December 1st
2004
KEY LARGO WASTEWATER TREATMENT DISTRICT BOARD OF COMMISSIONERS MEETING

AGENDA

Wednesday, December 1, 2004 at 5:00 PM
Key Largo Civic Club, 209 Ocean Bay Drive
Key Largo, FL

Charles Brooks ~ Chairman
Gary Bauman ~ Vice Chairman
Andrew Tobin ~ Secretary-Treasurer
Charles Brooks ~ Commissioner
Glenn Patton ~ Commissioner
Claude Bullock ~ Commissioner

Charles F. Fishburn ~ General Manager
Thomas Dillon ~ District Counsel
Carol Simpkins ~ Board Clerk

PLEASE TAKE NOTICE AND BE ADVISED, that if any interested person desires to appeal any decision of the KLWTD Board, with respect to any matter considered at this meeting, such interested person will need a record of the proceedings, and for such purpose, 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. Persons with disabilities requiring accommodations in order to participate in the meeting should contact the Board Clerk at 305-451-5105 at least 48 hours in advance to request accommodations.

I. CALL TO ORDER

II. PLEDGE OF ALLEGIANCE

III. ROLL CALL

IV. APPROVAL OF AGENDA WITH ANY ADDITIONS OR DELETIONS

V. APPROVAL OF MINUTES
   1. November 17, 2004 (Action) TAB 1

KLWTD Agenda
December 1, 2004
VI. PUBLIC COMMENT

VII. FINANCIAL OFFICER’S REPORT
2. Approval of Pending Payments list for December 1, 2004 (Action) TAB 2
3. Discussion of Bank signature authority requirements TAB 3
4. RESOLUTION NO. 07-11-04
   A RESOLUTION OF THE KEY LARGO WASTEWATER
   TREATMENT DISTRICT DESIGNATING CERTAIN
   COMMISSIONERS AS AUTHORIZED SIGNATORIES OF THE
   KEY LARGO WASTEWATER TREATMENT BOARD’S BANK
   ACCOUNT: AND PROVIDING FOR AN EFFECTIVE DATE.
   (Action) TAB 4
5. Project Funding Status Report on KLTV & KLP TAB 5

VIII. LEGAL COUNSEL REPORT
6. Discussion of possibility of retaining an attorney with
   expertise in utility and rate setting. TAB 6

IX. ENGINEERS REPORT
7. Engineering Status Report ending 11/22/04 TAB 7

X. GENERAL MANAGER’S REPORT
8. Setting of regular meeting dates. (Action) TAB 8
9. KLWTD Logo (Action) TAB 9
10. KLTV Project Change Order (Action) TAB 10
11. KLTV Project Wastewater Treatment Plant Soil Analysis (Action) TAB 11
12. Roevac Purchase Order TAB 12
13. Key Largo Park Status TAB 13
14. Discussion of connection and rate fees TAB 14

XI. COMMISSIONER’S COMMENTS
15. Web site update submitted by Commissioner Patton TAB 15

XII. ADJOURNMENT
ITEMS OF ONGOING CONCERN

a. Water Quality Testing
b. Project request for FEMA deadline extension
c. CDBG Grants and/or funds for private connection
d. Procedures
e. Website Development
f. Elections at Large versus Seats
g. Agency Coordination
h. Inter-local Government Task Force
Meeting Date: December 1, 2004  
Agenda Item No. /  

[ ] PUBLIC HEARING  
[ ] DISCUSSION  
[X] GENERAL APPROVAL OF ITEM  
[ ] RESOLUTION  
[ ] BID/RFP AWARD  
[ ] CONSENT AGENDA  
[ ] Other:

SUBJECT: Minutes of November 17, 2004 Board Meeting

RECOMMENDED MOTION/ACTION: Approval of minutes with any needed additions, deletions or corrections.

Approved by General Manager _______________________
Date: __________________

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All parties that have an interest in this agenda item must be notified of meeting date and time. The following box must be filled out to be on agenda.

Yes I have notified everyone or Not applicable in this case: ____________________

Please initial one.

Summary Explanation/Background:

Resulting Board Action:
☐ Approved  ☐ Tabled  ☐ Disapproved  ☐ Recommendation Revised
MINUTES
Key Largo Wastewater Treatment District (KLWTD) Board of
Commissioner’s Meeting
November 17, 2004  5:00 PM, 17
Key Largo Civic Club, 209 Ocean Bay Drive

The KLWTD Board of Commissioners met for a regular meeting on November 17, 2004 at 5:00 PM. Present were Chairman Charles Brooks, Commissioners Gary Bauman, Andrew Tobin, Claude Bullock, and Glenn Patton. Also present were General Manager Charles Fishburn, Board Clerk Carol Simpkins, District Counsel Thomas Dillon (via phone), Financial Officer Martin Waits, and all appropriate District staff.

Commissioner Gary Bauman led the Pledge of Allegiance.

OATH OF OFFICE
Judge Reagan Ptomey administered the oath of office to re-elected Commissioner Gary Bauman, and newly elected Commissioners Claude Bullock and Glenn Patton.

ANNUAL ELECTION OF OFFICERS

Election of Chairman

Motion: Commissioner Andrew Tobin made a motion to nominate Commissioner Charles Brooks for Chairman.

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Motion passed 5 to 0

Election of Vice-Chairman

Motion: Commissioner Glenn Patton made a motion to nominate Commissioner Gary Bauman for Vice-Chairman.
Vote on motion:

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Motion passed 5 to 0

Election of Secretary-Treasure

Motion: Commissioner Glenn Patton made a motion to nominate Commissioner Andrew Tobin for Secretary Treasure.

Vote on motion:

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Motion passed 5 to 0

ADDITIONS/DELETIONS TO THE AGENDA.

Motion: Chairman Charles Brooks made a motion to approve the agenda. The motion was seconded by Commissioner Andrew Tobin.

Vote on motion:

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Commissioner Glenn Patton  
Commissioner Andrew Tobin  
Chairman Charles Brooks  

Motion passed 5 to 0

MINUTES

Motion: Commissioner Gary Bauman made a motion to approve the minutes of November 3, 2004. The motion was seconded by Commissioner Andrew Tobin.

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Motion passed 5 to 0

PUBLIC COMMENT: The following persons addressed the Commission: Cris Beaty of Key Largo wished the current KLWTD Board well.

CHIEF FINANCIAL OFFICERS REPORT

Pending Payments

Financial Officer Martin Waits presented the pending payments schedule for November 17, 2004.

Motion: Commissioner Andrew Tobin made a motion to approve the pending payments list subject to the availability of the funds for November 17, 2004. Commissioner Glenn Patton made the second.
Vote on motion:

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Motion passed 5 to 0

LEGAL COUNSEL REPORT
District Counsel Thomas Dillon explained that he had included the Agency Marketing Services, Inc. liability policy in the agenda package for the Board's information. Mr. Dillon does not think that there is any reason to change insurance companies at this time.

Mediator
Mr. Dillon suggested that Mr. Watson be chosen as the District's mediator. The Haskell Co. has recommended Mr. Watson also.

Commissioner Andrew Tobin expressed concern over the mediation process taking on a life of its own.

Motion: Commissioner Andrew Tobin made a motion to appoint Mr. Watson as mediator on the Haskell Co. Delay Claim. Motion was seconded by Commissioner Gary Bauman.

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Motion passed 5 to 0
Haskell Delay Claim

District Counsel Thomas Dillon requested that the Board award a contract to Trauner Consulting Services, Inc. to provide expert consulting services to District Counsel in connection with the Haskell Delay Claim. Mr. Dillon projects that he will only be asking Trauner Consulting to prepare as-planned and as-built schedules and to perform schedule analysis. He pointed out that the District is not hiring Trauner to prove a point, what they are hiring Trauner for is to give the District an unbiased expert opinion and analysis of the facts.

Commissioner Andrew Tobin would like to see a $10,000 cap in the contract. He can not support the contract until it has a provision in it that says that the District will direct what they are going to do and the District will not be billed for anything unless the District Counsel has authorized the work.

Motion: Commissioner Andrew Tobin made a motion to authorize the General Manager, Charles F. Fishburn, to sign the Trauner Consulting Services, Inc. contract. Motion seconded by Commissioner Gary Bauman.

Revised Motion: Commissioner Andrew Tobin revised his motion to authorize the General Manager, Charles F. Fishburn, to sign a Trauner Consulting Services, Inc. contract in concept only (with District Counsel Thomas Dillon revising the original contract to provide that Trauner will work only at Mr. Dillon’s direction and have a cap of $10,000). Revised Motion seconded by Commissioner Gary Bauman.

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Motion passed 5 to 0

ENGINEERS REPORT

KLTV Construction Update

Ed Castle stated that the KLTV is moving along with 150 feet of pipe being laid each day. The Treatment Plant site is close to being cleared. Mr. Castle is working with the Army Corp of Engineers through PBS&J in supplying them with the information on the entire island of Key Largo concerning the location of the vacuum/lift station sites. This information will be used in
the Environmental Assessment that the Army Corp. of Engineers is doing for the Island of Key Largo.

The Lake Surprise/Sexton Cove Project is coming along according to schedule and funding could be available April 1, 2005.

Commissioner Gary Bauman requested that a presentation be given to the Board on the pros and cons of Design Build versus Design Bid Build. Staff will make the presentation at the December 15, 2004 meeting on all of the major available methods of project delivery.

Ed Castle requested clarification from the Board on whether he should continue working on a document to produce a Request for Qualifications. The Board directed him to continue working to produce the documentation for a Request for Qualifications for Engineering and Design Services.

GENERAL MANAGER'S REPORT

Key Largo Park

Notice to Proceed to Higgins, Inc. D.N. Higgins, Inc. responded on November 12, 2004 saying that they will be giving the District a change order by November 24, 2004. General Manager Charles Fishburn stated that he is not encouraged. He may be recommending that the collection system job be rebid.

Roevac Purchase Order

Higgins and Haskell are still willing to move forward with Roevac Germany direct. Price is still an issue. Roevac now has new pits and larger values.

District Counsel Thomas Dillon stated that Pittsburgh is completely out of the picture now.

Commissioner Andrew Tobin expressed concern with doing business with a company with a track record that is so bad. He does not feel comfortable about going with Roevac.

District Counsel Thomas Dillon stated that it is a Haskell problem and they need to fix it and find a right solution. He has concerns about taking actions that would relieve Haskell Company of their obligations to perform the contract and procure the parts and install them.

Ed Castle is concerned with changing technologies.

Commissioner Gary Bauman stated that he is ready to go with Airvac now.

The Board by consensus directed staff to bring back a cost proposal by Airvac.

Rate Study

General Manager Charles Fishburn requested that a letter of first assignment for Public Resources Management Group Inc. be sent out requesting:
1. The District desires an opinion regarding charging of a fixed monthly rate for each house, RV site, hotel room, etc, regardless of whether it is occupied, and a fixed monthly rate for a lot for which the owner has requested a connection but which has not yet been improved with a structure. Expand this discussion to include how to charge businesses that do not fit the dwelling unit concept while still avoiding water flow based rates, (e.g. restaurants, laundromats etc.)

2. The District desires the same opinion relative to system development charges for homes RV sites, hotel rooms, etc.

Commissioner Andrew Tobin made the following suggestions to the letter.

1. There should be a hypothetical and a project that says, project expenses, projected number of customers, projected rates that have been put out to the public ($35/$2,7000), the number of hook ups, a brief break down of residential and businesses, and a brief analysis of flow.

2. Ask PRMG if there is legal precedent and support for the theory that a lot, house, and a RV site can be all flat rated and then ask for the pros and cons of the idea.

3. How would the businesses be charged.

Commissioner Glenn Patton suggest that the Board have a work shop on the rates to see what the rest of Monroe County is doing.

Commissioner Andrew Tobin requested that District Counsel Thomas Dillon research if the District establishes an interim rate for the first phase of the District’s plan can the District change it at a latter date. If the rate can be changed then it would be very easy to change at a latter date.

Mr. Fishburn clarified that he is talking about setting EDU’s and then changing the EDU’s at a latter date.

**Motion:** Commissioner Glenn Patton made a motion to table the first assignment letter for PRMG. Motion seconded by Commissioner Gary Bauman.

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**Motion passed 5 to 0**
Chairman Charles Brook suggested that the Board have a workshop on the rates that is put together by staff to that would cover setting the rates for not just KLTV but for the rest of the Island by studying what the rest of the country is doing. He also reminded the Board that the $2,700 hook up fee was set in the FEMA Grant Agreement and can not be changed for the KLTV Project.

The Board by consensus directed staff to set up an information discussion on rates during the December 1, 2004 meeting. Commissioner Glenn Patton will work with staff to gather information for the meeting.

COMMISSIONER COMMENTS
Chairman Charles Brooks reported on the Bond Money meeting that took place in Key West on Monday, November 15, 2004. The Key Largo Wastewater Treatment District should be getting 20 million of the Bond Money and it will probably be available around April 1, 2005. The money will have to be spent within three years.

Commissioner Glenn Patton informed the Board that he has been working with the Board Clerk on setting up the Web Site.

ADJOURNMENT
After a motion by Commissioner Gary Bauman and seconded by Commissioner Andrew Tobin to adjourn the meeting adjourned at 7:55 PM.

INTENTIONALLY LEFT BLANK
The KLWTD minutes of November 17, 2004 were approved on December 1 2004.

Chairman Charles Brooks

Carol Simpkins, CMC
Board Clerk
**KEY LARGO WASTEWATER TREATMENT DISTRICT**

**Agenda Request Form**

Meeting Date: December 1, 2004  
Agenda Item No. 2

- [ ] PUBLIC HEARING  
- [ ] DISCUSSION  
- [X] GENERAL APPROVAL OF ITEM  
- [ ] Other:

**SUBJECT:** Pending Payments List

**RECOMMENDED MOTION/ACTION:** Motion to approve pending payments list for payment contingent upon available funds.

Approved by General Manager ____________________________  
Date: ________________

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Finance

- [X] Finance

All parties that have an interest in this agenda item must be notified of meeting date and time. The following box must be filled out to be on agenda.

Yes I have notified everyone ____________  
Or  
Not applicable in this case ____________

Please initial one.

**Summary Explanation/Background:** The pending payments list will be sent to you as soon as the Financial Officer, Marty Waits returns from vacation. I will email it to you and furnish in hard copy at the meeting.

**Resulting Board Action:**

- [ ] Approved  
- [ ] Tabled  
- [ ] Disapproved  
- [ ] Recommendation Revised
KEY LARGO WASTEWATER TREATMENT DISTRICT

Agenda Request Form

Meeting Date: December 1, 2004
Agenda Item No. 3

[ ] PUBLIC HEARING
[X] DISCUSSION
[ ] GENERAL APPROVAL OF ITEM
[ ] Other:

RESOLUTION
BID/RFP AWARD
CONSENT AGENDA

SUBJECT: Bank signature authority requirements.

RECOMMENDED MOTION/ACTION: Discussion only.

Approved by General Manager
Date: 11-14-04

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</table>

All parties that have an interest in this agenda item must be notified of meeting date and time. The following box must be filled out to be on agenda.

Yes I have notified everyone________________________
or
Not applicable in this case________________________
Please initial one.

Summary Explanation/Background: This item has been placed on the agenda at Commissioners Andrew Tobin’s request for the benefit of new Board Members.

Resulting Board Action:
☐ Approved      ☐ Tabled      ☐ Disapproved    ☐ Recommendation Revised
RESOLUTION 2004-02

A RESOLUTION OF THE KEY LARGO WASTEWATER TREATMENT DISTRICT, DESIGNATING THE GENERAL MANAGER AND CLERK AS AUTHORIZED SIGNATORIES OF THE KEY LARGO WASTEWATER TREATMENT DISTRICT’S BANK ACCOUNTS

WHEREAS, the Board of Commissioners of the Key Largo Wastewater Treatment District desire to designate the general manager and the clerk as authorized signatories of the Key Largo Wastewater Treatment District’s bank accounts;

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

1. The Board hereby designates Charles F. Fishburn, General Manager and Carol Simpkins, Board Clerk as authorized signatories of the Key Largo Wastewater Treatment District’s bank accounts.

2. The authority to sign all checks and other legal instruments on behalf of the Key Largo Wastewater Treatment District, pertaining to the TIB Bank of the Keys, account number 20154139006, and such other accounts as the Board may authorize to open in the future is hereby provided. This authority supersedes and replaces all prior authorizations by this Board.

3. The Board Chairman, Gary Bauman, and Board Secretary, Cris Beaty, remain as authorized signatories on the Key Largo Wastewater Treatment District account.

4. The previous General Manager, Robert E. Sheets and Chief Financial Officer, David R. Miles will no longer be authorized to sign instruments on the Key Largo Wastewater Treatment District’s bank accounts.

5. The General Manager or the Clerk, individually, shall be authorized to approve the encumbrance or expenditure of amounts not to exceed Two Thousand Five Hundred Dollars ($2,500.00) per transaction without prior approval of the Board of Commissioners. This approval is contingent on the General Manager or the Clerk ensuring that the total amount encumbered or expended does not exceed the amount appropriated for that purpose. The General Manager shall provide on a monthly basis to the Board of Directors for ratification, a listing of all encumbrances and payments approved by him or the Clerk.

6. All checks up to Two Thousand Five Hundred Dollars ($2,500.00) for the Key Largo Wastewater Treatment District may be signed by any one of the authorized signatories on the District’s bank account(s).

7. All checks in an amount greater than Two Thousand Five Hundred Dollars ($2,500) must be signed by two of the authorized signatories on the District’s bank account(s).

Resolution K1.WTD 2004-02 signature changes
8. All checks in excess of Ten Thousand Dollars ($10,000) must be signed by at least one of the Board member signatories on the District's bank account(s).

9. This change shall be effective August 1, 2004.

PASSED AND ADOPTED this 21st day of July, 2004.

KEY LARGO WASTEWATER TREATMENT DISTRICT GOVERNING BOARD

By

Gary Bauman
Chair

Attest:

By

Cris Beaty
Secretary
Meeting Date: December 1, 2004  Agenda Item No. 4

[ ] PUBLIC HEARING  [x] RESOLUTION
[ ] DISCUSSION  [ ] BID/RFP AWARD
[ ] GENERAL APPROVAL OF ITEM  [ ] CONSENT AGENDA
[ ] Other:

SUBJECT: Bank signature authority requirements.

RECOMMENDED MOTION/ACTION: Adoption of Resolution No. 07-11-04

Approved by General Manager  
Date: 11-19-04

<table>
<thead>
<tr>
<th>Originating Department: Finance Dept.</th>
<th>Costs: $</th>
<th>Attachments: Resolution No. 07-11-04</th>
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<tbody>
<tr>
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<td>[x] Not Required</td>
</tr>
</tbody>
</table>

All parties that have an interest in this agenda item must be notified of meeting date and time. The following box must be filled out to be on agenda.

Yes I have notified everyone or Not applicable in this case:

Summary Explanation/Background: This resolution will reorganize the bank account signatures authority following the election of new Board Officers.

Resulting Board Action:
- [ ] Approved  - [ ] Tabled  - [ ] Disapproved  - [ ] Recommendation Revised
RESOLUTION NO. 07-11-04

A RESOLUTION OF THE KEY LARGO WASTEWATER TREATMENT DISTRICT DESIGNATING CERTAIN COMMISSIONERS AS AUTHORIZED SIGNATORIES OF THE KEY LARGO WASTEWATER TREATMENT BOARD’S BANK ACCOUNT: AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Board of Commissioners of the Key Largo Wastewater Treatment District desire to designate newly elected officers of the Board of Commissioners as authorized signatories of the Key Largo Wastewater Treatment District bank accounts.

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

Section 1. The Board hereby designates Charles Brooks, Chairman and Andrew Tobin, Secretary-Treasurer as authorized signatories of the Key Largo Wastewater Treatment District bank accounts.

Section 2. The Board hereby designates Cary Bauman, Vice-Chairman as a fully authorized alternate signatory of the Key Largo Wastewater Treatment District bank accounts.

Section 3. Former Commissioner Cris Beaty will no longer be authorized to sign instruments on the Key Largo Wastewater Treatment District bank accounts.

Section 4. The authority to sign all checks and other legal instruments on behalf of the Key Largo Wastewater Treatment District, pertaining to the TIB Bank of the Keys, account number 20154139006, and such other accounts as the Board may authorize to open in the future is hereby provided. This authority supersedes and replaces all prior authorization by this board.
Section 5. In all other respects, the provisions of Resolution 2004-02 dated July 21, 2004 designating the General Manager and Clerk as authorized signatories of the Key Largo Wastewater Treatment District’s banks accounts shall remain unchanged.

Section 6. Effective Date. This resolution shall take effect immediately upon its adoption.

RESOLVED AND ADOPTED this 1st day of December, 2004.

[INTENTIONALLY LEFT BLANK.]
The foregoing RESOLUTION NO. 07-11-04 was offered by Commissioner 
__________________________, who moved its approval. The motion was seconded by 
Commissioner __________________, and being put to a vote the result was as follows:

<table>
<thead>
<tr>
<th>AYE</th>
<th>NAY</th>
</tr>
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<tbody>
<tr>
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</tbody>
</table>

The Chairman thereupon declared Resolution No. 07-11-04 duly passed and adopted the 1st day of December, 2004.

KEY LARGO WASTEWATER TREATMENT DISTRICT

BY: ____________________________
    Chairman

ATTEST:                          Approved to as to form and legal sufficiency
                                      ____________________________
                                      ____________________________
                                      Carol Simpkins, Clerk          District Counsel, Thomas Dillon

SEAL

Resolution No. 07-11-04
Page 3
KEY LARGO WASTEWATER TREATMENT DISTRICT

Agenda Request Form

Meeting Date: December 1, 2004
Agenda Item No. 5

[ ] PUBLIC HEARING
[x] DISCUSSION
[ ] GENERAL APPROVAL OF ITEM
[ ] Other:

SUBJECT: Project Funding Status Report on KLTV & KLP

RECOMMENDED MOTION/ACTION: No action required

Approved by General Manager

Date: 11-23-04

Originating Department:
Finance

Costs: $
Funding Source:
Acct. #

Attachments:
KLTV Sources & Uses
KLP Sources & Uses

Department Review:
[ ] District Counsel
[x] General Manager
[x] Finance

[ ] Engineering
[ ] Clerk

Advertised:
Date:
Paper:
[X] Not Required

All parties that have an interest in this agenda item must be notified of meeting date and time. The following box must be filled out to be on agenda.

Yes I have notified everyone
Or
Not applicable in this case

Summary Explanation/Background: Staff is providing a monthly update on funding status of our two projects.

Resulting Board Action:
[ ] Approved
[ ] Tabled
[ ] Disapproved
[ ] Recommendation Revised
Key Largo Trailer Village

TOTAL PROJECT SOURCES AND USES OF FUNDS
October 31, 2004

FUNDING COMMITMENT

Federal:
FEMA I (FKAA) $1,097,143
FEMA II 4,388,571
Subtotal Federal Funds 5,485,714
64%

State:
SFWMD 100,000
DCA Cesspit Grant 804,493 Advanced and spent
DCA (12.5% FEMA I Match-FKAA) 182,187 Interlocal amount $1,225,600 / KLP $421,107
DCA (12.5% FEMA II Match) 731,429 $107,098 advanced
Subtotal State Funds 1,818,109 $237,719 advanced
21%

Local:
304 Fund (12.5% FEMA I Match-FKAA) 182,857 $107,098 spent by FKAA
304 Fund (12.5% FEMA II Match) 731,428 Reimbursement basis when construction starts
304 Fund (Cesspits) 435,751 Interlocal amount $790,000 / KLP $354,249
Subtotal Local Funds 1,350,036
16%

Total Funds $8,653,859 Excludes land purchase $826,234 (in kind)

ESTIMATED PROJECT COST

<table>
<thead>
<tr>
<th>Billings to</th>
<th>Estimate To</th>
<th>Total Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>10/31/04</td>
<td>Complete</td>
<td>To Complete</td>
</tr>
<tr>
<td>FKAA Spending</td>
<td>$374,678</td>
<td>$374,678</td>
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<tr>
<td>Weiler Engineering</td>
<td>90,228</td>
<td>126,387</td>
</tr>
<tr>
<td>Haskell Contract*</td>
<td>1,326,472</td>
<td>6,643,528</td>
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<tr>
<td>Haskell Change #6 (Expand Plant Site)</td>
<td>7,182</td>
<td>7,182</td>
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<tr>
<td>Soil Analysis</td>
<td>4,384</td>
<td>4,384</td>
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<tr>
<td>Government Services Group</td>
<td>36,488</td>
<td>4,512</td>
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<tr>
<td>KLWTD Staff Expense / Misc.</td>
<td>18,254</td>
<td>21,746</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>$1,846,120</td>
<td>$6,807,739</td>
</tr>
</tbody>
</table>

*Possible escalation claim up to $300,000 maximum

PROJECT RECEIPTS TO DATE $2,620,799
FUNDING COMMITMENT

Federal:
Army Corps.
$ 330,000
10%

State:
FDEP Grant
$ 1,660,000
FDEP Grant Amendment 2
187,312
DCA Cesspit Grant
421,107
Subtotal
2,268,419
69%

Local:
148 Fund
356,000
148 Fund (Cesspits)
100,000
304 Fund (Cesspits)
Subtotal
2,427,900
21%

Total Funds
$ 3,308,668

ESTIMATED PROJECT COST

FKAA Spending
$ 326,000
9/30/2004

Weller Engineering
58,310
69,700
128,010

Higgins Contract (Proposed)
0
2,200,000
2,200,000

Higgins (Calusa Pipe Increase)
0
59,400
59,400

Brown & Caldwell (Calusa Eng’g)
0
5,825
5,825

Haskell Change Order (Eng’g))
66,391
7,376
73,767

Government Services Group
18,365
0
18,365

KLWTD Staff Expense
2,216
22,784
25,000

Contingency*
150,000

Total Expenses
$ 471,282
$ 2,365,085
$ 2,868,667

*Certain valves ($59,000) and pits ($54,000) included in the KLTV project may be utilized in the KLP project, in which case funding in the total amount of $113,000 would be transferred from the KLTV project to the KLP project.

TOTAL PROJECT RECEIPTS TO DATE
$ 443,916.00
KEY LARGO WASTEWATER TREATMENT DISTRICT

Agenda Request Form

Meeting Date: December 1, 2004  Agenda Item No. 6

[ ] PUBLIC HEARING  [ ] RESOLUTION
[X] DISCUSSION  [ ] BID/RFP AWARD
[ ] GENERAL APPROVAL OF ITEM  [ ] CONSENT AGENDA

[ ] Other:

SUBJECT: Discussion of possibility of retaining an attorney with expertise in utility and rate setting.

RECOMMENDED MOTION/ACTION: Discussion

Approved by General Manager
Date: 11-23-04

<table>
<thead>
<tr>
<th>Originating Department: District Counsel</th>
<th>Costs: Approximately $0</th>
<th>Attachments: E-mail from Commission Tobin requesting discussion</th>
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</tr>
<tr>
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<td>[ ] Finance</td>
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Advertised:
Date: _______________
Paper: _______________
[X] Not Required

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Yes I have notified everyone _______________ or
Not applicable in this case _______________
Please initial one.

Summary Explanation/Background:

Resulting Board Action:
[ ] Approved  [ ] Tabled  [ ] Disapproved  [ ] Recommendation Revised
Tom;

At the next meeting I would like you to discuss whether the Board should retain an attorney with expertise in utility and rate setting to assist us in technical issues that may be outside of your area of expertise. I want to be doubly sure that our capital connection charges and rates are bulletproof.

Let's plan to talk about it at the next meeting.

Andy
KEY LARGO WASTEWATER TREATMENT DISTRICT
Agenda Request Form

Meeting Date: December 1, 2004  Agenda Item No. 7

[ ] PUBLIC HEARING  [ ] RESOLUTION
[x] DISCUSSION  [ ] BID/RFP AWARD
[ ] GENERAL APPROVAL OF ITEM  [ ] CONSENT AGENDA
[ ] Other:

SUBJECT: Engineering Status Report, Ending 11/22/04

RECOMMENDED MOTION/ACTION: No action required

Approved by General Manager
Date: 11-23-04

<table>
<thead>
<tr>
<th>Originating Department: Engineering</th>
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<tr>
<td>[] District Counsel</td>
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</table>

| Engineering EC |
| Clerk |

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<td>Date: ____________</td>
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<td>Paper: ____________</td>
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<tbody>
<tr>
<td>Yes I have notified everyone ____________ or Not applicable in this case ____________</td>
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<tr>
<td>Please initial one.</td>
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</tbody>
</table>

Summary Explanation/Background: Staff is providing a monthly update on Key Largo Park, Key Largo Trailer Village, Key Largo Trailer Village Treatment Plant, Lake Surprise Project, Haskell Pay Applications, Regulatory Compliance Issues and Project Team Meetings and Actions.

Resulting Board Action:
[ ] Approved  [ ] Tabled  [ ] Disapproved  [ ] Recommendation Revised
Key Largo Wastewater Treatment District
Engineering Status Report
Period Ending 11/22/04

Client Issues

Key Largo Park

A Notice to Proceed was issued to DN Higgins for construction of the vacuum collection system for Key Largo Park, as outlined in the last WEC status report. Since that time, WEC has prepared a quantities takeoff and redlined the portions of work along US 1 that will be included in the KLP scope. DN Higgins has been provided with this information and is currently preparing a change order proposal to accommodate the changes in design and materials.

Key Largo Village

Installation of the vacuum mains in Key Largo Village continued, with work occurring on side streets as well as along Kay Dr. The work has been concentrated in the areas with higher elevation due to high groundwater encountered in the lower lying areas. In these areas, it will be necessary for the contractor to use trench boxes to prevent collapse of the trench walls. The lower areas are comprised mainly of fill material, while the higher elevations are generally harder rock and coral material.

KLV Treatment Plant

Hand clearing of the original configuration for treatment plant site was completed in this period. After a one week waiting period, clearing and grubbing with equipment began and was completed. The trees, brush and other vegetative material was chipped to be hauled away. This work was continuing at the end of the reporting period. Some equipment problems were encountered, such as when metallic debris was inadvertently fed along with the vegetative debris, causing damage to the chipper.

The District has obtained approval to clear the additional 20 feet of width along the eastern side of the treatment plant site, bringing the cleared area up to the permissible 2.6
acre total. The Haskell Company is to propose a change order for clearing and fencing of the additional area.

Cutting of the coral rock in the location of the vacuum collection station was begun in mid-November. As this cutting occurred, an odor of petroleum products was encountered. The Haskell Company, with approval from the District Manager, initiated testing of the spoil produced by the rock cutting operation and tested adjacent groundwater monitoring wells. WEC is pursuing information from the Florida Keys Aqueduct Authority and from their consulting engineers, CH2M Hill, regarding the monitoring wells and possible contamination in the area. Rock cutting was allowed to continue, since no pumping of groundwater was occurring. The spoil generated is being kept on site and covered with tarp to prevent leaching of contaminants that might be present.

Lake Surprise Project

WEC continued working on the definition of the Scope of Work for the Request for Qualifications for an engineering firm to provide design of a wastewater collection system to serve the Lake Surprise and Largo Gardens collection basins. The design will also include a wastewater force main to serve all properties north of the wastewater treatment plant site, and all design necessary for the full 2.25 MGD treatment and disposal system. Production of the procurement documents for construction of these components is also included in the scope.

Haskell Pay Applications

The Haskell Company Pay Application No. 13 was processed in the month of November. After several reviews, the requested changes and backup documentation were provided. A summary of the pay amounts is tabulated below.

<table>
<thead>
<tr>
<th>Item</th>
<th>Application No. 13</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Gross Requested Billing</td>
</tr>
<tr>
<td>1. Mobilization</td>
<td>$82,131.00</td>
</tr>
<tr>
<td>4. Supervision</td>
<td>$15,623.00</td>
</tr>
<tr>
<td>5. Travel &amp; Subsistence</td>
<td>$2,500.00</td>
</tr>
<tr>
<td>7. Office Supplies</td>
<td>$1,200.00</td>
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<td>8. Temporary Utilities</td>
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<td>9. Survey and Baselines</td>
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<tr>
<td>11. Project Safety</td>
<td>$2,500.00</td>
</tr>
<tr>
<td>12. Small Tools and Equipment</td>
<td>$2,500.00</td>
</tr>
<tr>
<td>21. Site Clearing</td>
<td>$11,500.00</td>
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<tr>
<td>61. 10&quot; Vacuum Main</td>
<td>$249,671.73</td>
</tr>
<tr>
<td>63. 6&quot; Division Valve</td>
<td>$600.00</td>
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<tr>
<td>65. 10&quot; Division Valve</td>
<td>$1,714.29</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$375,940.02</strong></td>
</tr>
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Prepared for the KLIWTD Board by: Ed Castle, Project Manager
Regulatory Compliance Issues

Approval of the WWTP permit has not been granted and a request for additional information submitted by the FDEP. Brown & Caldwell was granted an initial extension of the deadline for response and has asked for an additional 90 day extension. It is anticipated that the extension will be granted.

Project Team Meetings and Actions

Ed Castle and Jeff Weiler attended the Groundbreaking Ceremonies on October 27th. They also both attended the Haskell Construction Progress Meeting and a meeting to discuss the Haskell escalation claims on October 27th. Ed Castle also met with Tom Dillon and Chuck Fishburn to discuss changes to the Haskell Pay Application form on November 3rd. Ed also attended the regularly scheduled Board meetings on November 3rd and November 17th. Ed Castle also attended a meeting with Post, Buckley, Schuh and Jernigan to discuss the Army Corps of Engineers Environmental Assessment for the entire island of Key Largo.


Prepared for the KLWTD Board by:
Ed Castle, Project Manager
KEY LARGO WASTEWATER TREATMENT DISTRICT
Agenda Request Form

Meeting Date: December 1, 2004
Agenda Item No. 8

[ ] PUBLIC HEARING [ ] RESOLUTION
[ ] DISCUSSION [ ] BID/RFP AWARD
[X] GENERAL APPROVAL OF ITEM [ ] CONSENT AGENDA

[X] Other:

SUBJECT: Setting of meeting dates for 2005 for regular monthly KLWTD Board meetings.

RECOMMENDED MOTION/ACTION: To set the first and third Wednesday of each month at 5:00 PM as the regular meeting dates for the KLWTD Board meetings.

Approved by General Manager
Date: 11-21-04

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<td>[X] General Manager</td>
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<tr>
<td>[ ] Finance</td>
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</table>

All parties that have an interest in this agenda item must be notified of meeting date and time. The following box must be filled out to be on agenda.

Yes I have notified everyone_ or Not applicable in this case_.
Please initial one.

Summary Explanation/Background: By adopting specific dates for your regular meetings the Clerk will be allowed to do the annual advertising for the year of 2005. Special Call and Workshop meetings will still be called as needed. With specific dates designated as the regular meetings dates a working calendar can be planned by staff and the dates set on the Web Site. This will also allow review of the entire year to see if there will be any conflicts with holidays and regular meeting dates giving staff enough time to inform the Board of any needed changes that maybe called for in the meeting schedule.

Resulting Board Action:
☑ Approved ☐ Tabled ☐ Disapproved ☐ Recommendation Revised
Meeting Date: December 1, 2004

[ ] PUBLIC HEARING
[ ] RESOLUTION
[ ] DISCUSSION
[ ] BID/RFP AWARD
[X] GENERAL APPROVAL OF ITEM
[ ] CONSENT AGENDA

[ ] Other:

SUBJECT: Adoption of a logo for KLTWD.

RECOMMENDED MOTION/ACTION: Consensus of the KLTWD Board to adopt the attached "Bird" as the logo for KLTWD to be used on signs, stationary, business cards, etc.

Approved by General Manager

Date: 11-23-04

### Originating Department:
- Board Clerk

### Costs:
- Approximately $0
- Funding Source:
- Acct. #

### Department Review:
- [ ] District Counsel
- [ ] General Manager
- [ ] Finance
- [ ] Engineering
- [ ] Clerk

### Advertised:
- Date: ________________
- Paper: ________________
- [X] Not Required

### Yes I have notified everyone__________
- or
- Not applicable in this case__________:

### Summary Explanation/Background:
Staff would like to have a logo attached to the KLTWD name to use on official documents. I have had a few comments that the Board likes the attached "Bird" which was used on the construction signs. If the Board so wishes we would like to use this as a logo.

### Resulting Board Action:
- [ ] Approved
- [ ] Tabled
- [ ] Disapproved
- [ ] Recommendation Revised
KEY LARGO WASTEWATER TREATMENT DISTRICT

**Agenda Request Form**

Meeting Date: December 1, 2004  
Agenda Item No. 10

- [ ] PUBLIC HEARING  
- [ ] DISCUSSION  
- [X] GENERAL APPROVAL OF ITEM  
- [ ] Other:

SUBJECT: KLTV Project Change Order

**RECOMMENDED MOTION/ACTION:** Approval of Change Order No. 5

Approved by General Manager  
Date: 11-19-04

| Originating Department: General Manager | Costs: $7,182.00  
|  | Funding Source: Grants  
|  | Acct. # To be determined  
| Department Review:  
| [ ] District Counsel  
| [X] General Manager  
| [ ] Finance | Attachments:  
|  | 11.15.04 letter to Ms. Conaway  
|  | 11.15.04 letter from Ms. Conaway  
|  | 11.18.04 letter from Haskell Co with Change order proposal  
|  | [ ] Engineering  
|  | [ ] Clerk  
| Advertised:  
| Date: ____________  
| Paper: ____________  
| [X] Not Required |

All parties that have an interest in this agenda item must be notified of the meeting date and time. The following box must be filled out to be on agenda.

Yes I have notified everyone __________________  
or
Not applicable in this case__________________  
Please initial one.

**Summary Explanation/Background:** Change Order No. 5 to clear the additional 10,800 sq. ft. at the Treatment Plant site. Original bid indicated a 2.1 acre site when a 2.6 acre site has been approved by all involved.

**Resulting Board Action:**  
- [ ] Approved  
- [ ] Tabled  
- [ ] Disapproved  
- [ ] Recommendation Revised
November 15, 2004

K. Marlene Conaway, Director
Planning & Environmental Resources
2798 Overseas Highway
Marathon, FL 33050

RE: Modification To Existing Wastewater Treatment Plant Site

As we discussed on the phone Wednesday November 10, 2004, I have requested a modification to our existing Wastewater Treatment Plant site at mile marker 100.5. The site is currently 540 ft. by 175 ft. We are requesting to add 20 ft. to the north side of the site to provide adequate room on the site for trucks and service equipment to move about the site. The additional 20 ft. expansion falls within the 2.6 acres approved by all agencies pertinent to this site clearing.

Our contractor’s clearing equipment is on the site presently and now is the most opportune time to clear the additional 20 ft.

Thank you in advance for your help on this project.

Sincerely,

Charles F. Fishburn
General Manager, KLWTD
County of Monroe

November 15, 2004

Charles F. Fishburn, General Manager
Key Largo Wastewater Treatment District
P.O. Box 491
Key Largo, FL 33037

SUBJECT: APPROVAL OF THE REQUEST FOR A MINOR DEVIATION FOR THE KEY LARGO WASTEWATER TREATMENT FACILITY, REAL ESTATE NOS. 0087100-000100 & 0087100-000200

Dear Mr. Fishburn:

Pursuant to Section 9.5-72(b)(3) of the Monroe County Land Development Regulations which authorizes the Planning Director to approve minor deviations from the final development plan, I hereby authorize the change outlined in your letter dated November 15, 2004. The approved change is limited to:

1. Clearing of an additional 20 feet by 540 feet along the north side of the proposed site, reducing the total open space by approximately 1.2%, to 88.1% open space.

I have determined that this change is consistent with Section 9.5-72(b)(3) and can be determined as a minor deviation. The proposed change will require revision to the approved site plan.

The applicant is hereby informed that any future changes to the approved plans may require an amendment to the minor conditional use. This letter shall serve as written authorization and is subject to administrative appeal.

Sincerely,

K. Marlene Conway
Director, Planning and Environmental Resources Department

cc: Timothy J. McGarry, AICP, Director of Growth Management
    George Garrett, Director of Marine Resources
    David Dacquisto, Director of the Upper Keys Planning Team
    Ralph Gouldy, Senior Administrator of Environmental Resources

KLWWD
RE Nos: 0087100-0001, 0087100-0002
November 18, 2004

Re: Wastewater Management System
For The Key Largo Trailer Village
Key Largo, Florida
Change Proposal No. 5
Additional Site Clearing
Issue No. 02-018

Mr. Chuck Fishburn
KLWTD General Manager
Post Office Box 491
Key Largo, Florida 33037

Dear Mr. Fishburn:

The Haskell Company is submitting Change Proposal No. 5 for the additional clearing of approximately 10,800 square feet of hardwood hammock as requested by the Key Largo Wastewater Treatment District. The scope of this work will include the layout, site clearing and removal of all vegetative material and the addition of 40 feet of 6-foot chain link fencing.

Our total lump sum add for this work is Seven Thousand One Hundred and Eighty Two Dollars and Zero Cents ($7,182.00).

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

Sincerely,

[Signature]

William T English

Enclosures

cc: Mr. Edward Castle
Mr. Euart Ethridge
Mr. Peter Kinsley
Issue No. 02-018
The following proposal is for the layout, clearing of approximately 10,800 square feet of additional hardwood hammock and the permanent fencing required for this change.

### Pricing Information

#### 1. Direct Labor

1.A Project Labor:

<table>
<thead>
<tr>
<th>Skill/Trade</th>
<th>Man-Hours</th>
<th>Rate</th>
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<td>Project Manager</td>
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<td>Superintendent</td>
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<td>Foreman</td>
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#### 2. Materials and Equipment

2.A Incorporated in Work:

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<th>Quantity</th>
<th>Unit Price</th>
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2.B Equipment:

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2.C Sales Tax:

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**Subtotal (2) $**

#### 3. Subcontractors

3.A Direct:

- Camtek Florida: Clearing and Removal of Trees $5,800.00
- Charles Tolton & Assoc.: Surveying and Layout $400.00
- Fence Master's Inc.: 40' of Additional 6' CLF $460.00

**Subtotal (3) $6,660.00**

3.B Lower Tier:

Not Applicable

Not Applicable

**Subtotal (3) $6,660.00**
4. CONSULTANTS

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<tr>
<th>NAME</th>
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5. FEE STRUCTURE

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A. Contractor
1. Direct Labor: $  
2. Material and Equipment: $  
3. Subcontractors: $ 6,180.00  
4. Consultants: $  

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B. Bonds and Insurance  

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<th>($ as deductions shown in parentheses)</th>
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<td>SUBTOTAL (1-5)</td>
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TOTAL $ 7,142

EXTENSION OF CONTRACT TIME:
As part of the Change Proposal, the Contractor requests an extension of Contract Time of 0 days.

Justification:

RECORD DOCUMENTS:  

As part of this Change Proposal, the Contractor shall provide applicable record drawing information.

Signed:
Signed:  
Title: Project Director  
Contractor: The Haskin Company  
Date: 11/11/2004

RECOMMENDATION BY ENGINEER: (Forward to Owner for Review)

Signature of Engineer:  
Date:  

ACCEPTANCE BY OWNER: (return to engineer for processing)

Signature of Owner's Authorized Representative:  
Date:  

OWNER:  
CONTRACTOR:  
PROJECT:  
FIELD:  
OTHER:  
DATE:  
FENCE MASTERS, INC.
3450 N. W. 54TH STREET
MIAMI, FLORIDA 33142
DADE: (305) 635-7777 * BROWARD (954) 463-3172 * FAX: (305) 635-7887

Date: November 8, 2004
Company: The Haskell Company
Address: 111 Riverside Ave
City: Jacksonville, FL 32202
Phone: 904-357-4225, Fax: 904-357-4282

Name: William English
Job Name: Key Largo WW Management
Job Address: Key Largo

We propose, subject to acceptance by Fense Masters, Inc., (seller) to perform work in accordance with quantities and sizes listed below. Before erection is begun, purchaser is to establish property line status and grade status and to remove all obstructions that may interfere with erection. Purchaser is responsible for location of any underground lines. Fense Masters, Inc. is not responsible for any damage to unmapped lines. After the contract is executed and received by Fense Masters, Inc., notice so provided is to be provided by purchaser at least 14 days prior to date of commencement of the work. In order to avoid unforeseen conflicts in contract language, by signing this contract you are waiving any obligation on our part to supply any contract or other documents that you subsequently may offer, provide, or demand. This contract will be the only contract for this job and is binding on both parties.

Add to Contract
40' - 6' High galvanized chain link fence

Add $480.00 ($12.00/lf)

IMPORTANT PRICING NOTE:
Due to recent conditions beyond our control relating to raw steel material availability, this price is subject to change.
Actual price will be based on receipt date of executed contract and will price increase if any.

Permit Costs are not included in this price, and if required, will be added as a Change Order to this contract

Subject to credit approval by Fense Masters, Inc. Terms are net on billing. Interest of 1 1/2% per month will be charged on accounts past due. Title to the property is addressed by the proposal shall remain in the seller, Fense Masters, Inc. until payment in full is received, pursuant to the terms hereof. This is a resale type contract. In the event the money due hereunder, or any portion thereof, has to be collected on demand of an attorney or by suit, the purchaser agrees to pay all costs of collection including interest at the highest legal rate and reasonable attorney’s fees.

Approved & Accepted: Fense Masters, Inc. (Seller)
Approved & Accepted by Purchaser:
The Haskell Company

By
Signature
Robert S. Miller, Project Manager

By
Signature
William English, Project Manager

Steel & Aluminum Picket Fence ** Chain Link ** Highway Guardrail ** Site Bollards ** Access Control Systems
Since 1947
CONTRACT CHANGE ORDER

FROM:
ConTech Florida Construction, Inc
14100 SW 256th Street
Miami, FL 33032
305-187-9081 Office
305-287-5189 Fax

TO: The Haskell Company
111 Riverside Avenue
Jacksonville, FL 32202

Job Address:
Key Largo WW Management System
100001 Overseas Highway
Key Largo, FL 33037

DATE: 11/17/04

JOB: Key Largo WW Management System

CONTRACT JOB NO.: 6701649-004-001

PREPARED BY: Jennifer H. Lowe

The work covered by this order shall be performed under the same terms and conditions as that included in the original Contract. Change Order 80 x B4CL.P. = $10,000 & P.

CHANGES APPROVED

BY

PREVIOUS CONTRACT AMOUNT $4,850.00

AMOUNT OF THIS CHANGE ORDER $600.00

NEW CONTRACT AMOUNT $5,450.00

BY
Meeting Date: December 1, 2004  Agenda Item No. 11

[ ] PUBLIC HEARING  [ ] RESOLUTION
[ ] DISCUSSION  [ ] BID/RFP AWARD
[X] GENERAL APPROVAL OF ITEM  [ ] CONSENT AGENDA

Other:

SUBJECT: KLTV Project Wastewater Treatment Plant soil analysis

RECOMMENDED MOTION/ACTION: Approval of BTEX Engineering Inc. proposal for Soil and Groundwater sampling at MM 100.5

Approved by General Manager  
Date: 11-17-04

<table>
<thead>
<tr>
<th>Originating Department: General Manager</th>
<th>Costs: $4,383.50</th>
<th>Advertising: Date: __________  Paper: __________  (X) Not Required</th>
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<tbody>
<tr>
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<td>Funding Source: Grants</td>
<td>All parties that have an interest in this agenda item must be notified of meeting date and time. The following box must be filled out to be on agenda.</td>
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<td>Acct. # To be determined</td>
<td>Yes I have notified everyone___________  or  Not applicable in this case___________:  Please initial one.</td>
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<th>Department Review:</th>
<th>Engineering____</th>
<th>Attachments: BTEX Proposal Acceptance Sheet</th>
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<tr>
<td>[ ] District Counsel</td>
<td>Clerk____</td>
<td></td>
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<tr>
<td>(X) General Manager</td>
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<td>[ ] Finance</td>
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</table>

Summary Explanation/Background: Pre-existing contamination of the Wastewater Treatment Plant site was discovered and outside soil testing was conducted.

Resulting Board Action:
☐ Approved  ☐ Tabled  ☐ Disapproved  ☐ Recommendation Revised
BTEX ENGINEERING INC.

601 N. Congress Ave., Suite 103
Delray Beach, Florida 33445
Phone: (561) 272-8644
Fax: (561) 272-8648

PROPOSAL ACCEPTANCE SHEET

CLIENT: Haskell Co.
Will English
Key Largo, FL
MM 100.5
(904) 375-4225 fax (904) 357-4282

DATE: November 19, 2004

REFERENCE: Soil and Groundwater Sampling
MM 100.5

SCOPE OF WORK:
Mobilize to the site at MM 100.5, Key Largo, Florida. Collect one soil sample for analysis of VOA by EPA Method 8021B, PAH by EPA Method 8310, and total recoverable petroleum hydrocarbons by FDEP method FL-PRO from the base of the excavated area. Collect five groundwater samples for analysis of VOA by EPA Method 8021B, PAH by EPA Method 8310, and total recoverable petroleum hydrocarbons by FDEP method FL-PRO. Summarize results in a Site Assessment (SA) report to the Miami-Dade County Department of Environmental Resources Management.

- Mobilize/Well Sampling/Soil Sampling $1,240.00
- Laboratory (Groundwater and Soil Samples) $2,593.50
- SA Report $550.00

TOTAL COST: $4,383.50

PAYMENT TERMS:
Fifty percent of the total cost is due prior to commencement of the fieldwork.
The remaining fifty percent is due upon receipt of the report.

ACCEPTANCE: This proposal, when accepted by the client and final approval of proposal by a BTEX Engineering officer, will constitute a bona fide contract between the client and BTEX Engineering, Inc. It is expressly agreed that there are no promises, agreements, or understandings, oral or written, not specified in this proposal. This contract is subject to the terms and conditions on the following two pages.

[Signature]

DATE

DAVID J. CHUSLO, PRESIDENT
BTEX ENGINEERING, INC.
TERMS AND CONDITIONS

SERVICES TO BE PROVIDED. BTEX Engineering, Inc. (BTEX) as an independent consultant, agrees to provide Client, for its sole benefit and exclusive use, consulting services set forth in our Proposal.

RIGHT OF ENTRY AND RIGHT TO PROCEED. The Client grants a right of entry from time to time to BTEX, its agents, staff, contractors, and subcontractors, for the purpose of performing and with the right to perform all site studies and research including without limitation, the making of tests and evaluations, pursuant to the agreed services. The Client represents that it will provide all necessary permits and licenses required for the completion of said work at the site.

BILLING AND PAYMENT. Unless otherwise indicated in the proposal, BTEX billing will be based on actual incurred time, task costs and expenses. Client agrees to pay invoices upon receipt. Should payment not be received within 30 days, the amount due shall bear a service charge of 1 1/2% per month or 18% per year plus the cost of collection, including reasonable attorneys' fees if collected by law or through an attorney. If the Client has any objection to any invoice or part thereof submitted by BTEX, it shall so advise us in writing, giving its reasons, within 14 days of receipt of such invoice. The Client agrees it will not assert any right of set-off provided by law. No deduction shall be made from BTEX's invoice on account of penalty, liquidated damages, or other sums withheld from payment to contractors or others. Payment of the invoice shall constitute final approval as to all aspects of work performed to date as well as the necessity thereof. If the project is terminated in whole or in part due to BTEX shall be paid for services performed prior to receiving notice of such termination in addition to BTEX's reimbursable expenses and any sums due and costs incurred. Shh down costs may, at BTEX's sole discretion, include completion of analysis and records necessary to document our work and protect our professional reputation.

DAMAGES. BTEX SHALL NOT BE LIABLE FOR ANY PROPERTY DAMAGE OR INJURY ARISING FROM DAMAGE TO OR INTERFERENCE WITH SURFACE OR SUBTERREANOUS STRUCTURES (INCLUDING WITHOUT LIMITATION, PIPES, TUNNELS, TELEPHONE MASTS, etc.) WHICH ARE NOT ATTACHED TO OUR STRUCTURE AND ARE NOT THE PROPERTY OF THE CONTRACTOR. ANY SUCH DAMAGES MUST BE CLAIMED BY THE CONTRACTOR DIRECTLY WITH THE PROPERTY OWNER. BTEX SHALL NOT BE LIABLE FOR ANY DAMAGE TO THE SURFACES OR UNDERGROUND STRUCTURES ARISING FROM THE PERFORMANCE OF ANY SERVICES PROVIDED UNDER THIS AGREEMENT.

STANDARD CARE AND WARRANTY. Professional services provided by BTEX will be performed, findings obtained, and recommendations prepared in accordance with generally accepted engineering principles and practices. THIS WARRANTY IS IN ADDITION TO ALL OTHER WARRANTIES OR TERMS EXPRESSED OR IMPLIED. Consulting services and analytical data related to water damage and mold inspections (including but not limited to mold, fungi, and other allergens) are valid only for the issue services are performed as mold, fungi and other allergens are naturally occurring.

PUBLIC LIABILITY. BTEX maintains workers' compensation and employer's liability insurance for our employees as required by law. In addition, we maintain comprehensive general liability and surety liability insurance with limits of $1,000,000. A certificate of insurance can be supplied evidencing such coverage. We will not be liable or responsible for any loss, damage or liability beyond the amount limits, coverage or conditions of such insurance specified above. In the event any third party brings suit or claim for damages against BTEX alleging exposure to or damage from material, elements or substances at or from Client's facility before, during or after the services of this agreement, which is alleged to have resulted in or caused damage or any adverse health conditions to any third party or resulting in cost for remedial action, inability of the property or other property damage, then BTEX agrees to defend BTEX in such suit or claim and pay on our behalf at our judgment resulting against BTEX, including any interest thereon. Further, Client will hold us harmless and defend us in such suit or claim, will pay all court costs for which BTEX may be liable in any such suit, and will bear and pay all litigation expenses. Client agrees to provide reasonable and professional defense which will be provided by BTEX according to prevailing local standards. Client will have the right to negotiate, negotiate and settle, with our concurrence, any such suit or claim and BTEX will cooperate in the defense of any such suit or claim.

PROFESSIONAL LIABILITY. Client agrees to limit BTEX liability to Client or any third party arising from negligent professional services, error or omission such that BTEX local aggregate liability shall not exceed $50,000 or our total fee, whichever is greater. If Client prefers to have higher limits of professional liability coverage, we agree, upon receipt of Client's written request at the time of accepting the proposal, to increase the limits of liability up to a maximum of $1,000,000 at an additional cost to be determined based on specific conditions.

SAMPLE HANDLING AND RETENTION. Generally, test samples or specimens are consumed or substantially altered during the conduct of tests and BTEX at our sole discretion, will dispose of said test samples or specimens at our discretion, subject to the following: (a) it may retain test samples or specimens for a minimum of the storage period and (b) Client shall pay all costs associated with the storage, transport and disposal of said test samples or specimens. Client shall agree to hold harmless BTEX from and against any and all claims and
Liabilities resulting from: (a) Client's violation of any Federal, State or Local statute, regulation or ordinance relating to the disposal of hazardous substances or containers; (b) Client's undertaking of or arrangement for the handling, removal, treatment, storage, transportation or disposal of hazardous substances or containers found or identified at this site; (c) Charged conditions or hazardous substances at the Client's site which were not identified or known to the Contractor prior to or after the completion of services by or at the Client's site; (d) Allegations that BTEX is a hauler, generator, operator, owner or user, transporter or disposer under the Resource Conservation and Recovery Act of 1976 as amended or any similar Federal, State or Local regulation or law.

CONTAMINATED EQUIPMENT. All laboratory and field equipment contaminated in performing our services and which cannot be economically decontaminated shall be the property and the responsibility of the Client. All such equipment will be delivered to the Client at the Client's expense. Failure to do so may result in the Client being charged for the cost of decontamination and removal of the contaminated equipment.

UNPERMITTED OCCURRENCES. If during the performance of services, any unpermitted hazardous substances or conditions or other conditions or occurrences are encountered which in BTEX's judgement significantly affect or may affect the results of the project, the Client shall be notified. BTEX will use its best efforts to ensure that all such conditions or occurrences are remedied before or after the completion of services. In the event that Client fails to correct the problem, Client shall be responsible for any additional costs incurred in connection therewith.

CLAIMS. In the event that BTEX fails to correct a problem or if Client discovers that the work performed by BTEX was not performed in accordance with the specifications or requirements of the Agreement, Client shall notify BTEX and provide written notice of the claim within a reasonable time after the discovery of the problem. BTEX will then have the opportunity to correct the problem or dispute the claim. Failure to do so will result in the determination of the claim by the applicable governmental agency or court.

DOCUMENTS. All documents, reports, and other written communications relating to the services performed under this Agreement shall be the property of the Client. BTEX shall retain the original and copies of all documents, reports, and other written communications related to the services performed under this Agreement. BTEX shall not use or disclose any such documents without the written consent of the Client.

FIELD REPRESENTATIVE. The presence of our field representative, either full or part-time, shall be for the purpose of providing technical support andassistance to the Client. All costs associated with the field representative shall be the responsibility of the Client.

SEVERABILITY. If any provision herein is held invalid or unenforceable, the remaining provisions of this Agreement shall be unaffected and shall remain in full force and effect.

SURVIVAL. All obligations arising prior to termination of this Agreement and all provisions of this Agreement relating to confidentiality, indemnification, and the like shall survive the termination of this Agreement for any reason.

GOVERNING LAW. This Agreement shall be governed and construed in accordance with the laws of the State of Florida.
KEY LARGO WASTEWATER TREATMENT DISTRICT
Agenda Request Form

Meeting Date: December 1, 2004
Agenda Item No. 52

[ ] PUBLIC HEARING
[ ] RESOLUTION
[X] DISCUSSION
[ ] BID/RFP AWARD
[ ] GENERAL APPROVAL OF ITEM
[ ] CONSENT AGENDA

[] Other:

SUBJECT: Roevac Purchase Order

RECOMMENDED MOTION/ACTION: Discussion update.

Approved by General Manager
Date: 11-19-04

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<th>Costs: $</th>
<th>Attachments:</th>
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<td>[ ] District Counsel</td>
<td>[ ] Clerk</td>
<td>Date:</td>
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<td>[X] General Manager</td>
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<tr>
<td>[ ] Finance</td>
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<td>[X] Not Required</td>
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All parties that have an interest in this agenda item must be notified of meeting date and time. The following box must be filled out to be on agenda.

Yes I have notified everyone
Or
Not applicable in this case
Please initial one.

Summary Explanation/Background: Peter Kinsley of Haskell Co. is requesting a proposal from Roevac Germany and Airvac USA to supply and support the KLTV Project. Peter Kinsley and Dave Elias of Airvac will be at the meeting.

Resulting Board Action:

☑ Approved       ☐ Tabled       ☐ Disapproved       ☐ Recommendation Revised
Via Overnight Delivery

September 24, 2003

Re: Design-Build Wastewater Management System for the Key Largo Trailer Village Area Issue No. 01-004 – Vacuum Collection System Selection

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

Dear Mr. Sheets:

As stated in Section 3.8.3 of the Design-Build Agreement, the Key Largo Wastewater Treatment District (KLWTD) is responsible for selecting the vacuum collection system for the above referenced project. To facilitate KLWTD’s selection, The Haskell Company conducted vendor presentations and performed a detailed evaluation of the two vacuum collection systems under consideration in order to provide a recommendation.

The vendor presentations were conducted on September 15, 2003 with representatives from the KLWTD, Government Services Group, Weiler Engineering, Brown and Caldwell, DN Higgins, Inc., and The Haskell Company in attendance. In addition, The Haskell Company’s designer, Brown and Caldwell, performed a detailed evaluation of the two vacuum collection systems under consideration and provided their recommendation. Finally, to confirm the financial condition of Roediger, we reviewed a D&B report of the organization. I have attached a copy of Brown and Caldwell’s evaluation and the D&B report for your review.

Based upon the vendor presentations, subsequent evaluation performed by Brown and Caldwell and the findings of the D&B report, The Haskell Company recommends the vacuum collection system manufactured by Roediger.

If you should have any questions or require any additional information, please contact me directly at 904/357-4868.

Sincerely,

Peter M. Kinsley

Attachments

cc: Stuart Oppenheim, Brown and Caldwell
Charles Sweats, Government Services Group
Jeff Weiler, Weiler Engineering
Issue No. 01-004
September 24, 2003

Mr. Peter Kinsley
Division Leader - Water
The Haskell Company
Haskell Building
Jacksonville, FL 32231-4100

Subject: Vacuum System Recommendations Key Largo Trailer Village and Key Largo Park Projects

Dear Mr. Kinsley:

Pursuant to our review of the AirVac® and Roediger® vacuum collections systems, Brown and Caldwell offers our observations and recommendations. We have conducted a review of the vendor supplied printed materials; observed each vendor’s installations and checked references. In addition, we conducted vendor interviews, which were attended by the Key Largo Wastewater Treatment District’s manager and engineer.

It should be noted that our original proposal for this project was based on the AirVac system. Throughout the negotiation process of developing the project’s conceptual design, we refined the project requirements with Roediger. As a result, the entire team has developed a better understanding of their system. The following text summarizes our evaluation and focuses on areas of concern.

1. Prior Experience and References

- Air Vac has several installations within the United States, Florida and the Florida Keys. Most recently, AirVac has completed an installation in Stock Island. The project is reported to have 119 valve chambers serving 1200 connections. The Little Venice project is also currently under construction and has 364 valves serving 840 connections. Other installations in Florida include the Englewood / Sarasota area.

- Roediger has a limited number of domestic installations. St John’s County, Florida has a system serving approximately 80 EDU’s. Another installation in Malden Missouri serves 320 customers. Roediger also reports that the Emerald Bay Resort in the Bahamas currently serves 1760 EDUs at 200gallons /EDUs. The majority of Roediger’s installations are found in Europe.
Summary of Reference Checks

The Brown and Caldwell team contacted two facilities that own Roediger installations and one owner who has recently specified Roediger. We contacted one design firm that selected and installed the AirVac System.

A. Bill Young - Director of Utilities, St Johns County

The St John's County Utilities Department selected RoeVac for their exclusive 80 EDU residential community. The county compared the Englewood and Sanford System (Air Vac Systems). The county is satisfied with their selection. The system was selected because of the dry valve chamber, which made maintenance easier. Members of the Brown and Caldwell team have conducted a site investigation and have found the system to be in sound working condition.

B. Colin Groff - Technical Services Manager JEA

JEA performed an evaluation of both systems for their planned Ponte Vedra vacuum sewer system and recommended Roediger. The decision to go with Roediger was based on:

- Water tight valve chamber
- Less moving parts
- Didn't require the vent at the home for make-up air (utilized house vents)

C. Bill Green P.E. - Green and Associates, Malden Missouri

Mr. Green designed a comparable system to that of Key Largo with 300+ connections in Malden, Missouri. Mr. Green conducted a through review of both systems by traveling to Germany to review the Roediger system installations. Mr. Green concluded that the Roediger systems (collection system and vacuum pumping station) would perform equivalently to the AirVac system. The system was designed for either Roediger or AirVac. All six bids received included Roediger as the named supplier of the vacuum system. They received adequate assistance and cooperation during the design, construction and start-up of the system from Roediger. The Roediger system has been in operation for 1-½ years with an average of 2 service calls per month.

D. Dan Burden P.E. - Hazen and Sawyer, Sarasota, Florida

Mr. Burden designed the Sarasota Area-E project utilizing the AirVac system. The system consisted of 229 valve chambers serving 565 connections. Mr. Burden conducted a review of the AirVac vs. Roediger systems. Mr. Burden concluded that due to the limited domestic Roediger installations the AirVac system was preferred.
Site Visits

The Haskell Team has visited the St Johns County's Roediger system. It was reported that the system was operating as designed. The Haskell team has also visited the Little Venice (Marathon) and the Ocean Reef's AirVac vacuum system projects. We have observed and also discussed the installation with the contractors involved with these projects. We have become familiar with the installation on both systems.

2. Equipment Evaluation

There are several differences between the AirVac and Roediger vacuum valve and valve pit/chambers. The collection mains and the vacuum station, which consist of the central vacuum tank, vacuum and the sewage pumps, are virtually the same for both systems.

- AirVac utilized a piston-type valve, which opens when the sewage within the pit reaches a specific level. The valve is equipped with an internal sump breather. The valve is approximately 18 inches in height and it has a 3-inch opening. The pit sump varies in depth depending on the gravity lateral elevation needed. It is reported that the sump has a capacity of 50 gallons. If more storage is required, deeper sumps can be provided. The AirVac pit is equipped with a lid that has traffic bearing rating for an H-20 loading. The pit is assembled with stainless steel screws, which secure the upper valve chamber to the lower sump. The stainless steel screws also secure an anti-flotation collar.

- Roediger uses a diaphragm-type valve, which is 7 1/4 inches tall. The valve is equipped with a sump breather. The valve chamber is watertight. An external traffic collar is required to obtain the H-20 traffic bearing capacity. The sewage collection sump is adjacent to the valve chamber and also has an access lid with traffic-bearing collar. The sump is reported to have a capacity of 15 gallons. The inlet elevation on the sump can be adjusted.

3. Interchangeability of Vacuum Valves

AirVac, due to its size, cannot fit within the Roediger valve chamber. The Roediger valve can however fit into the AirVac chamber. We have collected no evidence where the vacuum valves have been used in the other manufacturer's chamber.

The vacuum collection system is designed in such a way as to use either manufacturer's pits/chambers. For example, an AirVac chamber and a Roediger chamber could be installed on the same main line. The District should however only utilize one manufacturer for the entire project to obtain the economy of scale and have one point of responsibility and warranty. However, if a new neighborhood were to be added to the existing system either supplier could be used.
4. Ease of Maintenance

The Roediger valve chamber is easier to access because it is watertight and thus does not fill with water when the groundwater table is high. The sump is easier to access because it is adjacent to the valve chamber and not below the valve chamber as in the AirVac configuration. Roediger has stated that the mean time between service calls on any particular valve would be approximately 10 years. Their data indicates a longer period between calls. AirVac recommends one hour/yr/valve when calculating system operating costs. There was no way to verify either manufacturers claims.

The following table summarizes the evaluation:

**EVALUATION SUMMARY TABLE**

<table>
<thead>
<tr>
<th>Item</th>
<th>AirVac</th>
<th>Roediger</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Previous Experience</strong></td>
<td>• Numerous domestic installations</td>
<td>• Limited domestic installations</td>
</tr>
<tr>
<td></td>
<td>• Florida Keys Installations</td>
<td>• Approved by JEA &amp; FKAA</td>
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<tr>
<td><strong>Equipment</strong></td>
<td>• 50 gallon storage in sump</td>
<td>• 15 gallon storage in sump</td>
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<tr>
<td></td>
<td>• Traffic bearing lid</td>
<td>• Requires traffic bearing collar</td>
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<td></td>
<td>• Flotation Collar</td>
<td>• Access to sump provided</td>
</tr>
<tr>
<td></td>
<td>• Buried steel bolts</td>
<td>• Adjustable sump elevation</td>
</tr>
<tr>
<td></td>
<td>• Internal sump breather</td>
<td>• Internal sump breather</td>
</tr>
<tr>
<td></td>
<td>• Fixed lateral elevation</td>
<td></td>
</tr>
<tr>
<td><strong>Interchangeability of Vacuum Valves</strong></td>
<td>• Valves do not fit in Roediger chamber</td>
<td>• Valves fit into AirVac chamber</td>
</tr>
<tr>
<td><strong>Ease of Maintenance</strong></td>
<td>• Access to sump through valve chamber</td>
<td>• Watertight valve chamber</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Access to sump from ground surface</td>
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</tbody>
</table>

Based on this review it is Brown and Caldwell's opinion that the Roediger vacuum system will accomplish the specified requirements for the Key Largo Trailer Village and Key Largo Park projects. Some of the benefits of utilizing this system for these projects are listed here:

- The Roediger valve chamber is watertight allowing ease of access by operational personnel to the vacuum valve for adjustment.
- Collection sump is also easier to access by system operators to remove debris that may inadvertently enter the sewer system.
- Provides corrosion resistant chambers (no buried steel bolts)
For the above reasons, Brown and Caldwell recommend the use of the Roediger system. It should be noted that both vendors made detailed presentations to the District's Engineer and Manager as well as the Haskell Design Build Team during these presentations; both manufacturers expressed their interest in supporting the District's needs.

I trust that the information will assist the Key Largo Wastewater Treatment District Board in its decision.

Very truly yours,

BROWN AND CALDWELL

Joseph S. Paterniti, P.E., D.E.
Collection System Project Engineer
Facsimile Letter

Date/Time: September 24, 2003

To: Charles L. Sweat
at: Government Services Group

Fax No.: 407-629-6963
Total No. Of Pages: 17 (including this cover sheet)

Message:

Attached is the letter of recommendation for the Vacuum Collection System and Secondary Treatment Process. The originals with the attachments are being overnighted for receipt tomorrow.

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 4919

Return FAX Number:  □ 904/791-4693  □ 904/791-4697  □ 904/791-4699  □ 904/695-2112  □ 904/695-2396  □ 204-357-4282
KEY LARGO WASTEWATER TREATMENT DISTRICT
Agenda Request Form

Meeting Date: December 1, 2004     Agenda Item No. 13

[ ] PUBLIC HEARING     [ ] RESOLUTION
[X] DISCUSSION     [ ] BID/RFP AWARD
[ ] GENERAL APPROVAL OF ITEM     [ ] CONSENT AGENDA

[ ] Other:

SUBJECT: Key Largo Park Status

RECOMMENDED MOTION/ACTION: Discussion only

Approved by General Manager [Signature]
Date: 11-19-04

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<td>[] Engineering</td>
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<td>[X] Clerk</td>
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<th>Attachments:</th>
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<td>11.05.04 letter to Higgins Inc.</td>
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<tr>
<td>11.12.04 letter from Higgins Inc</td>
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All parties that have an interest in this agenda item must be notified of meeting date and time. The following box must be filled out to be on agenda.

Yes I have notified everyone___________
Or
Not applicable in this case___________
Please initial one.

Summary Explanation/Background: D.N. Higgins latest response to our notice to proceed is attached.

Resulting Board Action:
☐ Approved     ☐ Tabled     ☐ Disapproved     ☐ Recommendation Revised
November 5, 2004

Daniel N. Higgins, Vice President
D.N. Higgins, Inc.
3390 Travis Pointe Road, Suite A
Ann Arbor, Michigan 48108

RE: Notice to Proceed VIA: Facsimile: 734-995-5480 and first class mail

Dear Mr. Higgins:

A month has passed since we sent you a notice to proceed. In that Letter we asked that you “examine the revised plans and specifications and prepare a change order for District consideration, covering changes in compensation and project timing that may be required as a result of these project changes.” We asked that you respond within ten working days from the date of the letter, and if that were not possible, to let us know when you would be in a position to proceed.

Although Walt Messer of your company has been intimately involved in the planning and design for Key Largo Park, and has met with me twice to review aspects of this project, we have had no written response from you regarding timing, cost, or other issues to be addressed in response to our recent letter.

Please be advised that we need a substantial written response from you on this project by November 12, 2004.

Sincerely,

Charles F. Fishburn, General Manager, KLWTD

CC: Mr. Walt Messer, Hand Delivered
Key Largo Wastewater Treatment District Board
District Counsel Thomas Dillon

)}

Board of Commissioners: Chairman Gary Bauman, Cris Beaty, Charles Brooks, Andrew Tobin
November 12, 2004

Mr. Charles F. Fishburn
General Manager, K LWTD
Key Largo Wastewater Treatment District
P.O. Box 491
Key Largo, FL 33037
Phone: 305-451-5105
Fax: 305-852-2477

RE: Notice to Proceed
Key Largo Park

Dear Mr. Fishburn:

We are responding to your letter dated November 5, 2004. We are now in receipt of marked up revised plans for the Key Largo Park project. We can now prepare a change order request to detail changes in compensation, and project timing. We have a target date to submit a change order request of November 24, 2004. Once a change order is agreed to by both parties we will accept a Notice to Proceed date.

Please feel free to contact me at 734-996-9500 with any questions or concerns.

Sincerely,
DOUGLAS N. HIGGINS, INC.

Daniel N. Higgins
Vice President

cc: Walter Messer, D.N. Higgins, Inc. Project Manager
KEY LARGO WASTEWATER TREATMENT DISTRICT

Agenda Request Form

Meeting Date: December 1, 2004
Agenda Item No.

[ ] PUBLIC HEARING
[X] DISCUSSION
[ ] GENERAL APPROVAL OF ITEM
[ ] Other:

SUBJECT: Rate and Connections Fees

RECOMMENDED MOTION/ACTION: Discussion, No action required

Approved by General Manager

Date: 11-23-04

| Originating Department: General Manager | Costs: Approximately
| Funding Source: Acct. # |
|----------------------------------------|------------------|
| Department Review:                     |Engineering______ |
| [ ] District Counsel                  | Clerk______ |
| [X] General Manager                   |
| [ ] Finance_____                      | Attachments:     |
|                                         | 1. Memo from Tom Dillon |
|                                         | 2. Email Answer from Tom |
|                                         | Dillon to Commissioner |
|                                         | Patton's questions |
|                                         | 3. Preliminary Rate Study |
|                                         | 4. Estimate of Operational |
|                                         | expenses |
|                                         | 5. 2 sheets of back up material |

| Advertised: Date: ________________ |
| Paper: ________________ |
| [X] Not Required |

All parties that have an interest in this agenda item must be notified of meeting date and time. The following box must be filled out to be on agenda.

Yes I have notified everyone______________
or
Not applicable in this case______________:
Please initial one.

Summary Explanation/Background: A very basic first look at utility rates system development charges, and operating expenses are provided. District Counsel Thomas Dillon has researched the $2,700 system development charges, and the $35/Mo. utility rate.

Resulting Board Action:
[ ] Approved  [ ] Tabled  [ ] Disapproved  [ ] Recommendation Revised
As requested by the Board, I attach my opinion re the District's ability to adopt and amend connection policies and rates.

Tom
Memo

To: Key Largo Wastewater Treatment District
From: Thomas M. Dillon
CC: N/A
Date: November 22, 2004
Re: Adoption and amendment of connection policies

At its meeting of November 17, 2004, the District Board requested advice as to whether the District may amend its connection policies. The short answer is yes. This memorandum will summarize the principals applicable to adoption of connection policies, including rates.

A general premise of administrative law is that government agencies, such as the District, must act reasonably. Generally speaking, a court will uphold an action by an administrative agency if it is acting within the scope of the authority delegated to it by the Legislature and if there is a rational basis for the agency’s action. If the administrative record includes facts upon which an administrative agency might reasonably have determined to take a particular action, a reviewing court will uphold the agency’s action even if more than one alternative action might be justified by the record and even if the court, on reviewing the record, might have selected a different alternative action. This is particularly true when the agency balances policy considerations within its statutory expertise.

As shown below, the District has authority to take administrative action to implement the purposes of its enabling legislation, including adoption and amendment of connection policies and rates.

The District has authority to adopt and amend connection policies and rates.

The Key Largo Wastewater Treatment District Act (Fla. Stat. ch. 337 (2002)) (the Act), as amended, governs the District’s activities, including rulemaking.

The Act provides ample authority for the District to adopt and amend resolutions and policies. Section 4 of the Act sets out the District’s powers, functions, and duties, and may be summarized in relevant parts as follows:
• The District has all of the powers, functions, and duties set out in the Act, as well as the powers, functions, and duties applicable to special districts under Fla. Stat. Ch. 189. Act, § 4(1).

• The District has certain express powers set forth in Section 4(1):
  o (A) To adopt bylaws.
  o (B) To adopt resolutions and policies as necessary for implementation, regulation, and enforcement, consistent with the purposes of the district.
  o (C) To plan, develop, purchase or otherwise acquire, construct, reconstruct, improve, extend, enlarge, equip, repair, maintain, and operate any wastewater management system and facilities within the territorial limits of the district.
    ...
  o (F) To assess and impose ... assessment upon the lands in the district as provided by the Act and Fla. Stat. ch. 197.
    ...
  o (J) To fix and collect rates, rentals, fees, and charges for the use of any wastewater management system facilities. The district may provide for reasonable penalties against any user for any such rates, fees, rentals, or other charges that are delinquent. In the event that such delinquency occurs and such fees, rentals, or other charges are not paid and remain delinquent for 30 days or more, the district may discontinue and shut off services until such fees, rentals, or other charges, including interest, penalties, and charges for shutting off, discontinuing, and restoring such services, are fully paid. The district may enter on lands, waters, and premises of any person, firm, corporation, or other body for the purpose of discontinuing and shutting off services under such circumstances. Further, such delinquent fees, rentals, or other charges, together with interest, penalties, and charges for shutting off, discontinuing, and restoring such services, and reasonable attorneys' fees and other expenses may be recovered by the District by suit in any court of competent jurisdiction. The district may also enforce payment by any other lawful method of enforcement.
  o (K) To make and enter into contracts and agreements necessary or incidental to the performance of the duties imposed and the execution of the powers granted under this act ... as may, in the judgment of the district be necessary....
    ...
  o (P) To do all acts or things necessary or convenient to carry out the powers expressly granted in the Act.

Note that the Act, as originally written, provided in Section 4(1)(B) that the District's authority to adopt rules was to be implemented under Fla. Stat. ch. 120, the uniform agency rulemaking procedures. This limitation on the District's power was removed from the Act as
finally adopted. It is therefore clear that the District is not required to follow the procedures in Fla. Stat. ch. 120 in adopting resolutions and policies.

Included in the authority to adopt connection policies and rates is the authority to amend those policies and rates.

*In adopting and amending connection policies and rates, the District should ensure that its actions are supported by the administrative record of the actions.*

As stated above, a court will uphold the action of the District if the action has a rational basis. Normally, courts examine the administrative record leading up to the action to try to find the rational basis for the action. Agencies can assist the courts by adopting resolutions that include findings of fact supporting the action. If the findings of fact are based on evidence in the record, a court will likely defer to the agency finding.

In a situation where the District has a need to adopt a resolution establishing connection policies and rates, but has not had time to evaluate fully the ramifications of the policies on rates on users not yet served by the District, the District should consider adopting "interim" policies and rates with the expressed understanding that the District may reconsider them at a later date.

In order to amend a resolution, the District should develop and consider an administrative record showing that that the District's decision has a rational basis. Although it is possible that the District could review the old administrative record and reach new and different conclusions, the most easily defensible actions will be supported by, at a minimum, a finding that the best interests of the District require a new and different decision. A good case for a new decision is one in which the new decision is supported by evidence that was either not available at the time of the earlier decision or by evidence that was available but which the District reasonably decided not to consider at the earlier time.

*Examples of possible District actions concerning connection policies and rates.*

The District should establish connection policies and rates for the areas where collection systems are now being built or will be built soon. Among other things, the District might consider the grant funding and other funds being made available for the construction and the need of the District for funds to expand service within its service area. It would probably be appropriate for the District to adopt these policies and rates on an interim basis, expressly subject to amendment as the wastewater system expands.

If the District intends to serve commercial properties in the near future, the District should also establish connection policies and rates for such properties. It might be wise to adopt these policies and rates on an interim basis, as well. Also, the District might consider limiting the policies and rates to the specific types of commercial properties that will soon be served. For example, there are no hotels to be served in the immediate future, so the District might choose to defer adopting policies and rates for hotels.

In both cases, I recommend including express findings in the decision to the effect that the District policy is to attempt to spread the cost of providing wastewater service fairly among the persons served, and that the District intends to engage in continuing reviews and revisions of connection policies and rates as the system is developed.
From: "Thomas Dillon" <thomasdillon@terranova.net>
To: "Glenn Patton" <gpatton@innovative-dynamics.com>; "Claude Bullock" <cbullock417@aol.com>; "Andrew Tobin" <Tobinlaw@Terranova.net>; "Carol Simpkins" <cjsimpkins@bellsouth.net>; "Charles Brooks (E-mail)" <cbrooks442@aol.com>; "Chuck Fishburn" <cffishburn@aol.com>; "Gary Bauman (E-mail)" <g.bauman@dolphinpatioandgrill.com>
Sent: Monday, November 22, 2004 3:58 PM
Subject: Questions from Comm. Patton re rates

Commissioner Patton has asked two questions:

1. Is the $35/month rate discussed by the Board required by any grant agreement?

Yes.

The DCA grant agreement under which the District is receiving the FEMA grant was the culmination of a number of agency reviews and findings. Under date of March 19, 2004, FEMA transmitted to Robert Sheets of GSG a Supplemental Finding of No Significant Impact (SFONSI) regarding the proposed wastewater treatment system for Key Largo Trailer Village and Key Largo Park. The SFONSI includes the following statement:

"The proposed action would increase most service recipients' wastewater management costs, particularly for cesspit or septic owners. With FEMA and other funding applied to the proposed action's system capital costs, expenses to service recipients are expected to be affordable and reasonable, as determined in the PEA [Programmatic Environmental Assessment finalized 12/23/02 - TMD]. The KLWTD's estimated service recipient costs, per Resolution 203-6, include a system capital cost of $2,700 and monthly operation and maintenance (O&M) fee of $35 per Equivalent Dwelling Unit. To mitigate immediate expenses, the system capital cost may be amortized over 20 years (at a current estimated rate of 5%) into an annual payment incorporated into property taxes. So long as the KLWTD's system capital costs and O&M costs remain within the PFONSI's reasonable and affordable ranges ($3,000 to $4,500 and $30 to $80, respectively) no substantial adverse economic effect is expected. Service recipients will be responsible for the entire cost of legally abandoning their existing on-site wastewater system and installing a service lateral to the proposed action's collection system. These costs are expected to range between $1,500 and $5,000 per EDU (Equivalent Dwelling Unit)."

The DCA grant agreement incorporates the SFONSI by reference as a part of Exhibit A to the DCA grant agreement.

I have not reviewed Resolution 203-6, to which the SFONSI refers.

Based on the foregoing, I believe that neither the FEMA grant nor the DCA grant agreement requires that the District abide by the capital cost charge of $2,700 or the estimated O&M fee of $35/EDU. In order to avoid a "substantial adverse economic impact", the District is obligated to adopt rates and charges that are no more burdensome than the ranges stated above in the SFONSI: $3,000 to $4,500 for the capital cost and $30 to $80/EDU/month for the O&M costs. Although the SFONSI does not expressly so provide, I assume that the District could adjust these ranges for inflation without causing a substantial adverse economic impact. Consequently, imposition of charges in those ranges would be consistent with the DCA agreement and the FEMA grant.

2. Are public hearings legally required prior to issuance of rates and charges?

The District is not required to hold public hearings prior to issuing rates and charges, but it must conduct its business at public meetings.

As I advised the Board in my memo of this date, the District is not subject to the requirements of Fla. Stat. ch. 120, which imposes public workshop requirements prior to setting rates. The FKAA was formerly subject to Fla. Stat. ch. 120, and FKAA's procedures impose the same requirements. The FKAA process establishes a standard

11/22/2004
that the public might have come to expect from utilities in the Florida Keys, but it is not a legal standard applicable to the District.

Even though the District is not subject to the requirement of Fla. Stat. ch. 120, the District is still required to conduct its business in sunshine. Therefore, the District can adopt rates and charges only in the course of a public meeting.

Despite the absence of specific hearing requirements, the District should carefully consider the level of public input it will request or allow prior to setting rates. The District might well determine that one or more public hearings are appropriate to its decision-making on this subject.

Tom

11/22/2004
From: Thomas Dillon [thomasdillon@terranova.net]
Sent: Tuesday, November 23, 2004 1:13 PM
To: Glenn Patton; Claude Bullock; Andrew Tobin; Carol Simpkins; Charles Brooks (E-mail); Chuck Fishburn; Gary Bauman (E-mail)

Subject: Response No. 3 to Comm. Patton question re rates

This is the last of three emails responding to the question raised by Commissioner Patton: whether the $35/month rate was required by any grant agreement.

I have now reviewed the FDEP grant agreement sent to the District under date of February 13, 2003. It does not appear to incorporate any provision limiting the District's ability to require any particular rates or charges.

Tom
Due to operator error, this email was first sent under the name of Leslie Dillon. The contents are my work product. I apologize for any inconvenience.

Tom

This is an addition to my email of yesterday regarding questions raised by Commissioner Patton regarding rates. Particularly, Commissioner Patton asked whether the $35/month rate was required by any grant agreement. This email will discuss portions of the Interlocal Agreement between the County, the District, and FKAA, executed in February, 2003.

The Interlocal Agreement includes as Exhibit M a copy of BOCC Resolution 306-2002. I believe this to be the resolution referenced in the quoted paragraph in the SFONSI.

Resolution 306-2002 provides, in relevant part, that,

"Section 1. The BOCC approves the following standards for connection fees, monthly charges, and total user charges for central wastewater systems:

"A. Connection fees should be no more than approximately $2,700 per Equivalent Dwelling Unit (EDU) after any federal/state grants or County funds are applied.

"B. The monthly service charge per EDU should be $35 or less per month, excluding debt service costs.

"C. The total fees and user charges per EDU should not be more than $87 per month. These total fees and charges include all connection (capital) costs amortized at 6% over 20 years; the out-of-pocket costs to property owners, estimated at an average cost of $12.54 per month [estimated average cost of $1,750 amortized at 6% over 20 years], for the decommissioning of existing on-site systems and installation of laterals to connect at property line with central sewer systems; and, monthly operations and maintenance costs including any debt service costs.

"Section 3. The BOCC recognizes that the above standards are intended to be desirable "target" levels which the County should endeavor to meet; however, differing circumstances and situations warrant discretion in their strict application.

"Section 4. The BOCC establishes a policy that the level of public grant assistance both local and federal/state to be provide projects shall be sufficient to ensure that per EDU connection fees are no more than $2,700 and monthly user charges are $35 or less, excluding any debt service. The BOCC states that in provision of this grant assistance, the County's policy shall be to solely reduce the capital costs for such systems not [SIC] operations and maintenance (O&M) costs. The BOCC further states that except for such assistance that may be provided to disadvantage households, the out-of-pocket costs incurred by property owners for the decommissioning of on-site systems and installation of laterals to the property line, shall be borne by the property owner."

The Interlocal Agreement incorporates Resolution 306-2002 by erroneous reference into the Interlocal Agreement, in Section 2.04.B., which provides:

"B. Affordability and Financing Obligations. The District agrees to adopt similar affordability and user
financing standards as provided in Exhibit L [sic. I believe this is an erroneous reference to Exhibit M - TMD] attached hereto and contemplated in the near future by the County, including the establishment of low interest revolving loan fund programs for low and very low income homesteaded households.

The provisions of Resolution 306-2002 and the Interlocal Agreement do not appear to be intended to affect the District's ability to set rates and charges for commercial development, since they are focused entirely on residential properties. Further, the major commitments to keep charges at a set rate seem to have been made by the County, which expresses the intent to provide capital funds as necessary to keep the connection fees and monthly user charges at artificially low rates.

The commitment by the District seems to be a conditional commitment to impose the low rates provided County and state/federal funding is sufficient to allow that practice. In any case, the resolution expressly acknowledges that the rate levels are "target levels" and that "differing circumstances and situations warrant discretion in their strict application."

In my opinion, the Interlocal Agreement imposes on the District the obligation to attempt in good faith to hold its connection fees and monthly user charges at the target level rates for homesteaded property. The obligation is conditional on receiving funding from the County and state/federal sources sufficient to allow these artificially low rates to be maintained. Other than this "best efforts" commitment, the Interlocal Agreement does not impose legally enforceable limits on the District's ability to set rates and charges.

I express no opinion as to the political import of the Interlocal Agreement in this regard, except to say that the District's execution of the Interlocal Agreement may raise an expectation on the part of users and the County that the District will establish rates at the levels set out in Resolution 306-2002.

Tom

11/23/2004
## Key Largo Wastewater Treatment District
### Preliminary Rate Study
#### Summary of Customer and Equivalent Dwelling Unit Forecast

<table>
<thead>
<tr>
<th>Line</th>
<th>No.</th>
<th>Key Largo</th>
<th>Commercial</th>
<th>Key Calusa</th>
<th>Sexton</th>
<th>Total</th>
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<tbody>
<tr>
<td>1 RESIDENTIAL - SINGLE FAMILY</td>
<td>1</td>
<td>449</td>
<td>182</td>
<td>367</td>
<td>1011</td>
<td></td>
</tr>
<tr>
<td>2 Average Annual Accounts Served</td>
<td>2</td>
<td>449</td>
<td>182</td>
<td>367</td>
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</tr>
<tr>
<td>3 Average Annual EDU's Served</td>
<td>3</td>
<td>449</td>
<td>182</td>
<td>367</td>
<td>1011</td>
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</tr>
<tr>
<td>4 RESIDENTIAL - MULTI-FAMILY</td>
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<td></td>
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<tr>
<td>5 COMMERCIAL</td>
<td>5</td>
<td>9</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>6 Average Annual Accounts Served</td>
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<td>21</td>
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<tr>
<td>7 Average Annual EDU's Served</td>
<td>7</td>
<td>21</td>
<td></td>
<td></td>
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<tr>
<td>8 TOTAL SERVICE AREA - ACCOUNTS SERVED</td>
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<td>449</td>
<td>470</td>
<td>652</td>
<td>1019</td>
<td></td>
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<tr>
<td>9 Cumulative EDU'S</td>
<td>9</td>
<td>449</td>
<td>470</td>
<td>652</td>
<td>1019</td>
<td></td>
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<tr>
<td>10 Average Annual Accounts Served</td>
<td>10</td>
<td>449</td>
<td>470</td>
<td>652</td>
<td>1019</td>
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<tr>
<td>11 Average Annual EDU's Served</td>
<td>11</td>
<td>449</td>
<td>470</td>
<td>652</td>
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<tr>
<td>12 WASTEWATER TREATMENT REQUIREMENTS</td>
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<td>60,000</td>
<td>28,000</td>
<td>21,000</td>
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<tr>
<td>13 Average Daily Flow (Gallons)</td>
<td>13</td>
<td>10,000</td>
<td>28,000</td>
<td>21,000</td>
<td>600,000</td>
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</tr>
<tr>
<td>14 Cumulative AADF (Gallons)</td>
<td>14</td>
<td>60,000</td>
<td>98,000</td>
<td>119,000</td>
<td>719,000</td>
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<tr>
<td>15 Wastewater Treatment Plant Capacity</td>
<td>15</td>
<td>183,000</td>
<td>183,000</td>
<td>183,000</td>
<td>1,125,000</td>
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</tr>
<tr>
<td>16 Plant Capacity Utilization</td>
<td>16</td>
<td>33%</td>
<td>36%</td>
<td>54%</td>
<td>65%</td>
<td>64%</td>
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<tr>
<td>17 RATES</td>
<td>17</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18 Base Charge Revenue (1)</td>
<td>18</td>
<td>11,225</td>
<td>525</td>
<td>4,550</td>
<td>9,175</td>
<td>87,775</td>
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<tr>
<td>19 Flow Charge Revenue (2)</td>
<td>19</td>
<td>9,125</td>
<td>1,521</td>
<td>4,258</td>
<td>3,194</td>
<td>91,256</td>
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<td>20 Total Revenue / Mo. (3)</td>
<td>20</td>
<td>20,350</td>
<td>2,046</td>
<td>8,808</td>
<td>12,369</td>
<td>179,025</td>
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<tr>
<td>21 Total Revenue / Yr. (4)</td>
<td>21</td>
<td>244,200</td>
<td>24,552</td>
<td>105,696</td>
<td>148,428</td>
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<td>20,350</td>
<td>22,396</td>
<td>31,204</td>
<td>43,573</td>
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<td>23 Cumulative Revenue / Yr. (6)</td>
<td>23</td>
<td>224,200</td>
<td>269,752</td>
<td>374,448</td>
<td>522,876</td>
<td>2,674,176</td>
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<tr>
<td>24</td>
<td>SYSTEM DEVELOPMENT FEES</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>25</td>
<td>At $2,700/EDU (7)</td>
<td>1,212,300</td>
<td>30,000</td>
<td>491,400</td>
<td>990,900</td>
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<tr>
<td>26</td>
<td>At $4,5000/EDU</td>
<td>2,020,500</td>
<td>50,000</td>
<td>819,000</td>
<td>1,651,500</td>
<td>10,000,000</td>
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<tr>
<td>(1)</td>
<td>$25/EDU/Mo.</td>
<td></td>
<td></td>
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<tr>
<td>(2)</td>
<td>$5/1000/Gallon</td>
<td></td>
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<td></td>
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<tr>
<td>(3)</td>
<td>Line 18 &amp; Line 19</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(4)</td>
<td>Line 3 x 12 mo.</td>
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</tr>
<tr>
<td>(5)</td>
<td>Column 1 &amp; 2 etc.</td>
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<td></td>
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<tr>
<td>(6)</td>
<td>Line 22 x 12 mo.</td>
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<td></td>
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</tr>
<tr>
<td>(7)</td>
<td>Very rough estimates of Commercial site development fees</td>
<td></td>
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<table>
<thead>
<tr>
<th>Line No.</th>
<th>Description</th>
<th>Little Venice</th>
<th>KLWTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Salaries</td>
<td>$66,740.00</td>
<td>$85,000.00</td>
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<tr>
<td>2</td>
<td>Overtime</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Salaries - Capitalized</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Overtime Capitalized</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Retirement</td>
<td>18.00%</td>
<td>$12,013.00</td>
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<tr>
<td>6</td>
<td>FICA</td>
<td>7.65%</td>
<td>$5,106.00</td>
</tr>
<tr>
<td>7</td>
<td>Insurance (Medical)</td>
<td>10.00%</td>
<td>$6,674.00</td>
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<tr>
<td>8</td>
<td>Other</td>
<td>5.00%</td>
<td>$3,337.00</td>
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<tr>
<td>9</td>
<td>Purchased Power</td>
<td></td>
<td>$47,512.00</td>
</tr>
<tr>
<td>10</td>
<td>Fuel for Power Production</td>
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<td></td>
</tr>
<tr>
<td>11</td>
<td>Chemicals</td>
<td></td>
<td>$6,432.00</td>
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<tr>
<td>12</td>
<td>Sludge Handling</td>
<td></td>
<td>$28,059.00</td>
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<td>13</td>
<td>Laboratory</td>
<td></td>
<td>$10,250.00</td>
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<tr>
<td>14</td>
<td>Materials &amp; Supplies</td>
<td></td>
<td>$1,538.00</td>
</tr>
<tr>
<td>15</td>
<td>Contractual Services - Engineering</td>
<td></td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>Contractual Services - Accounting</td>
<td></td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>Contractual Services - Legal</td>
<td></td>
<td></td>
</tr>
<tr>
<td>18</td>
<td>Insurance</td>
<td></td>
<td>$30,238.00</td>
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<tr>
<td>19</td>
<td>Rent Expense (Plant Site Lease)</td>
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<td>$20,500.00</td>
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<tr>
<td>20</td>
<td>Transportation Expense</td>
<td></td>
<td></td>
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<tr>
<td>21</td>
<td>Insurance, Workers Comp.</td>
<td></td>
<td>$13,000.00</td>
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<tr>
<td>22</td>
<td>Advertising</td>
<td></td>
<td></td>
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<tr>
<td>23</td>
<td>Office Supplies</td>
<td></td>
<td>$154.00</td>
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<tr>
<td>24</td>
<td>Repairs &amp; Maintenance of Plant</td>
<td></td>
<td>$3,256.00</td>
</tr>
<tr>
<td>25</td>
<td>Telephone/Communications</td>
<td></td>
<td>$185.00</td>
</tr>
<tr>
<td>26</td>
<td>Regulatory Compliance &amp; Administration</td>
<td></td>
<td>$5,125.00</td>
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<tr>
<td>27</td>
<td>Travel &amp; Training</td>
<td></td>
<td>$513.00</td>
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<tr>
<td>28</td>
<td>Miscellaneous - Other</td>
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<td>$1,784.00</td>
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<tr>
<td>29</td>
<td>Bank Charges</td>
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<tr>
<td>30</td>
<td>Total Wastewater Treatment</td>
<td></td>
<td>$249,416.00</td>
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<table>
<thead>
<tr>
<th>Line No.</th>
<th>Description</th>
<th>Little Venice</th>
<th>KLWTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>31</td>
<td>Salaries</td>
<td>$14,247.00</td>
<td>$15,000.00</td>
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<tr>
<td>32</td>
<td>Overtime</td>
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</tr>
<tr>
<td>33</td>
<td>Salaries-Capitalized</td>
<td></td>
<td></td>
</tr>
<tr>
<td>34</td>
<td>Overtime-Capitalized</td>
<td></td>
<td></td>
</tr>
<tr>
<td>35</td>
<td>Retirement</td>
<td>18.00%</td>
<td>$2,564.00</td>
</tr>
<tr>
<td>36</td>
<td>FICA</td>
<td>7.65%</td>
<td>$1,090.00</td>
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<tr>
<td>37</td>
<td>Insurance (Medical)</td>
<td>10.00%</td>
<td>$1,425.00</td>
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<tr>
<td>38</td>
<td>Other</td>
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<tr>
<td>39</td>
<td>Purchased Power</td>
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<td>$20,000.00</td>
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<tr>
<td>40</td>
<td>Chemicals</td>
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<td></td>
</tr>
<tr>
<td>41</td>
<td>Materials &amp; Supplies</td>
<td></td>
<td>$513.00</td>
</tr>
<tr>
<td>42</td>
<td>Contractual Services - Engineering</td>
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<td></td>
</tr>
<tr>
<td>43</td>
<td>Contractual Services - Accounting</td>
<td></td>
<td></td>
</tr>
<tr>
<td>44</td>
<td>Contractual Services - Legal</td>
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<tr>
<td>45</td>
<td>Contractual Services - Other/Plant Operations</td>
<td></td>
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<table>
<thead>
<tr>
<th>Description</th>
<th>Cost 1</th>
<th>Cost 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rental Expenses (equipment/machinery)</td>
<td></td>
<td>$2,000.00</td>
</tr>
<tr>
<td>Transportation Expense</td>
<td>$2,614.00</td>
<td>$3,000.00</td>
</tr>
<tr>
<td>Insurance</td>
<td></td>
<td>$2,250.00</td>
</tr>
<tr>
<td>Advertising</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Office Supplies</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Repair &amp; Maintenance of Plant</td>
<td>$14,759.00</td>
<td>$15,000.00</td>
</tr>
<tr>
<td>Telephone/Communications</td>
<td>$185.00</td>
<td>$1,200.00</td>
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<tr>
<td>Postage</td>
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</tr>
<tr>
<td>Transportation Expense</td>
<td>$2,614.00</td>
<td>$3,000.00</td>
</tr>
<tr>
<td>Miscellaneous - Other</td>
<td>$256.00</td>
<td>$300.00</td>
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<tr>
<td>Travel &amp; Training</td>
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<tr>
<td>Total Wastewater Collection</td>
<td>$40,979.00</td>
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**OTHER AUTHORITY & CUSTOMER SERVICE COST**

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost 1</th>
<th>Cost 2</th>
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</thead>
<tbody>
<tr>
<td>Cost Reimbursements:</td>
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<tr>
<td>Wastewater Administration</td>
<td>$27,300.00</td>
<td>$20,000.00</td>
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<tr>
<td>Customer Service &amp; Billing Cost</td>
<td>$24,500.00</td>
<td>$40,000.00</td>
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<tr>
<td>Less amount Capitalized to Project Cost</td>
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<tr>
<td>Bad Debt Expense @ 0.5%</td>
<td>$2,149.00</td>
<td>$2,000.00</td>
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<tr>
<td>Contingency Allowance (% of Operating Exp.) @ 7.5%</td>
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<td>$30,000.00</td>
</tr>
<tr>
<td>Total Other Authority &amp; Customer Billing Costs</td>
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<td>$100,000.00</td>
</tr>
<tr>
<td>Total Operating Expenses</td>
<td>$370,009.00</td>
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ANNUAL OPERATION AND MAINTENANCE COSTS

Operation and maintenance (O&M) cost estimates reflect the cost of labor, power, and miscellaneous materials required to operate and maintain the secondary treatment process. The State dictates minimum operator attendance requirements. As a result, it has been assumed that each system will have the same operating hours. It is recognized that the USBF is much simpler to operate than the SBR. If a variance could be granted, then the labor costs for the USBF would be less than the SBR. The annual O&M costs for each secondary treatment alternative are presented in Table A-4.

TABLE A-4 ANNUAL O&M COSTS ($) FOR SECONDARY TREATMENT ALTERNATIVES*

<table>
<thead>
<tr>
<th>PROCESS</th>
<th>POWER*</th>
<th>MAINTENANCE**</th>
<th>TOTAL O&amp;M</th>
</tr>
</thead>
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<tr>
<td>USBF</td>
<td>30,000</td>
<td>$12,000</td>
<td>$42,000</td>
</tr>
<tr>
<td>SBR</td>
<td>$35,500</td>
<td>$22,400</td>
<td>$57,900</td>
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* USBF power consumption based on one 10 HP blower and two 1.9 HP mixers. Three modules required. SBR power based on 295 BHP per unit (supplied by Fluidyne)
** USBF based on 2% of equipment cost. SBR based on 4% of equipment cost.

NON-ECONOMIC COMPARISON OF SECONDARY TREATMENT ALTERNATIVES

Each of the wastewater treatment alternatives is compared in terms of reliability, adaptability, regulatory compliance, environmental factors, and operation and based on the descriptions below.

RELIABILITY

The reliability of each alternative can generally be described as the ability to continuously operate for extended periods, under varying conditions, and with minimal downtime due to major maintenance and repairs. Reliability examines the ability of the process to produce consistent quality effluent under varying load conditions, whether the proposed systems have the redundancy to permit routine maintenance, and the capability to either operate or bypass systems during a power failure or major maintenance operations.

The USBF is an extremely simple system to operate and maintain. However, since the system depends upon the sludge blanket for removal, (and possibly some denitrification), it could be susceptible to effluent excursions during peak loads. This is a bigger concern for a plant that must achieve AWT limits. Redundancy is provided.

The SBR system is more complex than the USBF. Automation is generally provided so that the fill, draw, decant sequence can be performed. The system, when operated by trained operators is capable of producing a consistent effluent. It is able to function very well under varying loads, since it is designed as an equalization system.

Because of the concern with USBF and varying loads, and the SBR's more complex systems, they are given similar rankings.

ADAPTABLEITY

Each alternative is evaluated based on its ability to accommodate additional capacity expansion and/or process changes to meet effluent discharge limits. These changes may be dictated by regulatory changes, changes in development patterns or densities, or policy changes. Alternatives that have extensive site requirements or that require extensive process changes or additions will be penalized in the rankings for this category.

The USBF, being a modular system, does not have much flexibility to increase capacity, except in modules. The system is not designed with much flexibility, should effluent discharge limits be changed. There is no ability to accept process modifications, in case the design engineer sees a need to change a parameter. Given that there is not a lot of history in meeting the AWT requirements, there is a question of confidence regarding the ability of the system to adjust to process changes that may arise.

The SBR is reasonably flexible. If there are needs to increase storage size or return flow rates this can be accommodated. For this reason, the SBR is given a higher rating than the USBF system.

REGULATORY COMPLIANCE

Each alternative has been evaluated for its level of tertiary treatment quality and its ability to consistently meet effluent quality standards while accommodating peak hydraulic loading and fluctuations in influent concentrations.

KEY LARGO TRAILER VILLAGE AREA - DESIGN-BUILD WASTEWATER MANAGEMENT SYSTEM
Questions

Question No.1: What are the anticipated monthly or yearly O & M costs for:

a. The collection system such as repairs, pipe stoppages, valve failures, valve adjustments, part guarantees, site restoration, pavement restoration, etc.?

b. The treatment system such as electric consumption, chemicals, testing, preventative, routine and emergency maintenance, operator man hours, expected sludge hauling, odor control, emergency generator maintenance and fuel, etc.

WS/CPH Response: The following is an opinion of probable annual operation and maintenance costs for the wastewater treatment facility and vacuum collection systems:

| Wastewater Treatment Facility and Class V Injection Wells |
|---------------------------------|-----------------|
| O & M Item                     | Annualized Cost |
| Labor - AWT Operator           | $35,000         |
| Labor - Vacuum Station & Collection System | $10,400         |
| Operating Expenses             | $5,000          |
| Chemicals (Tablet Chlorine & Ferrous Sulfate) | $7,200          |
| Utilities (Electrical, Water, etc.) | $23,600         |
| Maintenance, Repair and Improvement: |                   |
| Equipment, facilities, plants, etc. | $3,000          |
| Collection System Parts & Supplies | $5,600          |
| Residuals Management / Disposal (Sludge) | $7,500          |
| Renewal and Replacement Cost   | $10,000         |
| **Opinion of Probable Annual Operation and Maintenance Cost:** | **$107,300**     |

1 Based on a Category I, Class C Treatment Facility with a capacity of 0.10 – 0.50 MGD. A Class C or
**KEY LARGO WASTEWATER TREATMENT DISTRICT**

**Agenda Request Form**

Meeting Date: December 1, 2004  
Agenda Item No.

- [ ] PUBLIC HEARING  
- [ ] DISCUSSION  
- [ ] GENERAL APPROVAL OF ITEM  
- [X] Other:

**SUBJECT:** Web Site Update.

**RECOMMENDED MOTION/ACTION:** No action required

Approved by General Manager  
Date: 11-23-09

---

| Originating Department: Commissioner Patton | Costs: Approximately $0  
Funding Source:  
Acct. # | Attachments: Sample of Web site pages. |
|---|---|

| Department Review:  
[ ] District Counsel  
[ ] Finance  
[ ] General Manager | [ ] Engineering  
[ ] Clerk | Advertised:  
Date:  
Paper:  
[X] Not Required |
|---|---|

All parties that have an interest in this agenda item must be notified of meeting date and time. The following box must be filled out to be on agenda.

Yes I have notified everyone  
Or  
Not applicable in this case  
Please initial one.

---

**Summary Explanation/Background:** Commissioner Patton placed this item on the agenda to update the Board on the progress of the web site.

---

**Resulting Board Action:**  
☐ Approved  
☐ Tabled  
☐ Disapproved  
☐ Recommendation Revised
Key Largo Wastewater Treatment District

What's New
- Key Largo Trailer Village (KLTV) construction
- Key Largo Wastewater Plant construction

Key Milestones
- KLTV Bid and award
- Key Largo Park Bid and award
- more...

KLWTD Board Members
- Bauman, Gary: KLWTD Vice Chairman
- Brooks, Charlie: KLWTD Board Chairman
- Bullock, Claude: KLWTD Commissioner
- Patton, Glenn: KLWTD Commissioner
- Tobin, Andy: KLWTD Secretary

http://www.klwtd.net/
For problems or questions regarding this Web site contact Carol Simpkins
Key Largo Wastewater Treatment District

Members

KLWTD Board Members

Bauman, Gary  
KLWTD Vice Chairman

Brooks, Charlie  
KLWTD Board Chairman

Bullock, Claude  
KLWTD Commissioner

Patton, Glenn  
KLWTD Commissioner

Tobin, Andy  
KLWTD Secretary - Treasurer

---

KLWTD Vice Chairman

305-451-5105  
g.bauman@dolphinpatioandgrill.com  
http://www.KLWTD.net

---

Brooks, Charlie  
KLWTD Board Chairman

305-451-5105  
cbrooks442@aol.com  
http://www.KLWTD.net

---

KLWTD Commissioner

305-451-5105  
cbullock417@aol.com  
http://www.KLWTD.net

---

http://www.klwtd.net/members.htm  
11/23/2004
Tobin, Andy  KLWTD Secretary - Treasurer
305-451-5105 home
Tobinlaw@terranova.net
http://www.KLWTD.net

KLWTD Commissioner
305-451-4891 home
305-281-0101 mobile
gpatton@innovative-dynamics.com
http://www.KLWTD.net
Key Largo Wastewater Treatment District

KLWTD Staff

Chuck Fishburn  KLWTD General Manager
Carol Simpkins  KLWTD Clerk
Martin Waits  KLWTD Financial Officer
Thomas Dillon  KLWTD Attorney
Ed Castle, P.E.  KLWTD Engineer

KLWTD Staff

Chuck Fishburn  KLWTD General Manager
305-451-5105
cffishburn@aol.com
http://www.KLWTD.net

Carol Simpkins  KLWTD Clerk
305-451-5105
cjsimpkins@bellsouth.net
http://www.KLWTD.net

Martin Waits  KLWTD Financial Officer
30-451-5105
MartinWaits@bellsouth.net

Thomas Dillon  KLWTD Attorney

Key Largo Wastewater Treatment District

Contact Info

Contact us by e-mail or call the K LWTD office 305-451-5105

Chuck Fishburn  
KLWTD  
General Manager

Carol Simpkins  
KLWTD  
Clerk

http://www.klwtd.net/contact.htm  
11/23/2004
Key Largo Wastewater Treatment District

Projects

KLT Village

KL Park

- Home
  - KLT Village Project
- Members
  - KL Park Project
- Staff
- Agendas
- Action Minutes
- Adopted Minutes
- Schedule
- Projects
- Master Plan
- Archive
- Contact Info

http://www.klwtd.net/Projects.htm

11/23/2004
Memo

To:       KLTWD Board
From:     Carol Simpkins, CMC
CC:       Staff
Date:     December 1, 2004
Re:       Tab 2

Attached is the Pending Payments List.
Key Largo Wastewater Treatment District

Payments Pending 11/17/04
Prepared 11/11/04

CONSOLIDATED CASH BALANCE FORWARD $ 819,558.34

Administration & Operations
Cash Balance A&O Account Forward $ 87,976.17

Plus: None

Sub-total Receipts 0.00

Less: Payroll (incl. benefits) - November
Sprint - Cell Phones 16,884.95
Bell South - Rollover Line 69.74
Bell South - Board Meeting Line 21.23
Citizens Conferencing - Conference Call w/GSG 113.75
Federal Express - Deliveries 15.86
Key Breeze Engraving - New Board Name Plates 4.86
Office Depot - Supplies 48.54
Cooke Communications - Legal Notices 75.00
Visa/BankOne-Checks $196, Virus Stwtr, Misc < $40 ea. 825.44
Weiler Engineering - RFQ Preparation 69.18
Tom Dillon - Legal Counsel 75.00

Sub-total Invoices 25,091.82

Cash Balance A&O Account If All Paid $ (25,091.82)
Memo: MSTU Draw #5 Submitted 09/17/04 $71,470.03
MSTU Draw #6 Submitted 10/26/04 $52,758.44

Key Largo Park
Cash Balance KLP Account Forward $ (27,365.54)

Less: Weiler Engineering - November 3,007.79
Tom Dillon - Legal Counsel 49.00
Payroll (incl. Benefits) - November 1,018.95

Sub-total Invoices 4,075.74 (4,075.74)

Cash Balance KLP Account If All Paid $ (31,441.28)

Key Largo Trailer Village
Cash Balance KLTV Account Forward $ 758,947.71

Plus: FEMA/DCA Draw #2 390,289.00

Less: Weiler Engineering - November 5,670.00
Tom Dillon - Legal Counsel 2,947.88
Payroll (incl. Benefits) - November 4,336.70

Sub-total Invoices 12,954.67

Cash Balance KLTV Account If All Paid $ 1,136,282.04
Memo: FEMA/DCA Draw #3 Submitted 11/17/04 $300,809

CONSOLIDATED CASH BALANCE IF ALL PAID $ 1,167,725.11

Approved for payment:

_________________________________  ___________________________________
Chairman  Secretary
Memo

To: K LWTD Board
From: Carol Simpkins, CMC
CC: Staff
Date: December 1, 2004
Re: TAB 4

Attached is a replacement resolution for TAB 4 in your agenda package.
RESOLUTION NO. 07-11-04

ANNUAL RESOLUTION OF THE KEY LARGO WASTEWATER TREATMENT DISTRICT DESIGNATING SPECIFIC COMMISSIONERS AS AUTHORIZED SIGNATORIES OF THE KEY LARGO WASTEWATER TREATMENT BOARD’S BANK ACCOUNT: AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Board of Commissioners of the Key Largo Wastewater Treatment District desire to designate and authorize certain Commissioners to sign bank checks, bank drafts, and other obligations and instruments on behalf of the Key Largo Wastewater Treatment District.

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

Section 1. The following duly elected members of the Key Largo Wastewater Treatment District, are hereby designated as authorized signatories at TIB BANK OF THE KEYS, for the account of the Key Largo Wastewater Treatment District, account number 20154139006, and such other accounts as the Board may authorize to open in the future. The signatories are comprised of two groups, as follows:

Group A, Commissioners: Charles Brooks, Gary Bauman; and Andrew Tobin.

Group B, District Staff: Charles Fishburn, and Carol Simpkins.

Section 2. It is the official policy of the Board of Commissioners and this District to require that any bank checks or bank drafts in excess of $10,000.00 (Ten Thousand Dollars) shall require two signatures, as follows:

A) Signatures of two members of Group A, Commissioners, or
B) Signatures of one member of Group A, Commissioners, and one member of Group B, District Staff.

Section 3. This Resolution and authority shall supersede and replaces all prior authorizations by this Board.

Section 4. An official copy of this Resolution shall be delivered to TIB BANK OF THE KEYS annually in December of each year.

Section 5. EFFECTIVE DATE. This resolution shall take effect immediately upon its adoption.

Section 6. SPECIMEN SIGNATURES. The signatures of each of the authorized signatories appear below.

Charles Brooks
Gary Bauman
Andrew Tobin
Charles Fishburn
Carol Simpkins

RESOLVED AND ADOPTED this 1st day of December, 2004.

[INTENTIONALLY LEFT BLANK]
The foregoing RESOLUTION NO. 07-11-04 was offered by Commissioner
__________________________, who moved its approval. The motion was seconded by
Commissioner __________________, and being put to a vote the result was as follows:

<table>
<thead>
<tr>
<th></th>
<th>AYE</th>
<th>NAY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commissioner Gary Bauman</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commissioner Claude Bullock</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commissioner Glenn Patton</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commissioner Andrew Tobin</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chairman Charles Brooks</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The Chairman thereupon declared Resolution No. ________________________ duly passed and
adopted the 1st day of December, 2004.

KEY LARGO WASTEWATER TREATMENT DISTRICT

BY: ________________________
   Chairman

ATTEST:

__________________________
Carol Simpkins, Clerk

__________________________
District Counsel, Thomas Dillon

SEAL

Resolution No. 07-11-04
Page 3
Memo

To: KLWTD Board
From: Carol Simpkins, CMC
CC: Staff
Date: December 1, 2004
Re: TAB 5

Please see attached documents that are a replacement for your documents on TAB 5.
Key Largo Park

TOTAL PROJECT SOURCES AND USES OF FUNDS
October 31, 2004

### FUNDING COMMITMENT

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal - Army Corps.</td>
<td>$330,000</td>
<td>10%</td>
</tr>
<tr>
<td>State - FDEP Grant</td>
<td>$1,660,000</td>
<td>$101,466 Advanced Unused Cesspit Replacement Allocation Interlocal amount $1,225,600 / KLT $804,493</td>
</tr>
<tr>
<td>State - FDEP Grant Amendment 2</td>
<td>187,312</td>
<td></td>
</tr>
<tr>
<td>State - DCA Cesspit Grant</td>
<td>421,107</td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>2,268,419</td>
<td>69%</td>
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<tr>
<td>Local - 148 Fund</td>
<td>356,000</td>
<td>FKAA used $323,393 for Boyle</td>
</tr>
<tr>
<td>Local - 148 Fund (Cesspits)</td>
<td>100,000</td>
<td>Admin portion Interlocal $790,000 (See below) Interlocal amount $790,000 / KLT $435,751</td>
</tr>
<tr>
<td>Local - 304 Fund (Cesspits)</td>
<td>254,249</td>
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</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>710,249</td>
<td>21%</td>
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<tr>
<td><strong>Total Funds</strong></td>
<td>$3,308,668</td>
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### ESTIMATED PROJECT COST

<table>
<thead>
<tr>
<th>Category</th>
<th>Billings to 9/30/2004</th>
<th>Estimate To Complete</th>
<th>Total Cost To Complete</th>
</tr>
</thead>
<tbody>
<tr>
<td>FKAA Spending</td>
<td>$326,000</td>
<td>0</td>
<td>$326,000</td>
</tr>
<tr>
<td>Weiler Engineering</td>
<td>58,310</td>
<td>69,700</td>
<td>128,010</td>
</tr>
<tr>
<td>Higgins Contract (Proposed)</td>
<td>0</td>
<td>2,200,000</td>
<td>2,200,000</td>
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<tr>
<td>Higgins (Calusa Pipe increase)</td>
<td>0</td>
<td>59,400</td>
<td>59,400</td>
</tr>
<tr>
<td>Brown &amp; Caldwell (Calusa Eng'g)</td>
<td>0</td>
<td>5,825</td>
<td>5,825</td>
</tr>
<tr>
<td>Haskell Change Order (Eng'g)</td>
<td>66,391</td>
<td>7,376</td>
<td>73,767</td>
</tr>
<tr>
<td>Government Services Group</td>
<td>18,365</td>
<td>0</td>
<td>18,365</td>
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<tr>
<td>KLWTD Staff Expense</td>
<td>2,216</td>
<td>22,784</td>
<td>25,000</td>
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<tr>
<td><strong>Contingency</strong></td>
<td></td>
<td></td>
<td>150,000</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>$471,282</td>
<td>$2,365,085</td>
<td>$2,986,367</td>
</tr>
</tbody>
</table>

*Certain valves ($59,000) and pits ($54,000) included in the KLT project may be utilized in the KLP project, in which case funding in the total amount of $113,000 would be transferred from the KLT project to the KLP project.

### TOTAL PROJECT RECEIPTS TO DATE

$443,916.00
Key Largo Trailer Village

TOTAL PROJECT SOURCES AND USES OF FUNDS
October 31, 2004

FUNDING COMMITMENT

<table>
<thead>
<tr>
<th>General Comments</th>
<th></th>
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</thead>
<tbody>
<tr>
<td><strong>Federal:</strong></td>
<td></td>
</tr>
<tr>
<td>FEMA I (FKAA)</td>
<td>$1,097,143</td>
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<tr>
<td>FEMA II</td>
<td>4,388,571</td>
</tr>
<tr>
<td>Subtotal Federal Funds</td>
<td>5,485,714</td>
</tr>
<tr>
<td><strong>State:</strong></td>
<td></td>
</tr>
<tr>
<td>SFWMD</td>
<td>100,000</td>
</tr>
<tr>
<td>DCA Cesspit Grant</td>
<td>804,493</td>
</tr>
<tr>
<td>DCA (12.5% FEMA I Match-FKAA)</td>
<td>182,187</td>
</tr>
<tr>
<td>DCA (12.5% FEMA II Match)</td>
<td>731,429</td>
</tr>
<tr>
<td>Subtotal State Funds</td>
<td>1,818,109</td>
</tr>
<tr>
<td><strong>Local:</strong></td>
<td></td>
</tr>
<tr>
<td>304 Fund (12.5% FEMA I Match-FKAA)</td>
<td>182,857</td>
</tr>
<tr>
<td>304 Fund (12.5% FEMA II Match)</td>
<td>731,428</td>
</tr>
<tr>
<td>304 Fund (Cesspits)</td>
<td>435,751</td>
</tr>
<tr>
<td>Subtotal Local Funds</td>
<td>1,350,036</td>
</tr>
<tr>
<td><strong>Total Funds</strong></td>
<td>$8,653,859</td>
</tr>
</tbody>
</table>

ESTIMATED PROJECT COST

<table>
<thead>
<tr>
<th></th>
<th>Billings to 10/31/04</th>
<th>Estimate To Complete</th>
<th>Total Cost To Complete</th>
</tr>
</thead>
<tbody>
<tr>
<td>FKAA Spending</td>
<td>$374,678</td>
<td></td>
<td>$374,678</td>
</tr>
<tr>
<td>Weiler Engineering</td>
<td>90,228</td>
<td>126,387</td>
<td>216,615</td>
</tr>
<tr>
<td>Haskell Contract*</td>
<td>1,326,472</td>
<td>6,643,528</td>
<td>7,970,000</td>
</tr>
<tr>
<td>Haskell Change #5 (Expand Plant Site)</td>
<td>-</td>
<td>7,182</td>
<td>7,182</td>
</tr>
<tr>
<td>Soil Analysis</td>
<td>-</td>
<td>4,384</td>
<td>4,384</td>
</tr>
<tr>
<td>Government Services Group</td>
<td>36,488</td>
<td>4,512</td>
<td>41,000</td>
</tr>
<tr>
<td>KLWTD Staff Expenses / Misc.</td>
<td>18,254</td>
<td>21,746</td>
<td>40,000</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>$1,846,120</td>
<td>$6,807,739</td>
<td>$8,653,859</td>
</tr>
</tbody>
</table>

*Possible escalation claim up to $300,000 maximum.

TOTAL PROJECT RECEIPTS TO DATE  $2,620,799
Memo

To: KLWTD Board
From: Carol Simpkins, CMC
CC: Staff
Date: December 1, 2004
Re: TAB 6

Attached is additional information for TAB 6.
Memo

To: Key Largo Wastewater Treatment District
From: Thomas M. Dillon
CC: N/A
Date: 11/30/04
Re: Need for outside counsel

By an email dated 11/22/04, Commissioner Tobin asked that I be prepared at the next Board meeting to “discuss whether the Board should retain an attorney with expertise in utility and rate setting to assist us in technical issues.” He expressed the concern that these issues may be outside of my area of expertise.

Review by outside counsel of the connection policies, rates, and charges may be appropriate at some point. That attorney should be one with utility and rate-setting experience for unregulated, government-owned, utilities.

1. The District is a self-regulating utility, and its reasonable rate decisions are unlikely to be challenged successfully.

The District is not a regulated utility. It is expressly exempted from regulation by the Florida Public Service Commission (PSC) by Fla. Stat. § 367.022 (2004), which provides, in relevant part:

§ 367.022. Exemptions

The following are not subject to regulation by the [PSC] as a utility nor are they subject to the provisions of this chapter, except as expressly provided:

....

(2) Systems owned, operated, managed, or controlled by governmental authorities....

Under the terms of the Key Largo Wastewater Treatment District Act (Fla. Stat. ch. 337 (2002)) (the Act), the District has the express statutory authority to set rates, rentals, fees, and charges for the use of any wastewater management system facilities, and to adopt other provisions for administration of the wastewater system. Id. § 4(1)(J). The District is thus self-regulating.
The Florida Supreme Court has long recognized that action by an agency charged with administration and enforcement of a statute is entitled to great weight, and will not be set aside unless clearly erroneous. See, e.g., Falk v. Beard, 614 So. 2d 1086, 1089 (Fla. 1993).

After substantial research, I have not located a single reported Florida appellate decision in which anyone successfully challenged the rules of a special district with wastewater responsibilities. I believe that the District can adopt reasonable rates, charges, rules, and procedures, and that if they have a rational basis that is supported by the administrative record, they will be upheld. In other words, the way to insulate the rules from challenge is to:

- establish one or more guiding principals for the rates,
- use due diligence to explore possible rate structures,
- ensure that the record contains evidence that the District reviewed possible rate structures, and
- make findings supporting the rate decision based on information in the information in the record that the rates adopted satisfy the guiding principal the District aspires to achieve.

2. If assistance of outside counsel is desired, I recommend that the District obtain the services of an attorney with experience in utility and rate-setting on behalf of unregulated, government-owned, utilities.

It is my opinion that an attorney with experience representing regulated utilities would be of limited use to the District. Such attorneys know how to get rates approved by the PSC, but that experience is not needed in the case of District rates and charges, because District’s rates do not need to meet PSC standards.

On the other hand, the District may well benefit from a review by an attorney who represents government-owned utilities, and I would welcome the assistance of such an attorney. If the Board agrees, I will begin to search for such a person.
Memo

To: KLWTID Board  
From: Carol Simpkins, CMC  
CC: Staff  
Date: December 1, 2004  
Re: TAB 12

Attached is additional information for TAB 12.
November 29, 2004

Re: Wastewater Management System
For The Key Largo Trailer Village Area
Key Largo, Florida
Issue 11-001 - Roediger
Equipment Representative

Mr. Chuck Fishburn
KLWTD General Manager
Post Office Box 491
Key Largo, Florida 33037

Dear Mr. Fishburn:

In response to your October 25, 2004 and November 5, 2004 letters notifying The Haskell Company that the Key Largo Wastewater Treatment District (KLWTD) will not direct purchase equipment from Roediger Pittsburg Inc. due to their recent separation from the manufacturer, Roediger Vakuum- und Haustechnik GmbH and that The Haskell Company is to procure vacuum collection system equipment by other means, we offer the following:

1. The Haskell Company and DN Higgins have engaged the manufacturer, Roediger Vakuum- und Haustechnik GmbH and unless directed otherwise by the KLWTD, DN Higgins, Inc. will be issuing a Purchase Order for the vacuum collection system equipment for the Key Largo Trailer Village project on December 2, 2004. Please see attached Roediger Vakuum- und Haustechnik GmbH proposal dated November 23, 2004, which establishes the scope of supply and pricing that will be utilized in the Purchase Order.

2. The Haskell Company and DN Higgins have received assurances from Roediger Vakuum- und Haustechnik GmbH that equipment will be supplied in a timely manner and that the project will receive proper manufacturer support. Specifically, the following project requirements were discussed:
   - **Equipment Fabrication and Delivery Schedule** - Vacuum chambers will be received in 6 to 10 weeks from receipt of approved shop drawings and the vacuum pump station equipment will be received within 12 to 16 weeks from approved shop drawings. These lead times are typical of process equipment and will support our overall project schedule.
Mr. Chuck Fishburn  
November 29, 2004  
Page 2

- **Engineering/Technical Support** – Jim Dockerty of Roediger Vakuum- und Haustechnik GmbH provided technical support to Brown and Caldwell during their development of the design for the collection system, will remain the point of contact for engineering/technical issues throughout the life of the project and provide the manufacturer’s certification at project completion.

- **Field Service Support** – Tom Evans Environmental, Inc. is the local Roediger Vakuum- und Haustechnik GmbH representative and will provide trained field service support as required during construction, equipment start-up and plant commissioning.

- **Third Party Protection** – Roediger Vakuum- und Haustechnik GmbH can provide third party bonding to protect against failed equipment performance and default of payment to their vendors. Please see attached Zurich letter dated November 29, 2004.


Changes in manufacturer’s representation are a common occurrence in our industry and The Haskell Company has responded in the most appropriate manner by contracting directly with the equipment manufacturer. As stated above, we are confident that quality equipment will be supplied in a timely manner and that the project will be properly serviced by utilizing Roediger Vakuum- und Haustechnik GmbH for vacuum collection system equipment supply and intend on executing a Purchase Order on December 2, 2004. Should you have any questions or require further information, please do not hesitate to contact me at (904) 357-4225.

Sincerely,

Peter M. Kinsley  
Division Leader – Water

Attachment

cc:  Mr. Will English, The Haskell Company  
Mr. Walt Messer, DN Higgins, Inc.  
Mr. Stuart Oppenheim, Brown and Caldwell
To:
D N Higgins, Inc.
Attn: Mr. Wally Masser
8261 North Dixie Highway Suite A
Fort Lauderdale, FL 33324
- USA -

by fax in advance: +1 305 2027717
VT / Paf/Lz

Mr. Uwe Pfaff
23rd Nov. 2004

Our Offer VT # 80039: Key Largo Vacuum sewer System
ROEDIGER VHT BID

Dear Mr. Masser,

We are pleased to offer you the following ROEVAC equipment for the Key Largo vacuum sewer project.

ITEM # 1: Single valve collection chamber ROEVAC Type 03-HT-8B

CHAMBER PACKAGE:

Single Valve Collection chamber ROEVAC Type 03-HT-8B, including the following items:

- PE Valve chamber lid with seal gasket
- PE Valve chamber sump body, pre-piped with PVC pipe connections
- PVC Lower Suction and sensor pipe, assembled into sump
- Section A-2000 corrugated PVC pipe as upper chamber
- Sensor cap assembly
- 3" ROEVAC Interface valve train assembly including low activation controller, sump breather and 3" ball valve
- Sump breather assembly
- Concrete ring for H-20 loading
- H20 Cast iron lid and frame
Contractor to provide and connect the following standard components:

- One (1) 3" PVC, Sch 40 pipe section
- One (1) 1 ¼" PVC, Sch 40 pipe section
- One 6" SDR 35 pipe section
- Reducer for gravity lines less than 8" diameter

Note:

Contractor may adjust the depth of the chamber on-site to the depth of the incoming gravity drain line(s). The contractor shall cut the A-2000 pipe to length in the field. Therefore there is no distinction between a "shallow" and a "deep" ROEVAC chamber.

Net price per collection chamber package including street cover: $1,875.00 each

Estimated quantity required: 171

ITEM 62: Single valve collection chamber ROEVAC Type 03-HT-9REB with pulse — flow controller, and air admittance valve

CHAMBER PACKAGE:

Double Valve Collection chamber ROEVAC Type 03-HT-9REB, including the following items:

- PE Valve chamber lid with seal gasket
- PE Valve chamber sump body, including PE pipe connections
- PVC Lower Suction and sensor pipes, assembled into sump
- Section A-2000 corrugated PVC pipe as upper chamber
- Sensor cap assembly
- 3" ROEVAC Interface valve train assembly including pulse flow controller, air admittance valve, 3" ball valve, and external breather compression fitting
- One (1) sump breather assembly
- One (1) Concrete ring for H-20 loading
- Two (2) Concrete rings; 28" I.D. x 8"W x 4"H
- One (1) H20 Cast iron lid and frame

Contractor to provide and connect the following standard components:

- One (1) 3" PVC, Sch 40 pipe section
- One (1) 1 ¼" PVC, Sch 40 pipe section
One 6" SDR 36 pipe section
Reducer for gravity lines less than 6" diameter

Note:
Contractor may adjust the depth of the chamber on-site to the depth of the incoming gravity drain line(s). The contractor shall cut the A-2000 pipe (shipped separately) in the field. Therefore there is no distinction between a "shallow" and a "deep" ROEVAC chamber.

Net price per collection chamber package
including street cover $2,175.00 each

Estimated quantity required: 10

ITEM #2A - FACTORY CHAMBER ASSEMBLY OPTION

Purchaser may elect to order pre-assembled chambers for an additional cost of $100.00 each. (Minimum quantities apply). Note that invert elevations and rim elevations must be known.

ITEM #3: ROEVAC SPARE PARTS AND SPECIAL TOOLS:

Recommended ROEVAC spare parts and special tools include the following:

1. ROEVAC 3" interface valves 10 each
2. ROEVAC interface valve controllers 10 each
3. ROEVAC valve chamber lid gaskets 2 each
4. Two (2) rolls clear pneumatic tubing 1 each
5. Vacuum gauge (0-30"/Hg) 1 each

Special Tools:

6. ROEVAC controller test box 1 each
7. Clean out lance 2 each
8. Vacuum test gauges with 3" stopper 5 each

Total Net price, ROEVAC spare parts and special tools: $6,000.00
ITEM 04: FIELD SERVICE AND TEST EQUIPMENT:

a) Field Service

A factory-trained representative shall be present at the job site for the purposes of installation training, installation inspection, start-up and operator training of the contractor and system operator on site (Mon. through Fri. 8 hours per day).

Total Net price, Field Service per week: $2,500.00

b) Vacuum Test Equipment

- One (1) trailer mounted vacuum field test pump with appurtenances

Total Net price, Vacuum trailer: $20,000.00

ITEM 05: VACUUM STATION EQUIPMENT:

The vacuum station equipment package consists of the following items:

a) One (1) Vacuum tank including the following components:

- One (1) vacuum collection tank (volume = 8,300 gal.), carbon steel, with external and internal coatings, and all connections (flanged, five (5) 10-inch sewer inlets, threaded, sight glass, manway, etc.)
- Five (1) plug valves (10 inch, flanged), shipped loose, to be installed by contractor between the vacuum collection tank and the incoming vacuum sewer main.
- One (1) butterfly valve electrically actuated, to be installed on the tank outlet connection for the vacuum pump suction line. The butterfly valve is supplied with a spring return actuator that is wired to the tank mounted electrical junction box.
- One (1) capacitance level probe for sewage pump control that will be pre-wired to the tank mounted electrical junction box.
- One (1) set of vacuum level sensor for the vacuum pump control. Vacuum sensor will be pre-wired to the tank mounted electrical junction box.

b) Sewage pump Skid (Skid #1)

- Three (3) sewage pumps, Pumpex Model K100 T-CB3213; two pumps together are rated for 350 gpm @ 52 feet TDH, submersible type in dry-pit cont-
figuration. For each pump the following spare parts are provided as scheduled loose items: one set of wear rings for impeller and volute, one set of seals, two sets of radial bearings, two sets of thrust bearings, one set of O-rings/gaskets.

- Three (3) suction pipe assemblies for sewage pumps to be installed between vacuum tank and sewage pump. Each pipe assembly includes one (1) plug valve, and one (1) suction elbow.
- One (1) discharge pipe assembly for the sewage pumps, to be shipped loose and reconnected by contractor between the sewage pump discharge flange and the common force main. Pipe assembly consists of three (3) plug valves, three (3) check valves and interconnecting pipe with connections to the pressure equalization line.
- One (1) equalization line with automatic valve to be installed between the sewage pump discharge and the vacuum collection tank.
- Three (3) vacuum gauges (0-30 "Hg, 4.5 inch size), installed on a gauge panel of the vacuum collection tank. Vacuum gauges to be connected to the vacuum tank and vacuum sewer lines (3/8 inch tubing) by contractor.

c) One (1) Vacuum pump skid (Skid #2) including the following components:

- Three (3) vacuum pumps, Bush, 25 hp TEFC motor
- One (1) suction line manifold for vacuum pumps. Each of three vacuum pump branch lines equipped with one (1) butterfly valve and one check valve. Suction line manifold to be extended by contractor from vacuum pump skid to butterfly valve of vacuum tank. Upper pipe of manifold is disconnected from assembly for transportation and shall be reconnected by contractor.
- Three (3) vacuum pump exhaust pipe assemblies to be extended to the skid boundary and ending with a tee connection; assemblies to be shipped loose. Top of tee ends with a union and bottom with a manual ball valve for discharge. Contractor shall connect to vacuum exhaust lines at skid.

    - One (1) Control Panel including the following components:
    - One (1) NEMA 12X, skid mounted control panel, with disconnects, indication lights, run meters, H-O-A switches, operator interface, PLC control system, motor control devices, push-buttons and alarm horn, to allow manual and automatic operation of skid mounted vacuum station equipment offered above
    - One (1) vacuum chart recorder, to be shipped loose and to be wall-mounted by contractor.
    - One (1) automatic telephone dialer, to be shipped loose and to be wall-mounted by contractor.

d) One (1) ROEVAC valve unit, for vacuum station pump connection

- With standard low activation controller. Valve unit to be shipped loose with sensor cap (1.5 inch, PVC). Contractor shall install valve unit in station build-
ing sump and shall supply suction lines (2 inch PVC 80) from sump to
valve unit and between valve and vacuum collection tank and sensor pipe (1.5
inch, PVC Sch40).

Net price for vacuum station skid-mounted equipment: $185,000.00

**NOTE 1:** We cannot accept an order for the vacuum station unless we receive an or-
der for the entire quantity of collection chambers.

**NOTE 2:** If Colusa Cove is added, station price increases by $4,000.00.
We must be notified of this change within 3 weeks of order acceptance.

**ITEM #4: AIR ADMITTANCE STATION**

One Electric air ROEVAC air admittance station, 110 v. complete with timers and in-
terface valve, mounted in weatherproof cabinet.

Net price for air admittance station: $1,000.00

**ITEM #7: BID BOND OPTION:**

At the purchaser's option, Roediger VHT shall begin to arrange to supply a bid bond
upon receipt of order. In bond shall be for the value of the collection chambers and
vacuum station equipment, or $628,025.00.

The cost to supply this bond is $6300.00 per year.

**Notes for Contractor:**

a) Electrical connections:

Vacuum pump motors are wired to an electrical junction box on skid #2. Sewage
pump motors are wired to an electrical junction box on skid #1, automatic valve and
control instrumentation (exhaust level, vacuum switches on vacuum tank assem-
bly) are wired to an electrical junction box at vacuum tank.

Contractor will be responsible to provide power supply, wiring to vacuum station con-
trol panel, and wiring between control panel and skid mounted junction boxes.
b) Pipe connections:

**Skid #1:**

Vacuum Sewer mains shall be provided by the contractor. The isolation valves of the incoming vacuum mains are shipped loose. The contractor shall install the valves between vacuum lines and flanged connections on the tank. Force main shall be provided by contractor. For transportation purposes, sewage pump discharge pipe assembly is disconnected from skid mounted equipment. Contractor shall re-connect pipe assembly after installation of skid.

All pipes within the skid boundaries are supported to prevent vibration and sagging. Contractor shall be responsible for support of external piping to the skid mounted equipment.

**Skid #2:**

Vacuum Pump Suction line manifold (8” Sch80, PVC), to be disconnected for transport purposes, shall be reconnected by the contractor.

Contractor shall re-install pre-assembled exhaust lines with tee connection from the vacuum pump exhaust pipes and shall provide exhaust lines to the exterior of the vacuum station building, as shown on the contract drawings.

c) Installation:

Contractor shall be responsible for off-loading and installation of equipment, supply of anchor bolts and supports for piping and equipment outside of skid boundary.

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**Shipping Information and Payment Terms:**

Prices are F.O.B. shipping point (Key Largo, FL), with full truck freight allowed to the jobsite for vacuum station skids, ROEVCAP spare parts / special tools, test equipment and for collection chamber quantities of 50 and more. Vacuum station skids will be shrink-wrapped.

Our prices are net prices without any taxes - where applicable. All prices are delivery prices f.o.b. Key Largo, FL without any installation costs on site.

Unless otherwise specified, our standard payment terms are 100% - 30 days and with each delivery / presentation of invoice. Payment terms for vac trailer equipment is check with order. Payment for field service is required at the end of each month. A payment of $10,000.00 will be required upon approved chamber submittals. Other terms and conditions apply per the attached sheet, if not mentioned in our offer.
This proposal is offered for acceptance for (60) sixty days and is subject to review thereafter. Pricing is firm based upon receipt of a Purchase Order within this (60) sixty day period.

Note:

Except as otherwise noted herein, the following are not included in our offer:

Installation or off-loading, local, state or federal taxes, permits, or other fees, wiring, conduit or plumbing between skids and control panel, anchor bolts, local motor disconnects or lockouts, vacuum pump exhaust piping, biofilter and standby generator.

Warranty:

Roediger VHT standard warranty is described in the attached international Terms and Conditions, except as modified below:

Our Vacuum Station equipment will be guaranteed against defects in workmanship and materials for a period of eighteen (18) months after delivery or twelve (12) months after start-up, whichever comes first. This warranty is based upon compliance with Roediger’s handling, storage, installation, start-up, operating and maintenance procedures. Vacuum station equipment other than the vacuum tanks are not to be stored outdoors. Damaged parts will be replaced free of charge.

Our Vacuum Collection Chambers and Valves will be guaranteed against defects in workmanship and materials for a period of thirty six (36) months excluding wear parts. This warranty is based upon compliance with Roediger’s handling, storage, installation, start-up, operating and maintenance procedures.

Any missing or damaged goods arriving at job site must be reported within 8 days to receive replacement.

Submittal Schedule:

Approval submittals can be forwarded approximately 4 weeks after our receipt and acceptance of your purchase order or letter of intent.

Transport damage and missing parts:

All claims should be filed immediately, no later than 8 days after receiving the delivery.

Delivery Schedule:

Shipments of the collection chambers shall begin approximately 6 -10 weeks after approved submittals. Shipment of vacuum station can be made approximately 12 -16 weeks after our receipt of submittal approval.

This schedule is based upon typical engineering and shop loading. Specific scheduling requirements may be discussed at the time of order.
Further information will be issued through the office of our manufacturer's representative in the jobsite area who is:

Tom Evans Environmental Inc.
3686 Ventura Hwy. E.
Lakeland, FL 33811
Tel.: 843-619-9788 / Fax.: 843-619-6098

Validity of prices:
The above mentioned offer is valid until 31. January, 2005.

Property ownership:
The title for all delivered goods is not transferred until all payments are made in full.

We wish you success on this project and would appreciate the opportunity of working with you.

Very truly yours,

ROEDIGER Vakuum- und Haustechnik GmbH

Dr. Volker Zang  Uwe Pafl
Executive Director  Commercial Director

Enclosures: Roediger Vakuum- und Haustechnik GmbH
Conditions of Sale and Delivery (by fed-ex only)
To:  
Key Largo Wastewater Board  

via  
D N Higgins Inc.  
Attn: Mr. Walt Messar  
6241 North Dixie Highway Suite A  
Fort Lauderdale, FL 33334  
-USA-  

by fax in advance: +1 305 292 7717  

VT / Pd /Lz  
Mr. Uwe Pafl  
24th Nov. 2004  

Our Offer VT # 60038: Key Largo Vacuum Sewer System  
Roadiger VHT Bld  

Gentlemen:  

Several days ago you received the offer of Roediger Vakuum- und Haustechnik GmbH regarding the Key Largo Vacuum Sewer System.  

We fully understand the Key Largo Wastewater Board's concerns regarding the reliability of Roediger to fulfill their obligations towards you as a customer. Until recently Roediger was represented in the U.S. market by Roediger Pittsburgh Inc., which is an independently operated organization and not affiliated to Roediger Vakuum- und Haustechnik GmbH in Germany.  

Unfortunately we were forced to discontinue the agreements with Roediger Inc. in Pittsburgh due to reasons, which were not under our control. We deeply regret the inconveniences and time of insecurity for our valued customer, that was caused by this necessary action.  

As a consequence Roediger Vakuum- und Haustechnik GmbH is temporarily operating in the U.S. with two of our very best employees only. They have been authorized to employ additional personnel as needed to continue to serve our U.S. customers, and they have already done so. Nevertheless we would like to assure you, that we are
working very hard to re-establish a full technical support, sales and service organisation within the boundaries of the United States, which we expect to be fully operational in the first half of 2006.

We would like to draw you attention to the fact, that Tom Evans Environmental Inc. as a very skilled manufacturer’s representative in the Florida Keys, is ready at your disposal as well.

Roediger Vakuum- und Haustechnik GmbH is a fully owned subsidiary of Bilfinger Berger AG, a financially sound and internationally operating German construction and multi services group. Bilfinger is listed with the German stock exchange, employs about 50,000 people worldwide and has an annual turnover of well over 6 billion US-$. One of the Bilfinger subsidiaries in the U.S. is Fru-Con Corp., a civil engineering company headquartered in Baldwin, Missouri with an equity capital of 41 ml. € and about 2,500 employees on their payroll.

Roediger Vakuum- und Haustechnik GmbH was acquired by Bilfinger in 1992 with an equity capital of almost 2 ml. €, turnover of over 16 ml. € and 72 employees in 2003. Roediger is one of the top 2 systems providers worldwide for vacuum sewer technology and looks back to more than 30 years experience in the vacuum sewer field.

While Europe is our home market, we consider the United States to be our top priority international market. This is the reason, why we are actively pursuing to set up a new organisation in the US to service our customers to their full expectations. To back our good intentions and to give you more security, we will back-up our bid for the Key Largo project with a bid bond.

We would like to assure you, that in the time being neither our outstanding product quality nor our customer focused service will be compromised in any way. Very soon we expect to disclose to you our new US organisation which is in a stage of confidential negotiations at the moment.

For the time being we ask you to put your trust into our products and experienced engineering capacities as well as our skilled employees, who will do their very best to serve all your needs and expectations. If you wish, we will gladly visit you in Florida to give you a more detailed insight into our business and operations. Attached please find the latest annual report of the Bilfinger Group, of which Roediger is a proud member.

We really look forward to serve you as our customer for the Key Largo vacuum sewer project.

Very truly yours,

ROEDIGER Vakuum- und Haustechnik GmbH

Dr. Zhilin Zang
Executive Director

Uwe Peff
Commercial Director

Enclosures: Annual Report Bilfinger 2003
Dear Sirs,

please note, that we are in principle to provide for our client Roediger Vakuum- und Hautechnik GmbH, Kirnighaier
Weg 104-106, 63460 Hanau

that we reserve the right to check the guarantee bond up to a sum of \$330,000.-

Kind regards,

[Signature]

Zurich Versicherung AG (Germany)
Kaufhaus und Kreditgesellschaft
Memo

To: K LWTD Board
From: Carol Simpkins, CMC
CC: Staff
Date: December 1, 2004
Re: General Information on Escalation Claim

Attached is additional information
November 29, 2004

Re: Wastewater Management System For
The Key Largo Trailer Village Area
Key Largo, Florida
Issue 01-039 – Escalation Claim

Mr. Chuck Fishburn
KLWTD General Manager
Post Office Box 491
Key Largo, Florida 33037

Dear Mr. Fishburn:

We are in receipt of your November 19, 2004 letter approving Lawrence Watson as the mediator for all issues arising under the Design-Build Agreement and requesting electronic copies of the project schedules and revisions/updates of schedules, and offer the following:

1. As requested, The Haskell Company will provide electronic copies of the original project schedule, past project schedule updates and future project schedule updates. Please be advised that our scheduling software is Suretrack by Primavera, which is compatible with Primavera.

2. As this request is an indication that resolution of our pending escalation claim is going to be through mediation, we request the following items be provided:
   - Copy of Video Tape from October 17, 2003 Special Board Meeting
   - Copy of Tape Recordings and Minutes from the following Board Meetings
     - September 17, 2003
     - November 5, 2003
     - November 19, 2003
     - December 3, 2003
     - January 14, 2004

The Haskell Company will have the electronic schedule files available after December 17, 2004 and be prepared to exchange this information at the KLWTD’s convenience. Should you have any questions or require further information, please do not hesitate to contact me at (904) 357-4225.

Sincerely,

Peter M. Kinsley

cc: Mr. Will English, The Haskell Company
    Mr. Walt Messer, DN Higgins, Inc.
    Mr. Stuart Oppenheim, Brown and Caldwell
    Mr. Edward Whalen, McGuire Woods
    Issue File 01-039
November 23, 2004

Via Overnight Delivery

Kerry G. Shelby, CPA
Deputy Executive Director
Florida Keys Aqueduct Authority
1100 Kennedy Drive
Key West, Florida 33041

Charles F. Fishburn
General Manager
Key Largo Wastewater Treatment District
91831 Overseas Highway, Suite 200
Tavernier, Florida 33070

Re: Unincorporated Monroe County Utility Financing Plan

Dear Kerry and Charles:

As we discussed during our meeting last week, enclosed is a copy of a recent offering statement which includes economic and engineering feasibility reports. Please note that the reports address system revenues and connection charges as well as five (5) year capital needs for the systems described in the statements.

In addition to facilitating the issuance of County bonds supported by infrastructure tax revenue, we have agreed that it is necessary to provide the County with a solid foundation upon which to address the commitments toward a central sewer system in the Keys. The base of this foundation will be the Big Coppitt Project (FKAA) and the Sexton Cove/Lake Surprise Project (Key Largo). From this foundation, we will need to continue our focus upon the projects identified in the 1998 Monroe County Sanitary Wastewater Master Plan. Our long-term goal will be to develop a central wastewater system at the most economical cost possible for County residents and, when feasible and appropriate, similar rates and charges.
For this reason, we agreed that I would meet with representatives of FKAA and Key Largo to continue data collection activities. Could you be available on December 6, 7 or 8, 2004 for this purpose? I am available on these dates and, by copy of this letter, request that George inform me as to his availability.

Very truly yours,

[Signature]

Brian P. Armstrong

BPA/adg

Enclosure

cc: Thomas J. Willi (w/o attachment)
    George Garrett

F:\Tally Data\General Data\WPDATA\PROJECTS\Monroe County\0414\FishburnShelby11_23.doc
MEMORANDUM

DATE: November 5, 2004

TO: Attached Distribution List

FROM: Thomas J. Willi, County Administrator


This memorandum is intended to summarize the direction agreed to at the meeting held on November 2, 2004, among our respective staffs. Attached is a copy of the distribution list of those in attendance for your reference.

The conclusion reached at the meeting was that a working group of staff would be created consisting of two financial or engineering representatives of the Florida Keys Aqueduct Authority ("FKAA"), the Key Largo Wastewater Treatment District (the "Key Largo District"), and Monroe County (the "County"). The working group will be assisted by Nabors, Giblin & Nickerson, P.A., Bond Counsel and Utility Counsel to the County and Public Financial Management, Inc., Financial Advisor to the County.

The purpose of the working group would be to share information and conduct the necessary analysis to reach agreement on a utility facilities financing plan for the major wastewater utility projects scheduled for the unincorporated areas of the County. Such utility facility financing plan would be designed to meet the deadlines established in proposed amendment to Rule 28-20.110, Florida Administrative Code. Such Rule amendments are being adopted in furtherance of a partnership between the Florida Department of Community Affairs and the County to complete the described utility projects in a financially feasible and timely manner.

As we discussed, the utility financing plan for the provision of wastewater facilities in the unincorporated areas of the County will be developed and revised by the staff working group based upon best available information for each identified project. In this regard, it was discussed that a utility revenue capacity analysis will be developed for each project utilizing assumed maximum connection fees and monthly service charges. This analysis will be blended with available proceeds of bonds issued by the County payable from the infrastructure sales tax surtax (the "Surtax") to ensure that timely project completion is financially feasible.

It is contemplated that the utility facilities financing plan and the individual utility revenue analysis for each project developed by the staff working
group would be based on technical assumptions utilizing the best available information. The development of the utility financing plans and the performance of the individual project revenue analysis by the staff working group will not eliminate any policy decision relating to utility financing. All policy options would be identified and presented to the governing board of each entity for resolution.

I thought the meeting was productive and am excited about the possibility of a coordinated staff effort to develop a financially feasible and affordable utility financing plan for essential projects within the unincorporated areas of the County. Such concentrated effort among the staffs of all affected parties is essential.

It is my view that the working group would meet either in person or by conference call as needed and that the development of the utility financing plan would be a high priority of each staff.

Thank you in advance for your cooperation. If any of you have a questions or concerns at any time, please feel free to call me.
KEY LARGO WASTEWATER TREATMENT DISTRICT
CAPITAL IMPROVEMENTS PROGRAM (FY 2005-2009)
PROJECT SUMMARY FORM

Project Name: Key Largo Trailer Village
Project No.: KL0502

Priority Rating: 5
Category: WW
Required By Date: Sep-06

Proposer: D. Miles
Phone No.: (305) 451-5105

1. PROJECT LOCATION/DESCRIPTION:
The Key Largo Trailer Village Wastewater System Construction project will provide central sewers to 567 edu's of residential and commercial properties on the bay side of Key Largo. This design-build project includes the KLTV collection system, transmission lines along US 1, and an incrementally expandable treatment plant with vacuum pump station at 100.5 MM.

2. JUSTIFICATION OF PROJECT:
The Key Largo Trailer Village is the No. 4 hot spot in all the Florida Keys. This area is densely populated with trailers and manufactured homes located primarily on canals. The project will provide central sewers for all existing dwelling units.

3. ESTIMATED PROJECT COST ($ in thousands):

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4. FUNDING SOURCE ($ in thousands):

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5. ANNUAL OPERATING IMPACT CREATED BY PROJECT ($ in thousands):

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This chart is just a basis in fact. The chart has no actual model for a study that may help the KLWTD board.

Note: The data in this chart is just a model for a study that may help the KLWTD board.
Reality Check related to Rates and KLWTD’s Rules and Regs - Pros-Cons

1. Capital Recovery Fee ($2,700??)
   a. KLWTD
      i. $2,700 fee more financially acceptable to community.
      ii. $2,700 limits the financial viability of the next project and pay off loans. Lack of funds may delay the next project.
      iii. $4,700 fee less financially acceptable to community.
      iv. $4,700 enhances the financial viability of the next project and pay off loans. Will expedite the next project.
      v. $4,700 expediting projects will improve the environment
   b. Little Vince $4,700
   c. Actual Cost > $10,000
   d. Pipe & vacuum pit provided to very buildable lot even if the lot is vacant, the Capital Recovery Fee will be due on completion of construction??

2. Financial plans available for Capital Recovery Fee
   a. cash
   b. 20 year finance fixed (additional charge $_______)
   c. **Zero coupon bond secured by property equity (due in 20 years)**
   d. Flexible plan
   e. Senior Citizen – discount
   f. MCHA – SPO for Very Low & Low income Community Development Block Grant
      http://www.klwtd.net/FinancialAid.htm
   g. Other financial assistance
      i. Local, State & Federal
3. Monthly Service Fee
   a. $35  KLWTD in debt until 1st Quarter of 2009 (est max debt $400k)
   b. $45  KLWTD in debt until 2nd Quarter of 2008
   c. Little Vince $24.80 base rate - $5.11 ptg max 12,000 gallons (avg bill $45)
   d. Bay Point $33.78 base rate - $5.27 ptg max 12,000 gallons
   e. Average consumption of 4,000
   f. Monthly fee for vacant lots (no)

4. Special Fee issues
   a. Irrigation
   b. Laundry Mat Fees
   c. Pool Credit

5. Other Fees 48-307.009 Pretreatment Fees
   a. All properties having an OGI will be billed $210.00 per OGI on an annual basis.
   b. Little Vince - Alternative Water Supply will be charged a fixed Monthly Charge for wastewater service in the amount of: $50.00 per month
   c. Monthly Industrial Waste Surcharge (IWS):
      \[ IWS = 8.34 \times V \times [0.45 \times (BOD - 250) + 0.18 \times Y \times (SS - 250) + 1.46 \times Z \times (OG - 150)] \]

6. EDU determinations (commercial)
   a. EDU for commercial calculated based on a daily flow of 167 gallons (FKAA)
   b. Capital recovery fee for each EDU when connecting to a commercial property with one connection?
   c. One Property (1-EDU) on two lots?

7. MSTU (passed BOCC 5-2003) should be renewed? Expires ____________