 2004

Goal: Identify and resolve any outstanding issues not covered in prior goals

Lead: Manager, Engineer, Attorney
Action assignment:
- Prepare report on issues to be resolved and proposed schedule
Time: May, 2004

Goal: Initiate more structured decision making process in the board meetings with more formalized guidance to staff

Lead: Chair
Action assignment:
- Increase use of formal motions on decisions and actions
- Provide mechanisms for discussion limited to board members
Time: Immediately

Goal: Regularly use board workshops for collegial discussions and further development of understanding of issues

Lead: Chair
Action assignment:
- Develop a workshop schedule
Time: April 21st board meeting
Item G - 4

Approval of the rental space short list
103 MM Maytag Bldg
Location

1000 to 2000 Sqft- $12.50 per sqft Flexible configuration- ample parking
Pediatrics MM 103

2600 Sqft – $3000 mo – whole stand alone bldg- ample Parking – Good location – Doctors office Quarters
Available late May 04
Sun Radio 103 Bldg
93351 Overseas HWY

1800 sqft $1800 mo Additional 400Sqft available in back 3rd floor Elev-ample Parking
Faith Doyle

From: Thomas Dillon [thomasdillon@terranova.net]
Sent: Wednesday, March 31, 2004 1:58 PM
To: Robert Sheets; EdRCastle@aol.com; David Miles; Charles Sweat; Charles Fishburn; Jeff Weiler;
weiller7@comcast.net; Andrew Tobin; Charles Brooks (E-mail); Cris Beaty (E-mail); Gary Bauman (E-
mail); Jerry Wilkinson; Faith Doyle

Subject: Available leased space

Faith, please place this in the Agenda.

I understand that Mr. Brooks will be providing information regarding leasing opportunities north of Key Largo.

Mr. Wilkinson has investigated leasing opportunities south of Key Largo.

The Damaron space appears to remain available at about $15/s.f./month plus utilities.

There is a former retail space in the Tradewinds Shopping Center (former Book Nook) with 1250 s.f. available
at $22.85/s.f./month plus utilities.

Tom
KLWTD Board Meeting
April 21, 2004

Item G - 5

Approval of the Government Services Group, Inc. letter of agreement
Presentation of the Draft Scope of Work for the Financial Component to Implement the Master Plan
Key Largo Wastewater Treatment District
Sanitary Sewer Wastewater Master Plan
Development of Financing Plan Annex

OBJECTIVE

The Weiler Engineering Corporation was requested to provide a scope of services for the updating of the Sanitary Sewer Wastewater Master Plan to include the full service area of the Key Largo Wastewater Treatment District (KLWTD). This master plan is designed to identify in discrete increments projects that can be designed and built to provide sanitary sewer services to all parcels permitted for residential or commercial use within the KLWTD service area. It is keeping with the objectives of the KLWTD enabling legislation which established a goal to provide sanitary sewer service to all potential wastewater sources on Key Largo. In order to accomplish the Master Plan, a corollary concern will be to obtain adequate and timely funding to insure that the construction of the system is accomplished as designed in the master plan. This annex to the master plan is designed to provide a framework for identifying the potential sources of funds, development of necessary applications, and accounting for the proceeds obtained to comply with grant agreements and other statutory and regulatory obligations the district may incur.

SCOPE OF SERVICES

Government Services Group, Inc. will assist the Weiler Engineering Corporation in developing the Key Largo Sanitary Sewer Wastewater Master Plan by reviewing and commenting of the scope and scale of each proposed project. This will include evaluating the cost of each project for reasonableness.

Since the KLWTD construction plans will require the scope of individual projects to be sized to meet available financial resources, GSG staff will participate in the identification of specific projects and sub-projects that can be implemented in a logical sequence within available funding sources. The concept proposed involves a building block approach of small, medium and large projects, with a priority system based on the location of hot spots, potential integration with the existing collection system and package plants of the KLWTD and financial feasibility. The Calusa Camp Resort project will be included in this study as a discretely separate project.

The proposed study will use budgetary estimates developed in the Weiler Master Plan Update as a baseline for identifying and sizing projects and subprojects. The use of subprojects will allow for more latitude in sizing work to be accomplished to available funding sources.
Each project and subproject will be analyzed to determine the most feasible funding sources. Options to be reviewed include federal, state and local (Monroe County) grants and loans, special assessment districts, revenue bonds and bank loans, connection charges (capacity fees) and operating revenues. For each project, one or more potential sources of funding will be identified, prior to ranking based on desirability.

Factors to be considered in the ranking of projects include project cost, availability of funding, revenue generation from the resulting project, treatment plant capacity utilization by the project and distance from the regional treatment plant site. Options to pick up adjacent service areas with existing collection systems and package plants for integration into the KLVTD Utility System will be given consideration. For example, the Calusa Camp Resort project will be given consideration based on its proximity to a nearby transmission line and its ability to generate revenue.

Each project and subproject will include a projection of revenue to be generated used as a ratio to the cost of the project (payback estimate). The payback estimate will serve as a useful tool in the prioritizing the projects to be completed. Revenues will be estimated based on the preliminary monthly sewer bill of $35.00 per EDU and the connection fee (capacity charge) of $2,700.00 per EDU. Those projects with the shortest payback period will be recommended to the Board for priority consideration.

**DELIVERABLES:**

- List of projects and related subprojects, with estimated construction cost.
- Matrix showing proposed ranking of projects based on project payback, and showing project cost, potential funding source(s), revenue generation, plant capacity utilization, hot spot ranking, and distance from regional plant site.
- Narrative recommendation on a priority basis for inclusion of the projects within the KLVTD five-year capital program to facilitate budgetary planning.

**STUDY COST:** $5,000.00 fixed fee. Payment of $2,000.00 due upon approval of the work authorization by KLVTD Board. Remaining payment of $3,000.00 due upon delivery of all deliverables and presentation of written report to the KLVTD Board.
KLWTD Board Meeting
April 21, 2004

Item H – 4b

Water Quality Testing
TO: Key Largo Wastewater Treatment District Board Members

CC: Charles Sweat, Director of Operations
    Faith Doyle, Clerk to the Board
    David Miles, Chief Financial Officer

FROM: Robert E. Sheets, General Manager

DATE: April 21, 2004

RE: Near Shore Water Quality Monitoring – Memo Update

As requested by the Board at the February 18, 2004 Meeting, staff has begun evaluating the feasibility of instituting a near-shore water quality monitoring program for Key Largo. In conversations with Gus Rios, at DEP, he indicated that currently there is an EPA funded near-shore water quality study underway in Marathon to assess the environmental results of the Little Venice system. He suggested that the results of this study could be applied to the Key Largo area and that any “meaningful” study would cost the district upwards of $100,000. He further went on to state that DEP could possibly conduct a future one-time sampling and testing event for Key Largo. The Florida Rural Water Association was also contacted regarding this subject but no programs of the scope and magnitude required by the KLWTD were readily available.

Florida Lakewatch, as previously reported, is a volunteer citizen lake monitoring program that facilitates citizen participation in the management of Florida lakes through monthly monitoring activities. Dan Willis, of Lakewatch, stated that their focus is predominately on freshwater they do monitor saltwater quality in some areas of the Florida Keys, most notably Tavernier and the Tarpon Basin. The saltwater testing done in the Keys is left over from a similar program called Coastwatch. The state funding for Coastwatch is no longer in available, however as previously stated, they still facilitate some water quality monitoring in the Keys. The tests run by Lakewatch include total phosphorus, total nitrogen, chlorophyll and visibility. Volunteers are used to collect the samples and state funding pays for the laboratory fees. The results are then posted on the Lakewatch website for general dissemination. KLWTD Staff has spoken to the Director of Lakewatch, Dan Canfield and he did state that if the KLWTD was willing to pay the costs associated with the testing, in the form of an approximate $8,000 a year donation, he could use the trained volunteers already in the Keys for monthly sampling the Key Largo near-shore waters.

Furthermore, David Makepeace, a teacher at Coral Shores High School, indicated that a group of his students often do volunteer work, with the Village of Islamorada, to collect near-shore samples for lab testing. A copy of their sampling protocol is attached for your reference. Zuli Williams, with the Village of Islamorada, indicated that the Village is required, as per their Comprehensive Plan, to conduct monitoring of the near shore waters.
Staff consulted with Bill Kruczynski of the Local Keys EPA office and received some further input and advice. He first indicated that the results of the Little Venice study could be applicable to the situation in Key Largo and he would forward the methodology to the District for our review. At the time of this memo this information has not yet been received. He also went on to state that often the validity of water quality monitoring programs are challenged due to the multitude of diverse factors involved with the marine environment and that the development of a “meaningful” program requires the careful study of scientists.

Upon review of the information collected staff has made the following recommendation:

The intent of the Board is to provide the most accurate account of the water quality improvements overtime, due to the implementation of a central wastewater system and consequent elimination of cess-pits and septic tanks. Near shore water quality monitoring is not a legal requirement imposed upon the KLWTD and not a “hoop” to jump through, therefore if it is done, it should be done correctly with the purpose of being accurate and defensible. The program utilized by the KLWTD must fully consider issues such as sample locations, parameters to be tested, frequency of sampling and the long-term costs. Every area is different and a “cookie cutter” approach will not be sufficient to address the true goals of the Board. If the program is not of the utmost quality, the money would be better spent on additional wastewater connections. Staff recommends that a Request for Proposals (RFP) be developed to retain the services of a firm specializing in developing and implementing near shore water quality monitoring programs.

If you have any questions please feel free to contact me.
KLWTD Board Meeting
April 21, 2004

Item H – 4e

Site mitigation
I had to deliver a status report last night to my board regarding our progress in developing an Action Plan for the on-site mitigation at 100.5. To say that they were disappointed would be an understatement. Please excuse the directness of this email, but it is absolutely critical that progress is made in developing the Mitigation Action Plan.

FEMA has made it crystal clear to the District that they are going to rely on the Fish and Wildlife Services to accept the District's Action Plan. In other words, if Fish and Wildlife is happy, then FEMA is happy. If we are unable to develop an Action Plan that meets Fish and Wildlife requirements, our project cannot go forward.

Please contact me immediately, so you can tell me what course of action you are taking and the time frame for the resolution of this issue. As I've offered before, if you need any help in getting your priorities rearranged, please let me know.

Robert E. Sheets, CEO
rsheets@govserv.com
Government Services Group, Inc.
1500 Mahan Dr, Suite 250
Tallahassee, FL 32308
(850) 681-3717 office
(850) 224-7206 fax
www.govserv.com
April 13, 2004

Mayor Murray Nelson
By Facsimile

Dear Mayor Nelson,

Per our discussion today, I am sending the first page and final 3 pages of a June 11, 2001 biological opinion developed by the U.S. Fish & Wildlife Service in connection with the FEMA environmental assessment. The omitted pages contain an interesting discussion of the Schaus swallowtail butterfly and the Stock Island tree snail. However, the part I want to emphasize is the Terms and Conditions section beginning on Page 18.

Condition 1 requires that FEMA must locate 2.6 acres of hardwood hammock habitat to be restored as habitat for the butterfly and the snail.

The FONSI issued by FEMA on March 19, 2004 imposes the obligation on the District, requiring it to "restore" 2.6 acres of habitat as provided in the biological opinion.

I understand that these requirements do not necessarily mean that the land must be purchased, but that it must be somehow protected from actions inconsistent with use as habitat. As provided in the FONSI, these actions must be approved by the U.S. Fish & Wildlife Service.

As I understand the requirements, the District must develop an action plan in consultation with the County to identify and preserve the 2.6 acres of land. I understand that the County Planning Department is working with the District and the U.S. Fish & Wildlife Service to accomplish these goals. Clearly, additional funds will be needed in order to do so.

Sincerely,

[Signature]

C: client
United States Department of the Interior
FISH AND WILDLIFE SERVICE
South Florida Ecological Services Office
1339 20th Street
Vero Beach, Florida 32960

June 11, 2001

William R. Straw
Regional Environmental Officer
Federal Emergency Management Agency
3003 Chamblee Tucker Road
Atlanta, Georgia 30341-4130

Log No.: 4-1-00-F-736
Dated: December 18, 2000
Applicant: Federal Emergency Management Agency
County: Monroe

Dear Mr. Straw:

This document transmits the Fish and Wildlife Service’s (Service) Biological Opinion based on our review of the Federal Emergency Management Agency’s (FEMA) proposal to construct the Key Largo Wastewater Treatment Plant (WTP) and its effects on the endangered Schaus swallowtail butterfly (Heraclides aristodemus poncems), the threatened Stock Island tree snail (Orthalicus reses), and the threatened eastern indigo snake (Drymarchon coupris couperi) in accordance with section 7 of the Endangered Species Act (ESA) of 1973, as amended (16 U.S.C. 1631 et seq.). Your request for consultation was received on December 18, 2000.

This Biological Opinion is based on information provided in the October 30, 2000, draft Endangered Species Biological Assessment (FEMA 2000), telephone conversations with FEMA and Monroe County representatives, species experts, members of the public, field investigations, and other sources of information. A complete administrative record of this consultation is on file at the Florida Keys Ecological Services Field Office on Big Pine Key, Monroe County, Florida.

Consultation history

The Biological Opinion presented here is the result of informal coordination and consultation between the Service and FEMA. This consultation history represents coordination letters and documents from this process.

On April 7, 2000, the Service sent a letter to Monroe County informing the County of the presence of several federally-listed threatened and endangered species on Key Largo, and expressing an interest in assisting the County in the selection of wastewater treatment plant facility locations.
take should be minimized by implementation of the following reasonable and prudent measures. The incidental take is expected to be in the form of harm and harassment.

**Amount or extent of take anticipated**

The Service anticipates incidental take of Schaus swallowtail butterfly and Stock Island tree snail associated with the direct loss of 2.6 acres of habitat. Incidental take should be minimized by implementation of the following reasonable and prudent measures. The incidental take is expected to be in the form of harm and harassment. The Service determined that this level of take is not likely to result in jeopardy to these species.

**Reasonable and prudent measures**

The Service believes the following reasonable and prudent measures are necessary and appropriate to minimize take of Schaus swallowtail butterflies and Stock Island tree snails associated with the proposed action.

1. Restore an area of hardwood hammock habitat equal to the area lost (2.6 acres) as a result of the proposed action in order to replace the habitat functions essential to the long-term conservation of the species in the action area.

2. Preserve the 23 acres of the action area not required for construction of the proposed action to prevent any further adverse impacts and to ensure proper long-term management of the habitat.

**Terms and conditions**

In order to be exempt from the prohibitions of section 9 of the ESA, FEMA must comply with the following terms and conditions, which implement the reasonable and prudent measure described above and outlines required reporting/monitoring requirements. These terms and conditions are non-discretionary.

1. **FEMA shall locate a site or sites totaling 2.6 acres for hardwood hammock habitat restoration on the island of Key Largo.** The site should consist of habitat conditions currently unsuitable for the Schaus swallowtail butterfly and Stock Island tree snail, but through restoration actions could be reasonably expected to support these species. The selected site must be approved by the Service.

2. **FEMA shall coordinate with the CARL program or another suitable environmental lands management program to receive title to the 23 acres of hardwood hammock in the action area not proposed for development.** Coordination with the Florida Department of Community Affairs and Monroe County Growth Management should be initiated to address issues related to the Monroe County Comprehensive Plan open space requirements.
The reasonable and prudent measures, with their implementing terms and conditions, are
designed to minimize the incidental take of Schaus swallowtail butterfly and Stock Island tree
snail that might otherwise result from the proposed action. If, during the course of the action,
this level of incidental take is exceeded, such incidental take represents new information
requiring reinitiation of consultation and review of the reasonable and prudent measures
provided. The Federal agency must immediately provide an explanation of the causes of the
taking and review, with the Service, the need for possible modification of the reasonable and
prudent measures.

CONSERVATION RECOMMENDATIONS

Section 7(a)(1) of the ESA directs Federal agencies to use their authorities to further the
purposes of the ESA by carrying out conservation programs for the benefit of threatened and
deranged species. Conservation recommendations are discretionary agency activities to
minimize or avoid adverse effects of a proposed action on listed species or critical habitat, to
help implement recovery plans, or to develop information that can be used to further the
purposes of the ESA.

1. FEMA should develop guidelines for the siting and construction of any future wastewater
treatment facilities in the Florida Keys specifically aimed at avoiding adverse effects to
threatened and endangered species. The Service recognizes the need for these facilities to be
built in the Florida Keys, but has a responsibility to provide for the protection and
conservation of trust resources. The Service is prepared to assist FEMA in the identification
of potential wastewater treatment facility sites throughout the Keys that will have no effect
on threatened or endangered species.

REINITIATION NOTICE

This concludes formal consultation on the action outlined in the consultation request. As
provided in 50 CFR 402.16, reinitiation of formal consultation is required where discretionary
Federal agency involvement or control over the action has been retained (or is authorized by
law) and if: (1) the amount or extent of incidental take is exceeded; (2) new information reveals
effects of the agency action that may affect listed species or critical habitat in a manner or to an
extent not considered in this opinion; (3) the agency action is subsequently modified in a manner
that causes an effect to the listed species or critical habitat not considered in this opinion; or (4) a
new species is listed or critical habitat designated that may be affected by the action. In
instances where the amount or extent of incidental take is exceeded, any operations causing such
take must cease pending reinitiation.
Thank you for your cooperation in the effort to protect threatened and endangered species and their habitats. If you have any questions regarding this project, please contact Tom Grahl at (561) 562-3909, extension 236.

Sincerely yours,

[Signature]

[Name]
Field Supervisor
South Florida Ecological Services Office

cc:
FWS, Big Pine Key, FL
FWS, ARD-ES, Atlanta, GA
Florida Keys Aqueduct Authority, Key West, FL (Jack Teague)
Monroe County Growth Management, Marathon, FL (Tim McGarry)
EPA, Marathon, FL (Bill Kruczinsky)
KLWTD Board Meeting
April 21, 2004

Item H – 4f

KLP vacant lot resolution
Faith Doyle

From: Andrew Tobin [Tobinlaw@Terranova.net]
Sent: Saturday, April 10, 2004 4:45 PM
To: Conaway-Marlene@MonroeCounty-FL.Gov, McGarry-Tim
Cc: Jerry Wilkinson; Gary Bauman; Chris Beaty; Charles Brooks (E-mail); Tobin, Andrew; Robert Sheets; Dillon, Thomas; Faith Doyle

Subject: Key Largo Park

Tim/Marlen;

The KLWWTD is required to make a decision on whether to install some/all of the sewer lines and valve pits in Key Largo Park. In order to make an informed decision we need to understand which lots are likely to be developed in the next year/two/three, etc.

Can you please attend our next meeting on April 21, 2004, @ 5 pm to discuss this subject with the Board. If you are unable to attend can you please send someone from the planning department that can advise us accordingly.

As we meet from 5-8 pm we can schedule you at anytime that is convenient for you.

Thank you,

Andy
Andrew M. Tobin
P.O. Box 620
Tavernier, FL 33070
305-852-3388
Tobinlaw@Terranova.net
Item H – 5

Discussion of Monroe County BOCC Letter dated 4-8-04
April 8, 2004

Mr. James Reynolds, Executive Director
Florida Keys Aqueduct Authority
1100 Kennedy Drive
Key West, Florida 33040

Mr. Robert Sheets
Key Largo Wastewater Board
Government Services Group
1500 Mahan Drive, Suite 250
Tallahassee, Florida 32308

Gentlemen:

Recently, the Board of County Commissioners and the Florida Department of Community Affairs have been in negotiations concerning moving forward with their Work Program to implement the 2010 Comprehensive Plan. That was a detailed and lengthy process with good will on both sides ultimately prevailing. On March 9, 2004, the Governor and Cabinet, sitting as the Administration Commission, instructed their staff to proceed with the development of an administrative rule that met the conditions of the Agreement.

That administrative rule will go through a number of public hearings/meetings and will include issues pertaining to wastewater, affordable housing and habitat protection. In reference to the wastewater issues, the County has committed to providing bond financing for up to $40 million in support of the implementation of wastewater systems throughout unincorporated Monroe County. In that regard, the Florida Keys Aqueduct Authority and the Key Largo Wastewater Board are the entities that will actually implement the specific projects.

There will, of course, be a number of potential funding sources for the wastewater treatment plant and collection systems. Not only will there probably be some additional state money in the near future, there is also the long term, although murky, prospects for additional federal funds. The County is committed to providing its share through bonding and we know that both of your entities have the capacity to do dept financing to assist with the capital costs of the projects. The County Commissions overall goal is to have that portion of the capital costs of the projects, when translated to hookup fees for property owners, to be $2,700 per equivalent dwelling unit.
While the state is preparing the administrative rule and organizing its public meetings, it would be appropriate for the County, the Aqueduct and the Key Largo Wastewater Board to begin discussions concerning specific needs for funding, how the funding streams can fit together and how we can all work together to achieve what we recognize is a necessary goal. I would suggest that the three of us begin discussions, with appropriate support staff, so that we can determine the steps necessary in the future and the supportive relationships that must exist. I shall ask my office to work out a meeting date with you so we can begin those discussions.

The County is aware that we must all address water quality and the provision of adequate wastewater treatment and collection facilities. We look forward to working closely together for the future of the County.

Very truly yours,

[Signature]

James L. Roberts
County Administrator

JLR:dlf

Cc: Board of County Commissioners
   Tim McGarry, Growth Management Director
   John R. Collins, County Attorney
KLWTD Board Meeting
April 21, 2004

Item I – 1

Letter to KLTV Board of Directors
addressing concerns expressed by residents
April 14, 2004

Re: Wastewater Management System For The Key Largo Trailer Village Area
Key Largo, Florida
Homeowner Concerns

Mr. Robert Burt
KLTV Homeowners Assoc. President
219 Allen Avenue
Key Largo, Florida 33037

Dear Mr. Burt:

To address the homeowner concerns you raised in the board meeting of Wednesday April 7, 2004, a note will be added to Sheet C-3 stating that the ring and covers of all valve pits, sumps and clean outs will be flush with grade. Additionally, reasonable measures will be made to keep the valve pits, sumps and clean outs clear of driveways where possible.

Should you have any questions or require further information, please do not hesitate to contact me at (904) 357-4225.

Sincerely,

William T. English

cc: Mr. Ed Castle, Weiler Engineering
    Mr. Joe Paterniti, Brown and Caldwell
    Mr. Charles Sweat, Government Services Group
    Mr. Walt Messer, DN Higgins
KLWTD Board Meeting
April 21, 2004

Item 1 – 2

Presentation of the Sanitary Sewer
Wastewater Master Plan
Refinement and
Recommendations
WORK AUTHORIZATION NO. WEC 04-01

a

Contract for Consulting/Professional Services Agreement Between the

Key Largo Wastewater Treatment District (KLWTD),
a legal entity and public body created by
Chapter 02-337, Laws of Florida, 2003

and

The Weiler Engineering Corporation

A. SCOPE OF SERVICE

Sanitary Sewer Wastewater Master Plan
Refinement and Recommendations

Objective
The objective of updating the Sanitary Sewer Wastewater Master Plan for the areas included in the Key Largo Wastewater Treatment District is to provide a working tool to help the KLWTD Board make informed decisions related to providing central wastewater treatment service to the residents of the Key Largo area. Due to the constraints of funding, the Board must schedule projects in a manner that matches the funding as it becomes available. The update to the Master Plan will provide recommendations for phased construction of the collection, transmission and treatment systems that will serve the District. Operating revenue will also be considered when recommending the phased expansion of the wastewater system.

Scope of Services

Conceptual Design
Overlay Property Appraiser maps on scaled aerials, showing locations of Hot Spots, existing collection systems and package plants as identified in the Monroe County Sanitary Wastewater Master Plan. Review the Study Areas defined in Technical Memorandum No. 6 and verify optimal configuration. Adjust the Study Areas if necessary to define collection basins, or service areas, for the KLWTD. Provide conceptual locations and flow capacities of remote pump stations, whether vacuum or conventional, and associated transmission mains.

Show proposed sizes and location of transmission mains along the US1 corridor, including highway crossings. All piping is to be sized with appropriate peaking factors, with cumulative build-out flow capacity to be considered. Evaluate friction losses and optimize performance of the transmission main system, considering pipe sizing, operating pressure and possible use of booster pump stations if needed. Show locations where service would be provided to properties with existing collection systems and pump stations. Identify larger commercial properties that may be better served with a force main force.

Provide a conceptual footprint of the MM 100.5 site showing future expansion phases, including additional skid-mounted package plants and the regional plant. Verify the regional plant capacity at build-out and identify the influent design flow at which the switch to the regional plant structure would take place.

Budgetary Cost Estimates
Three cost components for each recommended expansion will be estimated. These components are: 1.) Service area collection system and pump station cost; 2.) Transmission main cost; and 3.) Treatment plant expansion.
1. For each service area in the District, update the collection system cost estimates from Technical Memorandum No. 6. Verify estimated quantities as listed in Appendix A with the boundaries of the Study Areas adjusted, if needed, to reflect the boundaries of the proposed collection basins. With quantities verified, the costs for design, permitting and construction of each service area will be estimated using unit pricing from bids recently received in Monroe County.

2. The cost of the transmission main from each service area to the wastewater treatment plant site will be estimated using the unit pricing cited above. It is understood that the first phase of expansion will most likely include a section of transmission main that may pass adjacent to service areas to be connected in future phases. Once the first phase of expansion is selected, the cost of certain other phases of expansion may be reduced if a properly sized transmission main passes adjacent to the property.

3. The extent of expansion of the wastewater treatment plant will determined by the flow contribution from the service area to be connected. The transition to a regional wastewater plant will occur at the design influent flow determined in the conceptual design. For each service area considered, the cost of the appropriate expansion of the wastewater treatment plant will be estimated, using unit pricing as discussed earlier.

Supplementary to the examination of the cost of phased expansion of the regional wastewater system, the cost effectiveness of providing package wastewater treatment plants for remotely located service areas will be examined. The intent would be to construct a collections system to be compatible with the transmission main system, but to provide interim treatment with a package plant on site with the intent of connecting to the regional system at a future date.

**Recommendations**

After the updated cost estimates are determined as described, recommendations will be made for the first phase of expansion. The recommendation to be implemented will be dependent on the amount of funding available. Depending on the range of the estimated costs, four or more projects will be recommended for: 1.) In the range of $300,000 to $1.5 M; 2.) In the range of $10 M; 3.) In the range of $20 M; and 4.) In the range of $35 M or more.

In considering which service areas will be recommended, factors other than capital costs will be considered. The ranking of Hot Spots in the Sanitary Wastewater Master Plan will be used as a guide for prioritizing projects in each of the cost ranges. The potential for providing points of connection for properties with existing wastewater collection systems will also be considered as a potential operating revenue source for the District in the ranking process. The impact on construction costs for future phases will also be considered.

The recommendations for each range of funding will include a base service area and plant expansion, and will identify additional adjacent service areas that can be added to adjust the total project cost incrementally to match the available funding. The estimates will also include a table identifying estimated annual wastewater system operation and maintenance costs for the District at completion of the phase versus the estimated total annual sewer revenue generated. The revenue generated from the connection fees will also be tabulated. Revenue estimates will be based on the targeted monthly sewer bill of $35.00 per EDU and the targeted connection fee of $2,700 per EDU.

**Summary of Deliverables**

- Scaled aerials with Appraisers map overlay, identifying Hot Spots, existing collection systems, conceptual locations of future pump stations and transmission mains – 2 full size sets and 10 reduced sets.

- Updated cost estimates for service areas identified in Technical Memorandum No. 6 with updated costs based on unit costs received for projects recently bid in Monroe County.

- Master Plan Refinement Report – Narrative report summarizing activities, assumptions used, conclusions reached. Will include summaries of the four individual project recommendations and the recommended flow at which phasing to the regional WWTP will take place. A conceptual transition plan from skid-mount package plants to the regional plant will be provided. A discussion of the relative merits of Design/Build versus conventional Design/Bid/Build approaches to project implementation will also be included.
- Project Recommendation No. 1 – for a base project of approximately $300,000 with additional incremental service areas to increase project scope to match any additional funding.

- Project Recommendation No. 2 – for a base project of approximately $10 M with incremental service areas identified to increase or decrease scope to match the available funding.

- Project Recommendation No. 3 – for a base project of approximately $20 M with incremental service areas identified to increase or decrease scope to match the available funding.

- Project Recommendation No. 4 – for a base project of approximately $35 M with incremental service areas identified to increase or decrease scope to match the available funding. This recommendation will include a conceptual transition plan from skid-mount package plants to the regional plant.

**B. PROJECT COST**

The cost of performing the scope of work described is $77,660.00. The proposal is lump sum based on the estimated times allocated for each task listed below. If the scope of work is changed, the lump sum cost of the task will be adjusted accordingly.

**KLWTD Master Plan Estimating Worksheet**

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<th>Task Description</th>
<th>Principal @ $125</th>
<th>Engineer @ $105</th>
<th>Engineer @ $105</th>
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**SubTotals** 48 229 193 222 100 28

Total Cost = $77,660.00

**C. PROJECT SCHEDULE**

Work on this project will be begun on receipt of the executed Work Authorization. The scope of work and submission of the deliverables will take place no later than four (4) calendar months after work has begun. Progress on the project will reported at the regularly scheduled KLWTD Board meetings and in the Engineer’s Status Report each month.
D. NOTICE/PROJECT MANAGER OF CONSULTANT

R. Jeff Weiler, President
Weiler Engineering Corporation
20020 Veterans Blvd, Ste 7-9
Port Charlotte, FL 33954

Gary Bauman, Chairman
KLWTD
Post Office Box 491
Key Largo, FL 33037

Robert E. Sheets, General Manager
Charles L. Sweat, Director of Operations

Certification that Sufficient Funds are Available:

David R. Miles, Chief Financial Officer
Cris Beaty, KLWTD Secretary

Dated this ___ day of ____________, 2004.
Kohl sheds light on Keys probe

Sorensen not being looked at, prosecutor says

By ALISON MARLEY
marley@keynoter.com

Three elected officials suspect election-year shenanigans may be the motivation behind information that alleged a secret meeting of two county commissioners, a state representative, a former county mayor and a sewage system salesman in North Carolina last August.

Monroe County State Attorney Mark Kohl, whose investigators reportedly asked a number of local people whether they knew about such a meeting, said his office has “not conducted an investigation into [state Rep.].”

Neighbors: Our homes under siege

Some in city fear changes in land-use map

By SCOTT BUSCARO
buscaro@keynoter.com

Philip Snoberger spent 27 years as a business owner and consultant in Pompano Beach before sailing the Atlantic and Mediterranean for two years with his wife.

They searched from Georgia to Key West for the perfect place to live, settling on Marathon’s Coco Plum neighborhood, where they built a house in 1995.

“There was no place like that. A place any place,” said Snoberger.

But he and many of his neighbors are now worried that Coco Plum will soon become a different place, heavily trafficked and populated, not conducive to the current calm of bicyclists, in-line skaters and boaters.

Proposed changes to the city’s future land-use map show the area fronting the residential stretch of Coco Plum Road switching from a residential low-density designation to residential high density for three areas, including an off-site portion.

See COCO PLUM / 8

Village voters go to polls Tuesday

Russell, Schmidt square off in Islamorada

By KEVIN WADOW
wadow@keynoter.com

A runoff election Tuesday ends the Islamorada Village Council’s run as a boys’ club.

Wendy Russell or Patty Schmidt will take over Seat 1 on the five-member council, which has been an all-male province since founding council member Ken Collin lost his re-election bid in 2000.

 combined, the two candidates raised more than $32,000 for the municipal election. Russell, 40, is a restaurant manager who stresses her background in Keys journalism. She raised $20,000 in donations and in-kind services, according to the last campaign filing before Tuesday’s election.

Schmidt, 43, works as a bookkeeper for an Upper Keys law firm and other local businesses. She received $12,428 in donations, all but $2 of it monetary.

See ELECTION / 4
Not-guilty plea expected

Former mayor to be arraigned

By AYSLON MARLEY
amatley@keynoter.com

Former Monroe County Commissioner Jack London is expected to enter a not-guilty plea during his court appearance Thursday in Monroe County Court. London was arraigned Thursday by a federal grand jury. London, 67, is charged with one count of filing a false tax return and two counts of making false statements to investigators. He could face up to three years in prison and $100,000 in fines for the tax charge and five years in prison and $250,000 in fines for each of the false-statement charges.

London was arrested March 27 at Key West International Airport where he boarded a flight to London, where he owns a home. He was arrested on an FBI complaint that found inconsistencies between London's statements and financial records. According to the complaint, London was involved in a deal where he collected money for expensive and approving building permits for a Marathon hotel.

Not guilty plea expected in Key West

Former mayor to be arraigned

By AYSLON MARLEY
amatley@keynoter.com

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Some say politics drives rumors

PROBE / From 1

Nelson and Sunny McCoy, former county Mayor Jack London, and Nocif Espat were at that meeting.

Sorensen, Nelson and McCoy adamantly deny any such meeting occurred. Sorensen was especially outraged at the implication. "I take great pride in my career in politics," he said. "Anyone breaking that public trust should face double penalties. As a lawyer, I have never done anything wrong. There was a meat council never a meeting." Nelson, currently the county mayor, remembers being asked by investigators whether he was aware of such a meeting.

"When they asked me," he said, "there was no mention of London, just Espat. When I was asked the question, I laughed and said it was so unbelievable." Nelson said he suspects someone fed the investigators some bad information.

"It happened to come out just three months prior to an election." Nelson said, "It's the Prince of Darkness热播 in the Keys. This is not political, it's downright sinister."

Nelson referred to Randall Hilliard, his political consultant who called himself the Prince of Darkness in his phone-book listing.

FBI investigators say Hilliard forwarded a $29,000 payroll to London in 1998, according to a statement released by the FBI. London was arrested March 27, charged with lying to an officer when he claimed he had not received the money. He was indicted on four charges Thursday (see related story).

Nelson, McCoy and Sorensen all say none of them had ever seen either London or Espat in North Carolina, where McCoy and Sorensen maintain vacation homes for about 10 miles apart.

Until March, Espat was the local representative of Purestream wastewater systems. He lobbied the commissioners hard to win sewage systems for Keys sewage treatment upgrades.

"I had occasion to meet [Espat] one time in a coffee shop in Key Largo and we didn't talk about anything of any consequence," said Sorensen. "And I've never seen London outside of the county of Monroe in my life. I can assure you that there was no special meeting of any kind."

Kohl said his office does not confirm nor deny whether an investigation is occurring. However, he did confirm that there had been an investigation by the FBI, and the office helped. He didn't say what the FBI was looking for, but said his office did not conduct any sort of an investigation into Sorensen.

"There had been a complaint a long time ago that something may have happened in North Carolina. I suspect that once the question was asked and it was answered sufficiently, that was it."

He added that investigators will often throw in misleading questions so they don't give away what they're looking for.

McCoy is convinced that someone mistook investigators intentionally.

"Somebody has an agenda," he said. "They did this last election. There must be a game plan."

McCoy, Nelson and Sorensen are up for re-election in the fall. McCoy added that he couldn't have invested in another company as he and his wife did not go up there for August.

Out of the Easter Bunny

3. "Where's the Lower Keys marsh rabbit hangout?"
4. "Reported missing after stopping at Crocodile Lake National Wildlife Refuge."
5. "You'll love my poppings."
6. "I'm late, I'm late, for a train!"
7. "Got eggs?"
8. "My tail's real, yellow's not."
9. "I lost my tail!"
10. "Nothing's more trouble than a fish.
11. "Welcome to the wonderful world of the Easter Bunny.""
Diner remains open

EDITOR:
I would like to let everyone know that The Diner [at the former Driftwood in Marathon] is still open for business. Any closures due to renovations are expected to be brief. Until then, it is business as usual, open 6 a.m. to 1 p.m., seven days a week.

Vickie Rister
Marathon

Red Cross open house very informative

EDITOR:
The Upper Keys branch of the American Red Cross of Greater Miami and the Keys thanks the community for supporting our second annual open house March 11 and making it a success.
The open house provided information on local services available, such as disaster relief and preparedness, armed-forces emergency services, cardiovascular research and prevention, family training, volunteer opportunities, and international services. Newly appointed Chief Executive Officer Sam Tidwell was at the open house to meet and greet local community members.

At the event, guests enjoyed a hurricane puppet show by Girl Scout Troop 102: a question-and-answer session with instructors on health and safety courses; the opportunity to hear local volunteers speak about their experiences; a free raffle for a pet first-aid kit and personal first-aid kit; and music by the Keys Community Concert Band.

Special thanks go to Dairy Queen, the Community Concert Band, Girl Scout Troop 102, Publix, TIB Bank of the Keys, the Upper Keys Cancer Support Group and the Red Cross volunteers who made this event possible.

For more information on how to support your Upper Keys branch of the Red Cross, call 825-9612.

Brett Peemoller
American Red Cross, Miami

More density would ruin neighborhood

EDITOR:
As residents of the Coco Plum section of Marathon, we are concerned about the amount of density that is being proposed by the city Planning Department on the future land-use map for our area.
We do not object to the further development of Coco Plum; our objection lies in the overdevelopment of this area. We wish to preserve the character that originally drew us to this unique location. We do not want 16 to 25 units per acre as proposed by the city planner.

We are a residential community with a diverse cross-section of people who take pride in the area in which they live. If the proposed map is approved, the distinctive features of Coco Plum will be changed forever.

We hope that the city listens to the citizens of Coco Plum and creates a land-use plan that is fair to all.

Linda and Rick Skohan
Coco Plum

Storm problems brew elsewhere

EDITOR:
Say the word "moldewown" and images of an historic disaster at a nuke plant leap to mind. But the core reactor that's been generating power in Cape Cod's property insurance business, and its moldewown could pose — at least in dollars — a threat of similar magnitude.

What started as a tidal wave in Florida after Hurricane Andrew hit south Mississippi in 1992 is washing up on our shores. That mega-storm caused more costly damage than any other event in U.S. history, except the terror attacks of Sept. 11, 2001.

It led to a panicked Floridian departure and decimation of responsibility by insurance companies that did not want to pay out high claims in the wake of the next natural disaster. That scenario is a gaining momentum on Cape Cod, where many companies have stopped selling property insurance, citing the Barnstable County as a high-risk area.

The remnants are dramatically raising their deductibles whenever there is damage from a storm the weather bureau has formally named — which, these days, they do at the drop of a hat, or barometer.

With the private sector running for the border, Florida created a public insurance pool. Clearly, that is the first step our legislative delegation should pursue — beefing up a Massachusetts version now known as the Fair Access Insurance Regulation pool.

Having the state essentially go into the insurance business no doubt offends hard-line conservatives. However, even those of us who place a little less blind faith in the free market (and a little more in the public sector) should jump on with appreciation at dollars trying to fill this void.

Florida and Massachusetts still have not mustered the guts to regulate high-end waterfront development sufficiently to prevent another fiscal disaster.

It also doesn't help that insurance companies have forgotten their charter in the chase for stock profits: To spread risk through our society so individuals don't have to bear it all one by one.

Dan Hamilton
Cape Cod, Mass.

London's legacy? Depends how you look at history

Sometimes it takes a splash of cold water to wake up the old brain cells. I had that experience Friday morning when radio station WGMX 94.3-FM host Mark Mills called unexpectedly early Friday to do an on-air interview.

Usually, I appear on his "Morning Mix" show Monday mornings, so he caught me unaware.

Mills asked me about Jack London, the former county mayor now indicted by a federal grand jury on charges of lying to FBI agents, and accused of accepting bribes.

The case has been widely reported, although details are still a bit sketchy because the FBI apparently is still investigating others.

What caught me off guard, however, was Mills' logical question: What's been London's legacy in Monroe County?

For those who listened in on Friday's radio show, they heard me say that I didn't know London when he was a county commissioner, and I wasn't here covering Keys news in the 1990s when Jack served three terms as mayor and eight total years on the commission.

So after the radio interview, like any good journalist, I went to the newspaper archives to answer the question and turn up some surprises.

For those with long memories and scorecards on political boondoggles, London's public embrace of the $250 million Greenways project may trigger some groans.

This proposed transportation development project — to be largely funded by federal dollars — called for creating a beltway to link all Keys via trams, trolley buses, bikeways, even trains. The price tag was staggering $250 million.

The big promoter of the 1998 project was Fort Lauderdale attorney Tom Gustafson, who had been a legitimate political force when he served as Florida House speaker and political rainmaker.

Oh, and the Greenways plan included a toll road to charge each car entering the Keys, the so-called "local funding source" needed to qualify for federal and state money.

The pie-in-the-sky proposal rolled up some neighborhood and apple-pie stuff about green belts and bike paths and reducing the clog of autos on U.S. 1.

And it promised to include the cost of burying utility lines to remove those unsightly power poles that march up the main street of the Keys, plus bury sewer pipes at the same time — if money could be found to do wastewater.

Let's say the ambitions of this grand scheme gave a flavor for the times and London's own grand plans.

When Keynoter editorials and columns by then-Publisher Tom Schumacher questioned the project, London fired back with some vigor, accusing this newspaper of being "anti-government."

When the Keynoter reported on a settlement between Monroe County and Holiday Isle Resort of Islamorada over code violations and $1.3 million in fines that magically went away, and called for a grand jury investigation, again London let loose, this time in his column, which was then appearing in the Key West Citizen.

During his eight years on the commission, London was known as a strong environmental advocate, including early support for wastewater funding and agreements negotiated with the Federal Emergency Management Agency.

In fact, echoes of those FEMA agreements reverberate to this day, with the inspection of downtown enclosures program still ongoing.

In this short space, I can only recap a bit of that Keys history in answer to Mills' question Friday.

But you can be sure there will be plenty more written about and talked about as London faces criminal charges in federal court for actions while he served on the County Commission.

***

Erratum: In my column last week, I included an item from the Monroe County School Board's capital projects list assembled in 1998.

School Board member Anne Cohon notes that of the schools I listed, only two have seen new construction: Stanly Switlik Elementary School and Coral Shores High School.

Students and parents at Key Largo School, Marathon High, Plantation Key School and Poinciana Elementary are still on the waiting list.

We stand corrected.
Paper unveils new Web site

Keynoter Staff

Web surfers who look to the Internet for news and other information from the Keys now have a much better resource to do so.

Wednesday, the Keynoter launched a revamped Web site, www.keynoter.com, that’s cleaner to look at — more modern — and much easier to navigate than the paper’s previous site.

It also has more content, such as a local online poll that just in its first two days saw more than 200 people casting a ballot taking about same-sex marriage. More content will be added in the coming weeks and months.

Among other improvements are a Classified Ads section broken down by categories such as real estate and jobs — and the classifieds are searchable by using key words to search for what you want.

For example, if you type in the word “Honda,” all ads containing that word will appear — whether it’s a Honda car, boat engine or lawn mower.

On the horizon are display classifieds, which give much more information about the product than the current line ads.

In addition, advertisers in other areas of the paper have better opportunities than they previously had to get their message out on our site. And all special sections will be online, as well — not just when they appear in print.

And of course, we will be building our news archives, as well.

Fire found at Singh's office

Keynote Staff

The cause of an early-morning Tuesday fire at the Marathon office of developer Pritam Singh is "suspect and under investigation" by the state Fire Marshal's Office, according to the Marathon Fire Department's chief investigator.

Singh has become a symbol of sorts for Marathon redevelopment — both in positive and negative lights — due to his rebuilding of a high-end Buscawen Resort, his efforts at the Key Lime Resort to replace 67 time-share units with 67 homes, and the large financial interest in Hawk's Cay Resort.

Marathon fire investigator Dale Beaver said that about 1:30 a.m. Tuesday at Singh's office at U.S. 1 and 68th Street (formerly Marathon Glass), someone pushed a couple of UPS packages "through the mail slot. We are not sure if an actual accelerant was used. They were totally burned up. All we saw were the plastic envelopes around them. So what burned was either the accelerant or the cardboard."

He said damage was limited to "about 2-foot square, it just burned spots on the floor. The plastic bags just melted to the floor."

"It is disheartening, but I'm not distressed about it," Singh said from vacation in Vermont.

The fire was discovered by someone leaving a home on the opposite side of 68th Street.

Trailer destroyed

Hours before, around 9:35 p.m. Monday, a trailer at the former Oceanide Fishhouse on 15th Street in Marathon was destroyed by fire, Beaver said. That, too, is "suspicious and under investigation."
CITY COUNCIL
Mayor, Jeff Pinkus
Councilman John Bartus
Councilman Chris Bull
Councilman Randy Mearns
Councilman Robert Miller

Florida Keys Aqueduct Authority Little Venice
Wastewater Project Update

The Little Venice sewer system is nearing completion. Contractor "United Engineering Corporation" (UEC) is expecting to complete construction of the wastewater collection and treatment system in about a month and then will begin testing for full operation. Once the treatment plant has been shown to function as designed, the first phase of "Notice to Connect" letters will be sent to the affected homeowners throughout the area. Those residents in the first phase are located at the ends of the vacuum sewer collection branches. Subsequent phases serve to increase the capacity on the sewer mains, working from the system extremities (branch ends) back toward the plant.

Once you have received the Notice to Connect, you will have 30 days from the date of delivery to run your piping from the house "building drain" to the "sewer service lateral" connection point, after which your water consumption will be used to calculate the following month's (combined) water and sewer bill. If the property owner of record at the County Property Appraiser's office will receive the Notice to Connect, not the tenant. Any phase may connect at will once the first phase notices have been sent. You will not receive a sewer bill until after you are due to connect, so there is no reason to delay if you are ready to connect before you get one of the later phase notices.

The restoration of the Little Venice project area properties is not only important to the residents in your area but to FKAA as well. The agreement between UEC and FKAA states that all properties are to be restored to a condition equivalent to that existing before construction. Prior to any construction involving this project, a video was made of your neighborhood, house by house, with special attention to the existing condition of those improvements likely to be disturbed by construction. Restoration has begun on some streets, and although there may be more work, particularly at the vacuum pits. If it appears that restoration activities on your street have overlooked construction damage at your property, please contact our contracted on-site construction manager Juan Esteva at 269-3434.

If you have any sewer connection questions, need detailed instructions on installing your own building sewer or are interested in hiring your own sub-contractors for all or part of the work, you may call FKAA's John Proster at 743-4055. To obtain additional information, you may visit their website at www.fkaa.com. Should you have any other concerns, you may contact Mike Poto or Bob Bolt at the City of Marathon at 743-0033 to address any specific construction concerns.

Sea Turtles and Lights

Each summer, Florida beaches host the largest gathering of nesting sea turtles in the United States. Female sea turtles emerge from the surf to deposit eggs in sand nests and later, tiny hatchlings struggle from their nests and scramble to the ocean. Nearly all of this activity takes place under cover of darkness and relies upon natural light environment too often disrupted by the addition of artificial lighting.

On beaches where artificial lighting is visible, the hatchlings' important journey to the sea is disrupted. Hatchling sea turtles emerging from nests at night are strongly attracted to light sources along the beach. Consequently, hatchlings move toward streetlights, porch lights or interior lighting visible through window lighting and away from the relative darkness of the ocean. Hatchlings so misled fail to find their way to the sea, having succumbed to attacks by predators, exhaustion, drying in the morning sun, or strikes by automobiles on nearby parking lots and roads. Quite literally, a single light left on near a sea turtle nesting beach can misdirect and kill hundreds of hatchlings. Case studies where hatchlings have been lead to their death into flames of unattended fires are testimony to the strong attraction hatchlings have for light.

Artificial lighting also affects the nesting of female sea turtles. Studies have shown that brightly lighted beaches are less frequently used as turtle nesting sites. In addition, females attempting to return to the sea after nesting, like hatchlings, also can be lead astray by nearby lighting. There are ways you can help solve the problem if you live on or near a beachfront property.

1. Keep beachfront lighting turned off during the nesting and hatching season. In Monroe County, this is April 15 through October 31.
2. Reduce the number of lights near nesting beaches to the minimum necessary to accomplish the lighting goal. Lighting used for purely decorative purposes should be kept off.
3. Reduce light reaching the nesting beach by lowering, shielding, recessing and/or redirecting light sources. Any light source visible to an observer on the beach is likely to affect sea turtles. Light sources that are indirectly visible from the beach, such as those that shine against buildings or vegetation seen from the beach, also cause problems for sea turtles. For this reason, low-mounted down lights are preferred over lighting that shines upward.
4. Place security lighting on motion-sensitive switches that keep lighting off when it is not needed. Lights that come on only when approached can be quite effective for security purposes.
5. Apply dark window tinting to windows visible from the beach and draw curtains after dark.
6. Many lighting applications are known to affect sea turtles. The best way for a beachfront resident or visitor to determine whether their lighting could adversely affect sea turtles is to go to the adjacent beach at night, a few hundred feet either way, and look for light. Light visible either directly or indirectly from any portion of the beach should be reduced by employing the methods above.

The street light fixtures we use at Sombrero Beach are designated "turtle safe" lights and we still turn every other one off during turtle nesting season. No other lights are on the beach property. If you notice lighting problems that should be reported to the City, please call Code Compliance at 269-4116.

If you find turtle tracks on your beach, don't disturb them. Our volunteers walk City beaches and tracks provide important information about nests and hatching events.
City of Marathon
City Council Executive Session
Tuesday, April 13, 2004 at 6:00 p.m.

1. Call to Order
2. Pledge of Allegiance
3. Roll Call
4. Special orders, presentations and reports
   a. Proclamations and Awards
   b. Pledge of Allegiance
   c. State of Florida Community Development Week
   d. City Manager's Report
      1. Marches Weekly * April Fool Page
      2. Public Notice
      3. Proposed Budget Calendar
   e. Turtle Nesting Season Expense
   f. Mobile Vendors
   g. Rick Marks, Robertson, Monagle, Eastogue
   h. Other Reports, Announcements and Presentations
5. Citizens' comments on agenda items not scheduled for public hearing and items other than those appearing on the agenda (those who have signed in will be given the first opportunity to speak. Time is limited to 2 minutes per speaker and 30 minutes total time for this agenda item.)
6. Approval of agenda and consent agenda
   a. Approval of Consent Agenda (Approval of Consent Agenda passes all routine items indicated by asterisk *)
   b. Consent Agenda items are not considered separately unless a council member so requests. In the event of such a request, the item is placed on the Regular Agenda.
7. Unfinished business
   a. Appointments
   b. JANMS Water Quality Steering Committee
   c. Housing Committee
   d. Legislator of Water authority
   e. Water Retail Bond
   f. NROO Ordinance
   g. Fire Station
   h. FLUIMAC
   i. Selection of a Charter Review Committee
8. New business
   a. Ordinances for Second Public Hearing and Enactment
      1. Ordinance 2004-04, Repealing Section 5 Of The City Code And Adopting New Regulations Relating To The Clearing Of Debris And Excessive Accumulation Or Undeveloped Growth, Lot Maintenance Standards
   b. Ordinance 2004-14, Repealing Section 6 Of The City Code And Adopting New Regulations Relating To The Clearing Of Debris And Excessive Accumulation Or Undeveloped Growth, Lot Maintenance Standards
   c. Resolutions for Public Hearing - Quasi-Judicial Public Hearings
      Please be advised that the following items on the agenda are quasi-judicial in nature. In order to comment upon any of this item, please inform the Clerk by filling out the available sign-up form. An opportunity for persons to speak on each item will be made available after the applicant and staff have made their presentations on each item. All testimony, including public testimony and evidence, will be made under oath or affirmation. Additionally, each person who gives testimony may be subject to cross-examination. If you refuse either to be cross-examined or to be sworn, your testimony will not be considered. The general public will not be permitted to cross-examine witnesses, but the public may request the Council to ask questions of staff or witnesses on their behalf. Persons representing organizations must present evidence of their authority to speak for the organization.
9. Resolution 2004-045, Approving a Development Agreement for an Affordable Housing Project Known as Seaweed Commons
10. Resolution 2004-046, Repealing Ordinance 132-04, As Amended, Ordinance 2004-047, Designating that Portion of the Florida Keys Overseas Trail within the Corporate Limits of the City of Marathon as the City's Local Land Based Recreational Trail System Plan
11. Resolution 2004-048, Authorizing the City Manager and City Attorney To Enter Into Negotiations For Continuing Services Agreements With Chen And Associates And The Water Engineering Corporation To Provide Engineering Services For Future Projects With The City
12. Resolution 2004-049, Amending the City Manager to enter into an agreement with the University of Iowa for Camp Adventure summer camp
13. Resolution 2004-050, Authorizing the Purchase of 10 Sets of Fire Department Bunker Gear and Equipment for an Amount Not To Exceed $21,000 and Appropriating Funds
14. Resolution 2004-051, Voice Its Opposition To The Proposed Atlantic Civil, Inc. Development Of Regional Impact Known As Florida City Center, And Directing The City Clerk To Forward A Copy Of This Resolution To The State of Florida Department of Community Affairs And The South Florida Regional Planning Council
15. Resolution 2004-052, Establishing City Boat Ramp Fees And Implementing An Honor Pay System For Collecting The Fees
16. Resolution 2004-053, Authorizing the Payment of the Yacht Club Property Tax
17. Other New Business Items
   a. Approval of City Council minutes for March 15 & 23, 2004
   b. RV Parking in Residential Neighborhoods
   c. Schedule Capital Improvements Financing workshop 6-6:30 on April 27, 2004
9. Informational items and reports (no action required)
   a. Draft Hotel/Motel Definitions Ordinance
   b. Draft Destination Resort Ordinance
10. Council comments
11. Citizens' comments (5 minutes per individual - Each individual has one opportunity to speak.)
12. Council and administration response to citizens' comments
13. Adjournment

The public hearings will commence at 6:30 PM, or at some time thereafter as business permits, in the Marathon Government Center, 2778 Overseas Highway, Marathon, FL. All interested persons are invited to attend the meeting and participate in the discussion, or, written comments may be sent to the City of Marathon, c/o City Clerk, 10040 Overseas Hwy, Marathon, FL 33050.

Pursuant to Section 286.0185, Florida Statutes, if a person decides to appeal any decision made by the Planning Commission or the City Council with respect to any matter considered at such hearing or meeting, one will need a record of the proceedings and for such purpose the person may need to assure that a verbatim record of the proceedings is made such record includes the testimony and evidence upon which the appeal is to be based.

ADA Assistance: Anyone seeking special assistance at the Planning Commission or the City Council hearing due to disability should contact the City of Marathon at (305) 289-4511 at least two days prior thereto.

Please contact the City Clerk at (305) 289-4511 if you would like to request any of the items on the agenda or of the Marathon minutes by email.

Upcoming Public Meetings

- Environmental Quality
  - Meeting: 4/13/04, 6:00 pm
  - Location: Marathon Government Center

- Commerce Meeting
  - Meeting: 4/13/04, 6:30 pm
  - Location: Marathon Government Center

- Planning Commission Meeting
  - Meeting: 4/14/04, 6:00 pm
  - Location: Marathon Government Center

- Board of Commissioners Meeting
  - Meeting: 4/22/04, 6:30 pm
  - Location: Board of Commissioners Meeting

- City Council Meeting
  - Meeting: 4/25/04, 6:30 pm
  - Location: Marathon Government Center

- City Council Meeting
  - Meeting: 5/18/04, 6:30 pm
  - Location: Marathon Government Center

- Code Board
  - Meeting: 5/21/04, 6:30 pm
  - Location: Marathon Public Library

- Parks & Recreation Committee
  - Meeting: 5/21/04, 6:30 pm
  - Location: Marathon Public Library

- Planning Commission Meeting
  - Meeting: 5/21/04, 6:00 pm
  - Location: Marathon Government Center

- City Council Meeting
  - Meeting: 5/24/04, 6:30 pm
  - Location: Marathon Government Center

Two or more council, committee or board members may be present at above noted public meetings.

Published on Keynote 1/30/04

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Keynotes

Literacy group schedules training

The Literacy Volunteers of America-Morristown County has its next training for April 16 in Key West.

In the program "How To Teach Children's Literature" a literacy specialist for Broward County Department of Adult and Community Education, will take you on a virtual trip to visit educators and neuroscientists who are advancing our understanding of how the brain learns and functions when a person is reading.

The training takes place April 16 from 9:30 a.m. to noon at the Literacy Volunteers, 1400 United St., Building 4, Room 404.

For more information, call 294-4352.

Book fair helps

Cancer Foundation

The Cancer Foundation of the Florida Keys is having a book fair at Baby's Coffee, mile marker 15, April 17 from 8 a.m. to noon.

The books aren't priced; rather, just take a book and make a donation to the Cancer Foundation, whose motto is: "We make, raise, since all money raised by the group is used to provide free medical help to cancer patients in Monroe County.

For more details on the fair, contact Dave at 305-1132 or drop them off at Baby's Coffee, or in Key West at Republic Bank on Kennedy Drive.

American Legion hands out honors

American Legion Post 154 is planning an awards night for the Middle Keys men and women of law enforcement, fire suppression, and search and rescue/medical evacuation.

The prime-rib dinner will be held at the post April 16. Dinner is 6:30 p.m., followed by the awards ceremony at 7.

Exactly one person will be presented to the female and male law enforcement officer of the year, female and male firefighter (paid or volunteer) of the year, and female and male representing search, rescue and medical evacuation.

Meals tickets at $12 per ticket and will be available at the post, mile marker 48, starting this Saturday.

For more information, call 743-4783.
Children’s Week arrives this month

Numerous events culminate with April 25 expo

Children’s Week 2004, which starts April 19, promises a huge series of child- and family-oriented events to highlight services provided by various nonprofits throughout the Keys. From seminars to support groups, posters to park beautification, agencies including the Keys and Girls Club, the state Department of Juvenile Justice, the Domestic Abuse Shelter, the Florida Keys Children’s Shelter, Monroe County Health Department, Monroe County School Readiness Coalition, Wesley House Family Services and the YMCA of Key West have planned activities to educate and entertain.

Children’s Week culminates with the second annual Florida Keys Infant and Toddler Expo April 25, starting at 10 a.m. at the Holiday Inn Beachside, Key West. The expo, sponsored by the Florida Keys Healthy Start Coalition, will offer informative displays, activities for kids and much more.

In addition to daily events, Monroe County sixth- and seventh-graders can receive immunizations they need to enter or attend seventh grade. The immunizations are free and available at your school.

For fun, students can enter the Things That Fly Poster Contest using the natural materials of our environment. Details will be available at all schools and prizes will be awarded in various categories.

All during Children’s Week the public libraries will have displays about services for children and families, and a trip to the lobby of the Juvenile Justice Center at 5503 College Road on Stock Island will offer the opportunity to learn about the services and programs provided by the Department of Juvenile Justice.

Following are Children’s Week events, all of which are free:

**April 19**

- How to Survive the Teenage Years: An Interactive Conversation for Parents and Teens at the Florida Keys Children’s Shelter, 73 High Point Road, Tavernier, 5:30 to 7 p.m. Facilitated by social worker Norbert Bimbbaum.
- Prevent Child Abuse,” a traveling display at the Mango library, sponsored by the Florida Keys Children’s Shelter.

**April 20**

- Healthy Start Mother’s Group at the Key West library, noon to 2 p.m. It’s where pregnant women and new moms and babies join together (every Tuesday) for a support group.
- Prevent Child Abuse,” a traveling display at the Islamorada library, sponsored by the Florida Keys Children’s Shelter.

**April 21**

- Lunch ‘n Learn at Wesley House, 1304 Truman Ave., Key West, noon to 1:30 p.m. Open discussion on children’s programs and advocacy issues, including legislative updates.
- Domestic Abuse Shelter Scholarship Contest winners to be announced at Leight Ann’s Coffee House in Marathon, 6:30 p.m. Submissions cover Sexual Violence Awareness Month.
- Prevent Child Abuse,” a traveling display at the Key West library, sponsored by the Florida Keys Children’s Shelter.
- Prevent Child Abuse,” a traveling display at the Big Pine Key library, sponsored by the Florida Keys Children’s Shelter.

**April 22**

- YMCA/Boys and Girls Club at Bayview Park, Key West, 3 p.m. Celebrate Earth Day with a park beautification project. Plants are donated by the Monroe Association of Retarded Citizens and the Trophie Butterfly Foundation.
- Prevent Child Abuse,” a traveling display at the Big Pine Key library, sponsored by the Florida Keys Children’s Shelter.

**April 23**

- Prevent Child Abuse,” a traveling display at the Key West library, sponsored by the Florida Keys Children’s Shelter.

**NOTICE OF PUBLIC MEETING**

Monroe County is requesting public input for Monroe County’s Local Housing Assistance Plan (LHAP) in conjunction with State Housing Initiative Partnership (SHIP) program, in compliance with FS. 420.907-420.9079 and Rule, FAC 67-37. This is a three-year plan being prepared for Fiscal Years 2004-2005, 2005-2006, 2006-2007.

Several minimum state requirements include:

1. Assistance provided must accrue to eligible persons occupying eligible housing.
2. 75% of all funds expended must be used for construction activities.
3. 65% of all funds expended must be used in support of homeownership activities

A public information meeting will be conducted to answer questions and solicit input on:

**Date**

Friday, April 16th

**Location**

BOCC Meeting Room
Marathon Government Center
2798 Overseas Highway
Marathon, Florida

**Time**

5:00pm

Public meetings will be conducted in handicap accessible locations. Any handicap person requiring an interpreter for the hearing impaired or the visually impaired should contact Rick Casey, 1403 12th Street, Key West, Florida, Phone (305) 292-1221, at least three calendar days prior to the meeting and an interpreter will be provided. To access a Telecommunications Device for the Deaf Person (TDD), please call 305-295-0265. Any handicap person requiring special accommodations at this meeting should contact Rick Casey at least three days prior to the meeting.

Any person unable to attend one of the meetings may provide input by contacting Richard Casey, Special Programs Office, 403 12th Street, Key West, Florida 33040, phone 305-292-1221 or by fax 305-292-1162 prior to April 3, 2001.

Monroe County - Equal Opportunity Lender

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Florida Keys Children’s Shelter

April 24

- Your day to plan family events with your children.

April 25

- Second annual Florida Keys Infant and Toddler Expo at the Holiday Inn Beachside in Key West, 10 a.m. to 2 p.m.

Games, informative displays, activities for the kids, and more.

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To All My Valued Clients & Friends

Happy Easter

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REALTOR, CRS, CRB

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The Freedom to Fish
... Page 3

Culture War: Part VII
... Beginning on Page 10
Sour grapes?

As soon as they had a chance after Monroe County School Supt. John Padgett released an audit of school construction activities that reflected unfavorably on the Monroe County School Board’s control over its construction spending budget, school board members last week decided to take Padgett to task for exercising his legal right to spend funds to try to improve the school system.

Was this sour grapes because the school board members didn’t win the right to hire future superintendents after voters overwhelmingly decided to retain the superintendent’s position as an elected one?

It had all the appearances of being just that. Several of the school board members were publicly vocal about their desire to do away with the elected superintendent position in favor of letting the board hire, and thereby control, the county school superintendent.

The petty bickering that has gone on between the board members, themselves elected, and the school superintendent is becoming counterproductive. We thought both the school board and the superintendent were voted into office to give us the best school district that could be achieved with the resources available to Monroe County.

Instead we seem to be seeing a school board that leaves the impression they aren’t going to co-operate with Padgett, who was appointed by Gov. Jeb Bush to fill the unexpired term of his predecessor.

Monroe County, and particularly its school students, gain nothing from this constant bickering.

Jack London: The Prince of the Poison Pen

Press condemning London’s poison pen tactics.

London pulled no punches in condemning others, particularly politicians, while on the Citizen’s editorial board and wrote his pithy columns for the Citizen and the Free Press.

I have been accused of being on London’s payroll, an accusation equally as false as some of those he aimed at Kuskev.

I wonder how London feels about all those poison pen columns he wrote now that he seems to be on the receiving end. I’d check with him but I understand he’s in hiding awaiting his arraignment next Monday in federal court in Miami on charges of threatening to kill a U.S. law person is innocent until proven guilty.

I hope London can prove beyond a doubt that he is indeed innocent of any wrongdoing.

Otherwise Jack London has kicked sand in the face of a lot of people who have stood behind him over the years.

His biggest sin may be that he betrayed the public trust, the trust of those who supported him over the years, all the way back to the late Betty Warner who first introduced me to him when he was originally seeking public office, and the trust of the publishers of the Key West Citizen and Free Press newspapers who provided him the forum to practice his style of poison pen journalism.

When Warner introduced me to London, London was peddling a book he wrote about Australia and restoring Conch houses in Tavernier. From the beginning it was obvious that London wanted to be off to the big city and make a name for himself.

He may have done just that. That London had a massive ego is no secret.

That political expediency most often overrode candor in his public affairs was no secret either.

I was the victim of his, and his buddy’s – Monroe County Administrator Jim Roberts’ – lack of candor in the past when I was in charge of restoring the National Historic District on county-owned Fisheye Key.

You learned quickly to take what these two said with a grain of salt.

I doubt if it is a coincidence that Roberts announced his resignation about the time the Stock Island sewer deal blew up involving London and to some yet unknown extent Roberts.

His over the years dealings with the Wastewater Operations on the island, voted (the number of times the phrase has been repeated in favor of imposing a special sewer tax on Key Largo residents after Key Largo residents rejected a similar tax 2-1 at the polls) by Charles “Sonny’’ McCoy (2)

Murray Nelson (2)

George Naughten (1)

David Rice (2)

Dixie Spehar (1)

"Thanks for saying "I saw it in The Independent.""
Letters/Local News Digest

Letters -

Continued from Page 7 to supply and demand — demand less!

I drive a subcompact car and also own a mini-truck. I have some of the highest fuel efficient vehicles around. But I have to buy higher gas pumps prices because of the huge gas-guzzling SUVs and big cars on the road. So here’s my solution...

We need state taxes (Excess Fuel Use Taxes) on all vehicles getting less than 30 mpg city, 40 mpg highway.

The EFUT would run like this. Each year a vehicle owner would be taxed by the state government, collected by the state’s vehicle registration department.

The larger the vehicle, the larger the tax. Vehicles with no emission standards or getting less than 10 mpg city would be charged $500 per year. Between 10-20 mpg city, you would be charged $400 per year. Between 20-30 mpg city, you would pay $300 per year per vehicle. And between 30-40 mpg city you would be exempt from the tax all together.

But WAIT! Here’s the kicker! If your vehicle gets 40 mpg or better, you would be entitled to a $500 per year rebate from the tax. If your vehicle gets between 30-40 mpg city, you’d be looking at a $250 per year rebate check.

This way those who are causing the high fuel demand pay the most and compensate those who are (excuse the pun) driving up the cost of fuel.

It also rewards those who are helping to stabilize fuel prices and reduce our dependency on foreign oil.

We tax alcohol because of its cost to society. We tax cigarettes because of their cost on society. It’s time to tax the gas hog for killing off our economy.

This will work, All we have to do is get this idea into the minds of our elected officials. So pass this bill on to a state elected official you can think of.

If enough people pass this along, someone somewhere is going to make it happen.

Michael P. Fagan
Stolet, La.

Gambling boat

This letter is prompted by the urge to reply to the casino dealer, Mr. Hubert, regarding the accident to the Sun Cruz.

There are so many accident reports that I refer to another accident report 100 feet away. I would like to describe the accident that we are both referring to.

Mr. Hubert wants the facts he should go talk to the residents across the canal from the Sun Cruz. The residents witnessed the accident and took pictures of the damage the next day.

The Sun Cruz damaged the passenger loading dock, dislodged two pilings and damaged a dive boat and narrowly missed smashing resident’s boat docked across the canal.

The accident happened Saturday night, Nov. 22 or early Sunday morning the 23rd of November.

The Sun Cruz left early Sunday morning and did not return for three weeks to a month, according to residents.

The captains of the Sun Cruz are probably very expert and professional but the vessel is extremely oversized and very difficult to handle in restricted canals.

The accidents are not caused because the Sun Cruz has “Casino Boat” printed on its bow or because it carries gambling paraphernalia.

The accidents are caused because the boat is extremely oversized. The vessel resembles a two-story house moving down the canal and other vessels must retreat into side canals to avoid an accident.

Its length is longer than the width of the canal at its dock site, which is one of the requirements of the big boat ordinance.

The vessel coke by poring its bow into the lot at crash corner, dock hands throw mooring lines from the stern and pull it parallel to the dock. The captain then uses the engines and steers the boat into its mooring site behind the dive shop.

Former mayor to be arraigned April 12 - Former Monroe County Mayor and Commissioner Jack London is scheduled to be arraigned in Federal Court in Miami April 12 on charges that he lied to the Federal Bureau of Investigation during an investigation.

London, who holds both U.S. and Ireland citizenship, was arrested a week ago Sunday at Key West International Airport as he was about to board a flight from Key West to Ireland.

The charges against him apparently derive from an investigation of an incident involving the issue of a commercial building permit while he was on the Monroe Board of County Commissioners.

London is accused of lying about the accusation that he was the recipient of a $29,000 bribe from a third party to expedite the issuance of a permit to build what is now the Hammocks of Marathon hotel on the site of the former Halls Fish Camp in Marathon.

Proceeds from the bribe were allegedly used to pay off the mortgage on a home London owns in Ireland.

London was a county commissioner from 1990 to 1996. He is accused by the FBI of knowing nothing about the alleged incident.

Later the FBI claims London told them it was simply an “isolated incident.”

Traffic stop, disabled vehicle lead to drug arrests

The Islamorada big boat ordinance states a vessel cannot usurp more than 25 percent of a navigable canal waterway. The Sun Cruz usurps 30 to 40 percent depending on whether other boats are docked across the canal. This is one of the primary reasons this location is known as Crash Corner.

The Sun Cruz cannot be repaired at the Key Largo Marine where it is docked. The marina has a 60-ton lift or hoist. The Sun Cruz is listed at 127 tons by Coast Guard certification. It must go to a deep-water port for repairs.

By any prudent and reasonable measure of size this vessel fails miserably.

The Sun Cruz is not a good neighbor and this oversized vessel should operate out of a deep-water port.

Fred Nickerson
Key Largo

Florida Keys Electric Co-opera
tive Substation Electrician Chris Ayd
ment, right, flicks a replacement parts up to Substation Electrician Jimmy North at the Islamorada Substation when the station was taken offline for repairs last week.

Power was re-coated to serve the Islamorada area from the Tavernier Substation. Islamorada residents did not experience any interruption in power at any time during the repairs.

– Monroe County Sheriff’s Office

Deputies arrested two Keys men on drug charges in separate incidents Monday.

Deputies in Marathon stopped Cyril Servis III, 41, of Key West, after noticing that he had failed to properly secure a bicycle to the back of his motor home. A computer check revealed that Servis had an outstanding warrant and he was taken into custody.

A search of his motor home turned up a pipe and residue that tested positive for cocaine. Deputies arrested Servis on a charge of possession of a controlled substance and possession of drug paraphernalia.

In the second incident, deputies were checking out an apparently disabled vehicle on Card Sound Road when they noticed that the driver was acting very disorientated.

Allen King, 42, of Islamorada, gave conflicting stories about why he was parked alongside the road.

Deputies asked King if they could search his vehicle. King consented and Deputies found a glass pipe with residue that tested positive for cocaine.

Deputies also found six cocaine rocks. Deputies arrested King on charges of drug possession and his 1995 Cadillac was seized for possible forfeiture.

Thanks for saying “I saw it in The Independent.”

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PAGE 8 • APRIL 7 - 13, 2004 • THE INDEPENDENT
Easter happenings

By ROBERT SILK
Contributing Writer

Upper Keys county commissioners are taking a wait-and-see approach on the question of whether to continue the county’s association with the Morgan & Hendrick law firm in the aftermath of the FBI’s arrest of former Monroe County Mayor Jack London last week.

The FBI accused London of lying to the bureau during the course of its investigation into allegations that he used his political office to extort $75,000 from Half’s Resort owner Marvin Rappaport in exchange for a building permit on

BOCC eyes attorney firm after FBI arrest

Rappaport’s Marathon-based business. The Monroe County Board of County Commissioners (BOCC) issued the permit in June of 1996.

Last June, the United States District Court in Miami issued a subpoena to Monroe County Administrator Jim Roberts demanding that the county provide the FBI with records on London as well as Morgan & Hendrick attorneys James Hendrick, Karen Cabanas and Rafe Brooks. Cabanas still works for Hendrick & Morgan; Brooks has left the firm. The court also asked for all county

See attorneys, page 5
**What are your friends, who know Wendy, saying...**

"I have known Wendy for many years. She and I have the same goal of protecting the village and the taxpayers against special interest. I trust Wendy to be less expensive, to do what is right, and do the job and that is what I will be doing on April 14th. Vote for Wendy RUSSELL."  
**Robert Page**  
Former Seat 1 candidate

"I'm voting for Wendy because of her great energy level and strong desire to do what is best for the Village."  
**Craig Bekker**  
Owner/Chef Restaurant

"Wendy Russell gets our vote on March 9th and she's putting us all on high alert. Her intelligence, experience, dedication and drive to hard work are a winning combination we need on our village council."  
**Bill & Barbara Reddy**  
Planning Board Key Residents

"Wendy Russell runs a hard working, honest, independent, and truly qualified for this position. I support her and the unified representation on all matters. It is time to bring balance to the Board. I'm voting for Wendy in Tuesday, April 14th."  
**Joe and Robyn Phelan**  
One of our founding families

"It's not about a candidate, it's about what you care about most. I'm voting for Wendy RUSSELL on April 14th election. She's a very strong leader and a level head on our Village. Help support Wendy and bring the Village Back!"  
**Brandon Pinder**  
Elmwood School, GCMS Teacher, BCoC Director

"I support and vote for Wendy Russell on April 14th election. Because she is a very much needed leader of our Village. She has the heart and the will to get things done and bring the Village Back to life. Join me in voting for Wendy on Tuesday, April 14th!"  
**Peter McCullough**  
Member of the Board of Directors of the Key West Community Association, President, Downtown Business Association

"I am very proud of the work that Wendy Russell has done for the village. She is truly a leader and a hard worker."  
**Diane Manert**  
Former professional at Islamorada Chamber of Commerce

"Vander Russel can be found in our community as their best candidate."  
**Terry Mullen**  
Retired teacher

"I strongly recommend Wendy Russell for Village Council. I have supported her since she was a child. She has always been an example of hard work and dedication."  
**Brian Brown**  
Owner of the Bistro, Key West

"We have known Wendy for many years and she has always been active in our community. She has always been an example of hard work and dedication."  
**Tina McDonald**  
Upper Keys CPA

"I have known Wendy for many years and she has always been active in our community. She has always been an example of hard work and dedication."  
**Rich and Amy Sanchez**  
Planning Board Key Residents

"The president of the Volunteer Firefighters Association, I have had the pleasure of working with Wendy Russell for several years. She is very knowledgeable and very organized. She is a great leader and a great woman. I would recommend her to anyone. I have had the pleasure of working with her for several years."  
**Rita Tison**  
President, FFA

"Wendy Russell is my first pick for Village Council. She has always been an example of hard work and dedication."  
**David Cohen**  
Art Lover's Colony

"Wendy Russell has been a leader in our community for many years and she has always been active in our community. She has always been an example of hard work and dedication."  
**Pat McHargue**  
Planning Board Key Residents

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**Vote for Wendy Russell on Tuesday, April 13th.**

You can reach Wendy at 394-4766 or wendyrussell@aol.com

Pt. Pit Adv. Paid & Approved by the Campaign Account of Wendy Russell for Islamorada Village Council Seat 1
LIVE-ABOARDS ISSUE NEEDS BALANCE

At a recent Key Largo Trailer Village Community Crime Watch meeting, Les Capeau discussed the Monroe County Sheriff’s Office’s efforts to seek a balance in resolving the live-aboard vessel problem that we have in the Upper Keys. With the tremendous efforts of Mayor Nelson, Ken Swenson, and others, Monroe County has finally received state funding to protect our environmentally sensitive lands, support the state’s wastewater mandate, and to expand affordable and workforce housing for residents. The live-aboard vessel problem interrelates with all three of those important Keys issues.

I would like to commend Les for being proactive to seek a win-win solution for this problem. The pump-out station will allow residents of live-aboard vessels to maintain their lifestyle while protecting our environment. I encourage all Upper Keys residents to support Les in his efforts to obtain a grant from the Clean Vessel Act to purchase a pump-out station for the Upper Keys.

Vicky Fay
Key Largo Trailer Village Crime Watch chairperson
Key Largo

WILKINSON TRULY OFFERS ‘STRAIGHT FLUSH’

I just received another email update from Jerry Wilkinson on the activities of the Key Largo Wastewater Board. Oh, please, Jerry’s do-gooders waste effort and time apologizing for the imagined inadequacy and incompleteness of his updates. We just got “Straight Flush Number 38,” and Jerry doesn’t even count the schedules, agendas and other announcements he sends between board meetings. The same goes for apologizing for his inability to comply with every single faction’s wishes.

As far as I can see, Jerry is the only elected official that regularly makes an effort to keep all of his or her Key Largo constituents informed, and openly admits to voting his own mind and conscience. Jerry is doing a terrific job, and no one can say he hasn’t tried to keep his constituents involved. He is setting a standard that other elected officials, and our newspapers, should learn from.

Our local papers should be printing voting scorecards, documenting and explaining each issue that came to a vote and how our elected officials performed. And politicians should be educating their constituents on how our money is spent at every level of government. Citizens should demand that they consult on Web sites like the Florida Public Intrest Research Group (www.floridapirg.org), League of Women Voters (www.lwv.org) or the Florida League of Conservation Voters (www.floridacv.org) to find out who’s been noisy or nice, and those atty’s only report on national and state-level politics. From an Upper Keys perspective, perhaps only the Herald has the in-house resources needed to gather its own information in Tallahassee and Washington, but Internet sites (www.myfloridahouse.com is one example) make compiling a simple scorecard a relatively easy thing for any paper to report. And all of our local papers are capable of doing a better job of reporting how the commissioners, councilmen, and board members vote. Bravo, Jerry, keep up the good work.

Jim Duquesnel
Key Largo

SUNCRUZ NOT GOOD NEIGHBOR

This article is prompted by the urge to reply to the casual dealer, Mr. Hubert, regarding the accident to the SunCruz. There are so many accident reports that I referred to another accident report 100 feet away. I would like to describe the accident that we are both referring to.

If Mr. Hubert wants the facts, he should go talk to the residents across the canal from the SunCruz. The residents witnessed the accident and took pictures of the damage the next day. The SunCruz damaged the passenger loading dock, dislodged two piling and damaged a dive boat, and narrowly missed smashing the residents boat docked across the canal. The accident happened Saturday night Nov. 22 or early Sunday morning the 23rd of November in the SunCruz left early Sunday morning and did not return for three weeks to a month, according to the residents.

The captain of the SunCruz is probably very expert and professional, but the vessel is extremely oversized and very difficult to handle in the restricted canals. The accidents are not caused because the SunCruz has “casino boat” printed on its bow or because it carries gambling paraphernalia. The accidents are caused because the boat is extremely oversized.

The vessel resembles a two-story house moving down the canal and other vessels most retreat into side canals to avoid an accident. Its length is longer than the width of the canal at its dock site, which is one of the requirements of the big boat ordnance. The vessel docks by pointing its bow into the residential lot at crash corner, dock hands throw mooring lines from the stern and pull it parallel to the dock. The captain then revs the engines and shoves the boat into the mooring site behind the dive shop. The Islamorada big boat ordinance states a vessel cannot usurp more than 25 percent of the navigable canal waterway. The SunCruz usurps 30-40 percent depending on whether the other boats are docked across the canal. This is one of the primary reasons this location is known as “crash corner.” The SunCruz cannot be repaired at the Key Largo Marina where it is docked. the marina has a 60-ton lift or hoist. The SunCruz is listed at 127 tons by Coast Guard certification. It must go to a deep water port for repairs by any prudent and reasonable measure of size this vessel fails miserably. The SunCruz is not a good neighbor and this oversized vessel should operate out of a deep water port.

Fred Nickerson
Key Largo

Correction

Last week, a photo caption in the Times incorrectly stated that Jim Turner was a member of the Upper Keys Rotary Club. He is a member of the Key Largo Rotary Club. The Times regrets the error.
The construction of the Long Key Bridge

Creating the foundation piers required precision and work in difficult conditions.

The Long Key Bridge was the first big engineering and construction feat that Henry Flagler's staff faced building the Key West Extension in July 1904. Aware that huge amounts of concrete work was ahead, Flagler had employed James Meredith, a specialist in the use of reinforced concrete who had recently completed a concrete deck at Tampa, Florida. The talents of Meredith would be put to the test for this project.

Let's not forget that Flagler was very familiar with the benefits of reinforced concrete. In the 1880s, he built the largest concrete structure in the world at the time—the Fontainebleau Hotel in St. Augustine. Today it serves as the Flagler College and is worth a visit if ever in the St. Augustine area.

The Long Key Bridge went through three developmental stages. Originally, in 1906, it was to be 180 concrete arches plus 1,512 feet of filled earth viaduct to Conch Key. Each arch was 50 feet long; therefore, 9,000 feet were concrete. It was discovered that filling an earthen viaduct after the 180 concrete arch was not viable and a wooden trestle type bridge completed the route to Conch Key. The wooden trestle was used until 1913 when it was replaced with additional concrete arches. This was the same as the Channel 2 and 3 bridges, which were also made of wood until the 1913 concrete replacement project started.

The task for Meredith was not much different from the Tampico pier, but the size and remoteness of the location was the challenge. The basic steps were not much different than building a house: survey the location, build a foundation, and build a structure upon the foundation. Like a house, it was built from the bottom upwards.

In this case, there were 180 "houses" built in a row and all connected together. This article discusses the surveying and foundation. Next month we will place the 180 concrete arches upon those foundations.

To follow the construction of a complete concrete arch bridge, we must first determine the exact placement of each arch. This was accomplished using standard surveying techniques from multiple platforms placed about 60 feet apart. There was little margin for error as the wooden forms for the arches were being built in Miami.

Once the exact location was surveyed, wooden piles were driven to support a watertight box compartment in which the forms for the piers could be built. These outside boxes are known as cofferdams. Using high-pressure water hoses and any other equipment necessary, any and all loose debris was cleared away from where the form for the pier was to be placed. Vertical supporting wooden piles were carefully driven to maintain alignment until they could be secured to the ocean bottom. The surveyors kept a watchful eye during all this process.

To drive wooden piles into coral rock, the steam-operated pile driver used first used a long steel punch to punch guide holes. If punched accurately, the rest of the process would be right on the mark. The wooden piles were inserted in these holes and driven to the desired depth.

For the Long Key Bridge, most piers were to be the same; therefore, a prefabricated basic template wooden cofferdam could be accurately located to anchor the concrete pier to the bottom where the concrete is finally poured and hardened. If a pier was torn apart today, the concrete might be thought of as the basic menu. The menu was designed to be a basic menu.

Once the cofferdam was located and secured, the excess support piles were removed, holes were punched into the coral, and wooden piles were driven on the inside of the cofferdam. These piles served to fabricate forms used.

Once the cofferdam was located and secured, the excess support piles were removed, holes were punched into the coral, and wooden piles were driven on the inside of the cofferdam. These piles served to anchor the concrete pier to the bottom where the concrete is finally poured and hardened. If a pier was torn apart today, the cofferdam might be thought of as the basic menu. The menu was designed to be a basic menu.

A finished pier ready for arch forms to be attached.

A derric places cofferdams in Florida Bay.

See BRIDGE, page 24
Ex-Steelers Dunn to sell popular inn and bar

BY JULIEN GORBACH
Free Press Staff Writer

ISLAMORADA — Gary Dunn says one day he is going to write a book about his days at the Oceanview Inn and Sports Pub.

"We got a lot of characters in this place," he said. "A lot of what I call 'local color.'"

There was the kitchen worker everybody called Richard the Ego, for example.

One day Dunn gave him the cash to rent a Waveunner, something Richard said he had been dreaming about. Dunn got a call from the Coast Guard later that afternoon. They had picked up Richard.

See STEELER, page 20

Sides drawn in next week's runoff vote

BY JULIEN GORBACH
Free Press Staff Writer

ISLAMORADA — The sides are being drawn with days left before the Village Council runoff election.

Seat 1 runoff candidates Wendy Russell and Patty Schmidt have both made scores of personal phone calls to constituents for the April 13 vote.

Russell also reached out to Bob Page and Councilman Michael Beckwendt, and they have put her in touch with their supporters and campaign workers.

Beckwendt beat John Verden for Seat 5 with about a 60 percent of the vote. Page lost the March 9 election for Seat 1 to Russell and Schmidt, who will face one another in the runoff since neither garnered more than 50 percent of the vote.

Schmidt received 5 more votes than Russell.

"Between Michael Beckwendt and Bob Page, I feel I have a lot of support behind the scores, a lot of people working for me," Russell said.

Page spent three years

See RUNOFF, page 12
Obstacles to development vanish after alleged bribe

BY TRAVIS JAMES TRITTMEN
AND LAURIE KARNATZ
Tampa Tribune West Bureau

MARATHON — In March 1996, Marvin Rappaport hadn't made much progress with Monroe County on his planned 79-acre resort at the Half's Fish Camp property in Marathon.

Despite recommendations by county code enforcement staff that the existing fish camp be razed and replaced, and despite approval of the project by the planning commission, it remained mired in legal limbo by the county's land-use counsel — a partner in then-county attorney Jim Hendrick's firm, and its growth management director.

Rappaport couldn't get the project on a county commission agenda for discussion, much less approval.

Then Rappaport and his attorney each received striking letters — one of them from the man accused of soliciting a bribe from him and funneled some of the money to then-County Mayor Jack London.

The first, to Rappaport attorney Charles Siemon and dated March 15, 1996, was from County Administrator Jim Roberts. In an unusual move, Roberts, rather than Growth Management Director Bob Herman or his staff, outlined the necessary steps to move the project forward.

"It was not an attempt by me to put the stonewall to this guy," Roberts said Thursday. "It is basically a rehash of what he was told earlier by staff, but he wanted to hear something else."

In the letter, Roberts wrote that county land-use attorney, half-Brookes — a partner at Hendrick's firm — and Herman said Rappaport should file a lawsuit in circuit court, submit a site plan for the project and take the issue to a county hearing officer to determine whether Rappaport could develop the property. Those requirements would have been time consuming and costly.

The requirements also seemed out of context with planning practices at the time and at odds with the fact that Rappaport had settled state regulatory concerns about the project a decade earlier.

The project had been approved by the full planning commission against the recommendations of county planning staff. That in itself could have been considered unusual because the planning commission at the time was comprised of Marathon real estate developer Betty Chaplin, Upper Keys Real Estate Board member, Monica Haskell, Grace Mannillo and Harold Nugent. It had a reputation as conservative in terms of approving new development.

The requirement to determine "vesting" — the ability to obtain building permits without being subject to existing building rules — seemed unnecessary with permitting procedures at the time. In fact, permits that had been "in the pipeline" before the county's Comprehensive Land Use Plan took effect on Jan. 4, 1996, which this one was, were generally not considered to need vesting.

"It was an astounding letter," said Rappaport attorney Siemon. "I have never been invited to write a friendly letter. We filed a lawsuit that wasn't friendly at all."

Roberts said he replied personally to Siemon, rather than Herman or Brookes, because Siemon had stepped up to ask Roberts directly for a response.

He said the outlined requirements did not seem unreasonable and that he does not recall if Rappaport followed through with the staff suggestions.

"I don't know whether it is typical or atypical," Roberts said. "The growth management issues are very complex and they are handled through growth management."

On March 29, Rappaport received his own letter, this time from a political consultant based in Miami, but who had strong ties in the Florida Keys. The consultant, Randy Hillard, is named in an FBI affidavit as a bagman in the bribery scheme that the FBI says bought approval for Rappaport's Marathon project.

In the letter, apparently a follow-up to a face-to-face meeting the Rappaport, Hillard wrote: "As we discussed, there are political problems in the Keys which need attention. I believe I can resolve your particular problems in a timely manner. Certainly, far more quickly and at a fraction of the cost of a traditional congressional or legislative campaign, in which my sources say you are not sure of your win."

Hillard laid out three terms in the letter for the "successful outcome" of Rappaport's "requirements": an immediate $7,500 retainer, $30,000 upon adoption of "your resolution by the Monroe County Board of Commissioners" and a charitable donation of $25,000 to the Florida Keys Sensitive Planning Alliance, a Hillard corporation.

"I heard about it and I withdrew from the case," Siemon said. "It was not a minor thing for me to tell my client that I had to withdraw."

Rappaport paid the money, $29,000 of which, according to FBI allegations, ultimately ended up in London's pocket.

And, according to county records and an FBI criminal See OBSTACLES, page 31
Prosecutors question county commissioners
State Attorney’s Office investigates Stock Island sewer deal, London’s role

BY TRAVIS JAMES WITTEN
AND LORI KARNAZ
Free Press Key West Bureau

KEY WEST — While the FBI prepares for a federal indictment of former County Mayor Jack London on charges he lied to federal agents about bribes, the Monroe County State Attorney’s Office is investigating allegations that London illegally lobbied for a controversial south Stock Island sewer project.

London was arrested Saturday, March 28 by the FBI, based on allegations he lied to agents about soliciting a $75,000 bribe from a Marathon developer. No grand jury indictment had been issued by Friday afternoon.

The lobbying allegations against London are one facet of a $4.5 million saga that includes

a highly unusual contract vetted by county legal staff and the approval of sewer plans — introduced by County Administrator Jim Roberts — that apparently were never reviewed by commissioners.

The wastewater collection system was built through a partnership between the county and the privately owned Key West Resort Utilities, which already owned a sewage treatment plant on Stock Island.

The project initially was loadeded by commissioners, who hoped the partnership would provide a quicker and cheaper alternative to a public system built by the county’s wastewater utility, the Florida Keys Aqueduct Authority. But south Stock Island residents have protested for more than a year over what they say are unfair, high connection costs.

“The project could lead one to question whether there were some inappropriate actions taken,” County Commissioner David Rice said. “We really do need to be upfront with the public.”

County Commission Chairman George Neugent says he recently was questioned by investigators from the state prosecutor’s office about London’s role in the Key West Resort Utilities project.

Neugent said he told investigators that London talked to him about supporting the project soon after London left office in 1998.

State law requires public officials wait two years before lobbying the boards on which they served.

“Although I was initially very much in support of the Key West Resort Utilities project, I did not know that it was a mistake or a breach of ethics for an outgoing commissioner to lobby sitting commissioners on different projects,” Neugent said.

Doug Carter of Key West Resort Utilities told The Key West Citizen this summer that it began paying London as a lobbyist as soon as he left the commission. Carter immediately recanted after he learned of the state law from a Citizen reporter. Owner Bill Smith did not return a call to his office for comment Friday.

The county commission approved a contract with Key West Resort Utilities in August 2001 to provide sewage treatment to county property and then approved a second contract to sewer south Stock Island in July 2002.

State investigators questioned Neugent several times in the past six months, he said.

“The scope of the investigation seemed to me broader than just one person,” Neugent said. “I think we have to find the smoking gun, and I think the FBI and the state attorney continue to deal with this.”

Rice also said he has been questioned by state investigators.

“Probably the first time was about a year ago,” he said. “I have had more recent contact probably in the last month.”

Complaints over the handling of the project may have been filed with the Florida Commission on Ethics, but those documents are not publicly available until the complaints are settled, Rice said.

State Attorney Mark Kolda refused to confirm or deny an investigation by his office.

State prosecutors may not be able to charge London on the alleged illegal lobbying. The statute of limitations for a third-degree felony or any misdemeanor charges expired years ago, according to Florida statutes.

Numerous problems

County auditors have found numerous problems with both contracts and spending patterns under each. But of the two contracts with the private utility company, the second, to sewer south Stock Island, was “completely unique,” according to Monroe County Clerk Danny Kolhage.

The contract was allegedly written by Key West Resort Utilities President William L. Smith Jr. or his law firm — neither of which is licensed to practice law in Florida. It allowed the company to bypass financial review by the clerk’s office, something that has never happened in Kolhage’s tenure. Instead, county funds were placed in a private account that was drawn upon at will by Smith and his utility

See STORY, page 91
obstacles

Continued from page 69

complaint released last week, the county commission approved Bayside Resort's hotel project in its consent agenda less than three months after the payment made was made. Consent agenda items, commonly referred to as bulk approvals, are done without discussion. The approval also came without a formal request for public comment.

The approval also came without a formal request for public comment.

To Siemon, Hilliard did not return a call to his office for comment.

London was arrested Saturday, March 27 while trying to fly to Ireland from Key West International Airport. The FBI feared London, who owns a home in Ireland and holds dual citizenship, would not return from the trip.

London's arrest is likely part of a rash wider federal corruption probe in the Florida Keys.

FBI agents have been investigating since the summer of 2002, perhaps longer, and a federal grand jury subpoenaed county documents on London. Hendrick, Hendrick's colleagues Ralf Brookes and Karen Cabanas, and Hawk's Cay Resort on Duck Key Dr. Dana Schoon-Pathm Singh, a close friend of Hendrick's who is responsible for the construction of about $300 million in Keys real estate, was given county commission approval for major expansion of Hawk's Cay in 1997 and 2002.

BRIEFS

NEWS AROUND THE KEYS

Sheriff's office provides news

STOCK ISLAND — The Monroe County Sheriff's Office produces a monthly e-mail newsletter aimed at keeping citizens up to date on local law enforcement-related news, special events and crime prevention information. Also included in the newsletter is the latest news about events in county government.

"MCOS Community News" is sent out to subscribers on the first Monday of every month and is free to anyone who wants to receive it.

To subscribe to the newsletter, send an e-mail note to Editor Becky Herin at mcso_news@keysnet.net.

To view past editions of "MCOS Community News," visit the sheriff's office website at www.keysnet.net and click on "MCOS Community News."
The marriage penalty isn't gone

The 2003 tax law provided limited, temporary relief from the marriage penalty, a situation in which a married couple pays higher taxes than they would pay as singles with the same income. The standard deduction for marrieds was increased, and the 15% tax bracket for couples was increased to double that of singles. However, working couples still face a marriage penalty under current provisions of the law. If you're changing your marital status soon, get details on how you could be affected. Call us.

305-451-3464

9911 Overseas Highway • Suite 4 • Key Largo
keys106@bellsouth.net
www.keysaccounting.com
Only scrutiny will mend trust

For decades, there have been tales of shady deals and allegations of corruption in Monroe County government. Former county code enforcement inspector Marty Arnold complained loudly of misdeeds by public officials before he was fired by County Administrator Jim Roberts. Roberts labeled him as a troublemaker and broughtArnold before the Career Services Board for threatening to quit.

Key West attorney Michael Halpern at one time filed - then dropped - a civil suit alleging two decades of racketeering by county land-use counsel Jim Hendrick and his longtime friend, Keys developer Pritam Singh. Hendrick and Singh claim the lawsuit sprung from a long-standing grudge held by Halpern. Maybe so, but federal investigators have subpoenaed records of development deals involving the two, and records pertaining to county payments to Hendrick and his law firm.

In fact, for more than a year we've known - and reported - that state and federal agents have been conducting interviews and subpoenaing records. Their focus has been on checking, from the development of upscale Truman Annex by developer Singh to the county's dealings with a private utility company that built a public sewer system on Stock Island - a utility company that hired former County Commissioner Jack London to lobby for the project.

Even with these gathering clouds, London's recent arrest and allegations he solicited a bribe for approval for a resort project in Marathon still came as a shock to many in Monroe County. It's not that we didn't see something coming. But the FBI's allegations of corruption by the former mayor do not outline a fuzzy gray area in the hinterlands between ethics and the shadows where judgment lapses. They tell an alleged tale of a developer held hostage by bureaucracy, an elected official who offers a solution based not on the project's compliance with county regulations, but on a $75,000 payoff, some of which, according to the FBI, was paid off on the elected official's vacation home in Ireland.

Could London really have so brazenly violated the public's trust? We simply don't know, but if the allegations are true, it seems doubtful he could have accomplished it alone.

First of all, despite approval of the project by the planning commission, the county administration threw up obstacles that appear unprecedent- ed. And after the alleged bribe, those obstacles apparently just vanished and the project was approved by the county commission without discussion. Could a single commissioner so confidently command the machinery of county government?

Administrator Roberts recently complained on a radio show that media coverage about alleged corruption in Monroe County was unfairly eroding public confidence in county government. Maybe so, but it's not the belief that the prospect of public officials soliciting bribes does far more to erode public confidence in local government than the resultant newspaper headlines. Silence and secrecy do little to restore public faith.

The statute of limitations apparently has expired on many of the situations that have drawn the FBI's attention - hence London's charge of making false statements to federal investigators. But we are told that under federal racketeering laws, past misconduct can be used in court to establish a pattern of corruption. It is our hope that the federal investigation continues aggressively to turn over every rock that might conceal the green slime of government corruption.

Shining the harsh light of public scrutiny on the actions - past and present - of coun- ty government, and removing even the appearance of impropriety, might just begin to restore the trust of the people who bankroll that government with their taxes.

Pump-out service supporters

At a recent Key Largo Trailer Village Community Crime Watch meeting, Sgt. Lou Caputo discussed the Monroe County Sheriff's Office efforts to seek a balance in resolving the live-aboard vessel problem that we have in the Upper Keys.

With the tremendous efforts of Mayor Murray Nelson, Rep. Ken Sorensen and others, Monroe County has finally received state funding to protect our environmentally sensitive lands, support the state's waste-water mandate, and to expand affordable and workforce housing for residents.

The live-aboard vessel problem interrelates with all three of these important Keys issues. I would like to commend Lou for being proactive in seeking a viable solution.

The pump-out station will allow residents of live-aboard vessels to maintain their lifestyle while protecting our environment.

I encourage all Upper Keys residents to support Lou in his efforts to obtain a grant from the Clean Water Act to purchase a pump-out station for the Upper Keys.

Vicky Fay, Key Largo Trailer Village

As a community that is directly affected by live-aboard and transient vessels without proper sanitation devices, we support the efforts of Sgt. L. Caputo and his advisory board in dealing with the problem of vessels discharging sewage directly into our waters in the Upper Keys. Members of our community have witnessed the actual discharge of human waste from some of the vessels.

An obvious solution is to provide a pump-out boat service to our live-aboard and transient vessels to ensure the future health of our waters. We urge the county to use the available funds from the Clean Water Act to purchase and operate a pump-out vessel in the Upper Keys.

Michael Hollier, president, Pirates Cove board of directors, Key Largo
To: Faith Doyle

at: Government Services Group

Fax No.: 407-629-6963

Total No. Of Pages: 6 (including this cover sheet)

Message:

Attached, please find the revised Roevac warranty for inclusion in the agenda for next week's KL WTD Board Meeting. Thanks.

From:

Peter M. Kinsley

Division Leader - Water

If you do not receive all of these pages, or are having a problem with the reception of this material, please call: 904/791-4500, ext. 4868

Return FAX Number: ☐ 904/791-4693 ☐ 904/791-4697 ☐ 904/791-4699 ☐ 904/695-2112 ☐ 904/695-2396 ☒ 904-475-7642

HASKELL BUILDING • JACKSONVILLE, FLORIDA 32231-4100 • 904/791-4500 FAX 904/791-4699
Attached, please find the revised Roevac warranty which reflects the agreement reached between Mr. Dillon, James Dalesh of Roediger and myself via conference call conducted on April 13, 2004.
**Please Print**

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<th>Name &amp; Company</th>
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<td>Robert E. Burt</td>
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BOARD OF COUNTY COMMISSIONERS
Agenda Item Summary

Meeting Date April 21, 2004  Division County Attorney

AGENDA ITEM WORDING

Public hearing of an ordinance to provide that ad valorem revenue raised by the
MSTU together with land and grant funds may be used to pay compensation and
expense reimbursement to the members of the Key Largo Wastewater Treatment
District Governing Board.

ITEM BACKGROUND

PREVIOUS RELEVANT BOCC ACTION

Approval to advertise for one public hearing at the March 17, 2004 meeting.

CONTRACT/AGREEMENT CHANGES

STAFF RECOMMENDATIONS

Approval.

TOTAL COST

BUDGETED Yes No

COST TO COUNTY

SOURCE OF FUNDS

APPROVED BY: County Attorney □ OMB/Purchasing □ Risk Management □

DIVISION DIRECTOR APPROVAL

DOCUMENTATION: Included □ To Follow □ Not Required □

AGENDA ITEM # 71- Revised Ord.

TO: FAITH DOYLE

DEPT: 3 PGS

CO: 407-629-6963

FAX: 407-629-6963

FROM: DONNA

RECEIVED APR 17 2004

DATE: 4-19-04
ORDINANCE NO. - 2004

AN ORDINANCE OF THE BOARD OF COUNTY COMMISSIONERS OF MONROE COUNTY, FLORIDA, AMENDING ORDINANCE NO. 18-2003 CODIFIED AS ART. VIII, CHAP. 15.5, MONROE COUNTY CODE, CREATING THE KEY LARGO WASTEWATER TREATMENT DISTRICT MUNICIPAL SERVICE TAXING UNIT (MSTU), IN ORDER TO PROVIDE THAT AD VALOREM REVENUE RAISED BY THE MSTU TOGETHER WITH THE PROCEEDS OF ANY GRANT OR LOAN TO THE KEY LARGO WASTEWATER TREATMENT DISTRICT MAY BE USED TO PAY COMPENSATION AND EXPENSE REIMBURSEMENT OF THE MEMBERS OF THE KEY LARGO WASTEWATER TREATMENT DISTRICT GOVERNING BODY; PROVIDING THAT SUCH REVENUE MAY BE USED TO PAY CERTAIN OTHER ADMINISTRATIVE COSTS AS DEFINED HEREIN; PROVIDING FOR SEVERABILITY; PROVIDING FOR THE REPEAL OF ALL ORDINANCES INCONSISTENT HEREWITH; PROVIDING FOR INCORPORATION INTO THE MONROE COUNTY CODE OF ORDINANCES; AND PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF MONROE COUNTY, FLORIDA:

Section 1. Sec. 5A of Ordinance No. 18-2003, codified as Sec. 15.5-125(a), Monroe County Code, is hereby amended to read:

(a) Revenues derived from ad valorem taxes levied within the Key Largo Wastewater Treatment District Municipal Service Taxing Unit pursuant to Section 4 shall be used solely to pay for and provide funding for administration, planning and development costs associated with and incurred in advancing of wastewater and reclaimed water projects within and benefiting the Key Largo Wastewater Treatment District Municipal Service Taxing Unit. For the purposes of this Subsection the phrase administration costs shall include the compensation and expense reimbursement of Key Largo Wastewater Treatment District (District) governing board members. Administration costs shall also include legal fees and expenses, consultant fees and expenses (including but not limited to all professions listed in Sec. 287.055(2)(a), Fla. Stat.), employee salaries and benefits, bond underwriting fees and all other costs usually associated with issuance of debt, the reimbursement of any public or private entity, person, firm, partnership or corporation for any monies advanced to further the District purposes, and all other expenses as may be necessary or incidental to the furtherance of District purposes. Administration costs, as described in this subparagraph, may also be paid for out of the proceeds of any grant or loan made by the Unit or County to the District unless specifically prohibited by the terms of such grant or loan.
BOARD OF COUNTY COMMISSIONERS
Agenda Item Summary

Meeting Date: April 21, 2004
Division: County Attorney

AGENDA ITEM WORDING

Public hearing of an ordinance to provide that ad valorem revenue raised by the MSTU together with land and grant funds may be used to pay compensation and expense reimbursement to the members of the Key Largo Wastewater Treatment District Governing Board.

ITEM BACKGROUND

PREVIOUS RELEVANT BOCC ACTION

Approval to advertise for one public hearing at the March 17, 2004 meeting.

CONTRACT/AGREEMENT CHANGES

STAFF RECOMMENDATIONS

Approval.

TOTAL COST

BUDGETED: Yes □ No □

COST TO COUNTY

SOURCE OF FUNDS

APPROVED BY: County Attorney □ OMB/Purchasing □ Risk Management □

DIVISION DIRECTOR APPROVAL: John R. Collins

03/25/04

JOHN R. COLLINS

DOCUMENTATION: Included □ To Follow □ Not Required □

AGENDA ITEM #: 71-Revised Ord.

TO: FAITH DOYLE

DEPT: 3 PGS

CO: 407-629-6963

FAX: 407-629-6963

RECEIVED

APR 17 2004

MAYOR

COMM. NELSON
During last week's meeting, there was much discussion regarding a location for the KLWTD to operate. In addition to leased space or building ownership, the Board may want to consider expanding their on-site building to accommodate future operations. The footprint of the building is nearly square and by adding a second floor, 1200 to 1300 sf of usable space could be created. This would not satisfy immediate needs, but could be a long term solution.

If this is a viable option that the board would like to consider, I would request that we get through planning and development first. As a requirement of the application, we submitted floor plans and building elevations, which would be significantly altered by adding a second floor. In addition, building and life safety issues related to public access and traffic impact would both have to be reviewed. My guess is that the county would require a full blown resubmission of our application. In order to avoid any associated delays to the development and planning process, I would request we receive county approval first and then discuss amending our application.

I am sure there are other considerations that I am missing, but I thought I would offer this idea for your consideration.

Peter M. Kinsley
The Haskell Company
Division Leader - Water
904/ 357-4868 (phone)
904/ 357-4282 (fax)
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RESOLUTION NO. 471 - 2003

A resolution of the Monroe County Board of Commissioners committing funds to assist low and very low income households in the payment of wastewater connection fees and in making necessary and related on-site improvements for project areas located in the Stock Island, Baypoint, Conch Key, and Key Largo (Key Largo Trailer Village, Key Largo Park, and Sunset Waterways) wastewater project areas, based on specific funding projections provided by the Monroe County Housing Authority and adopting an implementation plan for utilization of County funds to be administered through the Monroe County Housing Authority for eligible households seeking assistance under the program.

WHEREAS, the County currently has oversight for the following four wastewater projects either under construction or nearing the point at which construction will begin:

- Stock Island
- Baypoint
- Conch Key and
- Key Largo (Key Largo Trailer Village, Key Largo Park, and Sunset Waterways); and

WHEREAS, Resolution 306-2002 commits the County to assist "economically disadvantaged households" in the low and very low income categories as defined by HUD; and

WHEREAS, the FEMA, which is providing funding for three of the projects noted above, requires that the County mitigate financial impacts to economically disadvantage households as part of its Environmental Justice standards; and

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records, a projected number of applicants for each area (at a 50% participation level), and the necessary funding commitment (with a $2,700 connection fee assumed); and

WHEREAS, the County wishes to establish and implementation plan for the provision of funds to assist low and very low income qualified households in making payments toward wastewater connection fees and wastewater related on-site expenses; and

WHEREAS, a Interlocal Agreement between the County and the Monroe County Housing Authority (MCHA) exists, which allows the MCHA to implement this program on behalf of the County, now, therefore,

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS,
MONROE COUNTY, FLORIDA THAT:

Section 1. The Board shall reserve sufficient funds from available funding sources, including an existing Community Development Block Grant (CDBG) to meet the estimated financial assistance needs of low and very income households as itemized for each of the following four project service areas:

1. Stock Island
   Connection Costs $852,390
   Abandonment / Lateral Costs $947,100

2. Baypoint
   Connection Costs $86,098
   Abandonment / Lateral Costs $95,664

3. Conch Key
   Connection Costs $39,492
   Abandonment / Lateral Costs $43,880

4. Key Largo
   Connection Costs $207,751
   Abandonment / Lateral Costs $230,834

Total
   Connection Costs $1,185,730
   Abandonment / Lateral Costs $1,317,478

Grand Total $2,503,209

Section 2. The estimated funds required are considered approximate based on available census data and 50 percent program participation. These numbers http://www.minutes-monroe-clerk.com/weblink/DocView.asp?DocumentID=42641&FolderID=13955&S...
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will be adjusted as needed based on the actual number of applicants from low and very low income households participating and on actual capital construction costs.

Section 3. Such funds and their use for the purposes set out herein shall be administered through the Monroe County Housing Authority as provided for in the attached Implementation Plan (Attachment 2).

Section 4. The Board adopts the attached Implementation Plan (Attachment 2) as the criteria by which qualification for assistance will be determined and the means by which the amount of funding assistance to be provided each applicant will be established. This implementation shall be utilized for all wastewater funding assistance projects unless otherwise specifically identified or modified. Background for the Implementation Plan is provided in Attachment 3, provided for information purposes.

PASSED AND ADOPTED by the Board of County Commissioners, Monroe County, Florida at a regular meeting of said Board held on the 15th day of October, A.D., 2003.

Mayor Dixie Spehar
Mayor Pro Tem Murray Nelson
Commissioner George Neugent
Commissioner Charles "Sonny" McCoy
Commissioner David Rice

Mayor/Chair Person

BOARD OF COUNTY COMMISSIONERS
MONROE COUNTY, FLORIDA

ATTEST: DANNY I. KOLHAGE, CLERK

BY: Deputy Clerk

MONROE COUNTY ATTORNEY
APPROVED AS TO FORM:

Marine Resources

Attachment 1

Funding Estimates
Estimated Funding Commitment Necessary to Meet Needs of Financially Disadvantaged Households

<table>
<thead>
<tr>
<th>Project Area</th>
<th>Est. No. of Eligible Households</th>
<th>Projected No. of Applicants*</th>
<th>Projected Funding Commitment**</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stock Island</td>
<td>763</td>
<td>382</td>
<td>$1,799,490</td>
</tr>
<tr>
<td>Baypoint</td>
<td>82</td>
<td>41</td>
<td>$181,762</td>
</tr>
<tr>
<td>Conch Key</td>
<td>36</td>
<td>18</td>
<td>$83,372</td>
</tr>
<tr>
<td>Key Largo</td>
<td>193</td>
<td>97</td>
<td>$438,585</td>
</tr>
</tbody>
</table>

* - Estimated maximum program participation – 50%

** - 70% grant for low income households
90% grant for very low income households
Assumed $2,700 Connection Fee
Assumed $3,000 maximum on-site improvement cost
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Attachment 2

Implementation Plan for
Wastewater Assistance for Low and Very-Low Income Households

All funds awarded will be in the form of grants to the homeowners and loans to property owners providing rentals to qualified beneficiaries.

The process for selecting, accepting, reviewing and approving requests for assistance will be by advertisement in local newspapers of general circulation on at least four occasions. This process will provide a minimum sixty (60) day application period. Additional outreach activities shall include, press releases, announcements at public meetings and notification to the following: non-profit organizations, social service providers, local churches, daycare providers and organizations serving the elderly. Any subsequent application periods necessary shall meet the criteria outlined above.

Properties to be addressed shall meet all of the following criteria:

Priority #1
- Single family unit
- Owner occupied
- Primary residence
- Contain Housing Quality Standards or Health/Safety Violations or sewer connection requirements

Priority #2
- Property owners
- Single family unit or multifamily rental properties
- Occupied by qualified beneficiaries has sewer connection requirements.

Applications received within the application period(s) which meet the primary criteria above shall be prioritized based on the schedule outlined herein. Those household/projects receiving the greatest priority score shall be addressed until all available funding has been expended.

Priorities
Elderly (one owner greater than 62 yrs.)  10
Disabled household member  10
Documented Multiple Housing Quality Standard violations  10
Very low income  05
Children in household (greater than 2)  05
Length of Ownership (greater than 15 yrs.)  05
(0-5yrs = 0; 6-10yrs = 2; 11-15yrs = 3; 16yrs+ = 5)
Single head of household (2 or more persons)  05

Note: In the event of tie scores, very low-income households will receive priority.

Conflicts of interest will be addressed pursuant to 24 C.F.R. Section 570.489 and Chapter 112.311-112.3143, F. S. by immediate identification of potential conflicts.

Additionally, beneficiaries will be identified in minutes of the Monroe Board of County Commissioners (BOCC) and the CDBG Citizens Advisory Task Force meeting(s) so that any previously unknown conflicts may be surfaced. The conflicts will be acknowledged publicly along with the final selection of beneficiaries.

It is the intent of the Monroe County Commission and the CDBG Citizens Advisory Task Force to deal with these conflicts if such conflicts occur on a local level and request waiver for acknowledgement of the conflicts when appropriate.

Monroe County will also provide funding for sewer connections for property owners of single-family rental properties, occupied by eligible households. These will fall under the priority #2 category listed above. In the event of funds availability and completion of all applicants under priority #1, the County will provide funds for the sewer connection and on-site improvements for Priority #2 under the following process.

Assistance will be provided as a loan. Applicants will execute a note secured by a mortgage on the subject property. The term of the note will be for five (5) years at zero (0) percent interest and requires no regular payments. The principal balance shall be forgiven by 1/5th annually on the anniversary date. The mortgage shall contain affordability covenants that require that during the term of the loan, the property shall be rented on an annual lease to very low- and low-income households subject to annual income certification.
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Attachment 3

Background for Implementation Plan
Marine Resources

The County is using FEMA funding to assist in build wastewater systems throughout the county. FEMA has addressed assistance to Low- and Very Low-Income eligible residents through Executive Order (EO) 12898:

Executive Order (EO) 12898 (Environmental Justice), entitled "Federal Action to Address Environmental Justice in Minority Populations," directs Federal agencies "to make achieving environmental justice part of its mission by identifying and addressing, as appropriate, disproportionately high and adverse human health or environmental effects of its programs, policies, and activities on minority populations and low-income populations in the United States..." To reduce costs to low-income and very low-income service recipients in compliance with EO 12898, financial assistance guidelines have been developed.

Under this EO, FEMA has provided a minimum requirement to be met:

Low-income property owners would receive assistance with at least 70% of their system capital cost; and 70% of their existing system abandonment and lateral costs, up to $3,000.

Very low-income property owners would receive assistance with at least 90% of their system capital cost, and 90% of their existing system abandonment and lateral costs, up to $3,000.

The assistance guidelines presented above represent a minimum goal and will be required during project implementation in order for the Monroe County/FKAA to receive FEMA grant funding. Costs to low-income service recipients may be further offset at the County’s discretion. Further assistance could come from State grant funding made available from Community Development Block Grants, the State Housing Initiative Partnership Program, and/or a project contingency made available from existing State and Federal grant funding. Monroe County has identified recently awarded CDBG funds that are available to help low-income wastewater service recipients throughout the county.

The 90% / 70% assistance program set forth is designed to address the needs of low-income and very low-income property owners. FEMA does not have specific requirements under EO 12898 to assist low-income renters. The County will provide such assistance to homeowners that rent to income eligible tenants. The County intends to provide the same level of service to this renting population. With the implementation of the FEMA assistance program and the use of FEMA grant funding and Monroe County funding, no highly disproportionate or adverse affects would be felt by low-income or very-low income
The Monroe County Housing Authority currently uses the first two tiers of the U.S. Department of Housing and Urban Development's (HUD's) MFI-based income levels to administer its low-income assistance programs. To administer their programs fairly, HUD makes annual projections of MFI by county and adjusts for family size. The first two tiers of low- and very low-income levels are set as percentages of the county MFI. In 2003, the income limits for a family of three in Monroe County were $40,700 for the low-income level and $25,450 for the very low-income level.

Table below shows HUD's FY 2003 poverty, very low-and low-income levels for various family sizes in Monroe County.

<table>
<thead>
<tr>
<th>Number of People In Household</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low-Income</td>
<td>$31,650</td>
<td>$36,150</td>
<td>$40,700</td>
<td>$45,200</td>
<td>$48,800</td>
</tr>
<tr>
<td>Very Low-Income</td>
<td>$19,800</td>
<td>$22,600</td>
<td>$25,450</td>
<td>$28,250</td>
<td>$30,500</td>
</tr>
<tr>
<td>Poverty</td>
<td>$11,850</td>
<td>$13,550</td>
<td>$15,250</td>
<td>$16,950</td>
<td>$18,300</td>
</tr>
</tbody>
</table>

The Community Development Program Administrator, Special Programs Office (SPO), Monroe County Housing Authority (MCHA) will be administrator of this program and implement the program.

The Implementation Plan is administered according to the County's Housing Assistance Plan (HAP)(Amended), See pertinent information from the HAP atAttachment A. Whether funds are provided through the State / Federal CDBG grant process or provided by the County through other funding mechanisms and sources, the Implementation Plan will be administered as identified below, as a CDBG program with the same stipulations and application forms.

The application process is based on the County HAP. An application with a cover letter explaining this CDBG program is mailed out and available at the SPO office. The application period is for 60-days. The SPO staff is available to assist in answering any questions regarding eligibility and completing the application. When the applications are received, they are reviewed for completeness. If additional information is needed, this is requested of the applicant. The application consists of: a cover letter; application instructions; application form for information on address, household composition, income level, and, status – owner-

occupied, primary residence or owner renting to eligible tenant; release form; resident income certification form; social security consent for release of information form; statement of no tax return form. A letter from the SPO staff to the applicant is provided to inform them that they have a complete application and that they have or have not met the CDBG application requirements. If they have not met the requirements, the reasons are stated in the letter, e.g., over the income limit or the property is not their primary residence. If they did meet the requirement, their letter will inform them to expect another letter as to the amount to be awarded and additional instructions.

When the application period is closed, all outstanding information is requested of applicants, i.e., 1040 tax return for the previous year, applied for Homestead Exemption, and any other exigent circumstances. If required, the Citizens Advisory Task Force (CATF) will approve an extension of this application completion process to close out outstanding issues. Once all applicant issues are resolved, an order-of-merit listing is prepared for approval by the CATF and forwarded to the BOCC for conflict of interest resolution and approval. Based on the funding allocated, and the number of applicants on the list, a household dollar amount can be allotted to each applicant.

When the funding for each household is known, the SPO staff sends a letter of commitment to the household and instructions on contracting a plumber to connect their home to the sewer system and their septic cesspit abandonment. At this point the SPO staff works directly with the applicant to ensure timely payments are made to the plumbers and the contract requirements are being met, i.e., permits obtained, county inspections made, etc.

Funding requests to DCA are made from a combination of the individual funding amount and the plumbing contractor costs. The owners, primary-residence receives the money as a grant. The owner renting to income eligible tenants, receive their funding in the form of a promissory note. Attachment A provides the promissory note process. The SPO staff will coordinate all of the payments through the County. Once all payments have been completed and the CDBG funds have been expended, the SPO staff can begin closing out this CDBG grant. Close out with DCA will take three (3) months.

10/31/2003

I have just finished having a discussion with Bonnie Wells who is Chief of Contracts for Metro Dade Water and Sewer Department. She was referred to me by DEP to discuss the possibility of Dade County providing waste water treatment to Key Largo from their south county facility located in the Florida City area.

I informed her that we were beginning the process of updating our master plan and now would be a good time to have this discussion regarding treatment alternatives, especially in light of the fact that we will need to explore capacity expansion for any of the new projects we identify as result of the update.

Keep in mind we only have 2.6 acres to build all future treatment facilities, it will have to meet AWT standards and additional land is hard to find a very expensive. This option could afford us unrestricted treatment capacity at non- AWT cost plus avoid any need for additional land.

I would recommend to the Board that we be authorized to have additional discussions with Dade County regarding this alternative.

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From: Robert Sheets [rsheets@govserv.com]
Sent: Tuesday, April 20, 2004 8:41 AM
To: Andy Tobin (E-mail); Charles Brooks (E-mail); Cris Beaty (E-mail); Gary Bauman (E-mail); Jerry Wilkinson (E-mail)
Cc: Charles Sweat; Faith Doyle; Ed Castle (E-mail); Jeff Weller (E-mail); Thomas M. Dillon (E-mail)
Subject: Discussion with Metro Dade

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Subject: Re: Discussion with Metro Dade

Robert;

The Board has asked on several occasions about the ability to expand the treatment plant. Before we go exploring in another County I would like something in writing from the engineers stating EXACTLY how much capacity we have for expansion.

Please add this to the discussion.

Thank you.
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