

January 19th

2005

**KEY LARGO WASTEWATER TREATMENT DISTRICT BOARD OF
COMMISSIONERS MEETING**

AGENDA

Wednesday, January 19, 2005 at 5:00 PM

Key Largo Civic Club, 209 Ocean Bay Drive

Key Largo, FL

Charles Brooks

Gary Bauman

Andrew Tobin

Glenn Patton

Claude Bullock

Chairman

Vice Chairman

Secretary-Treasure

Commissioner

Commissioner

.....
Charles F. Fishburn

Thomas Dillon

Carol Simpkins

General Manager

District Counsel

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.

A. CALL TO ORDER

B. PLEDGE OF ALLEGIANCE

C. ROLL CALL

D. APPROVAL OF AGENDA WITH ANY ADDITIONS OR DELETIONS

E. APPROVAL OF MINUTES

1. January 5, 2005

(Action)

TAB 1

F. PUBLIC COMMENT

G. FINANCIAL OFFICER'S REPORT

- | | | |
|---|-----------------|--------------|
| 2. Approval of Pending Payments list for January 19, 2005 | (Action) | TAB 2 |
| 3. 2004 CAFR | | TAB 3 |
| 4. Operating Budget Report | | TAB 4 |
| 5. Discussion of DCA Cesspits Grant Funds provided in the Inter-Local | | TAB 5 |

H. LEGAL COUNSEL REPORT

I. ENGINEERS REPORT

- | | | |
|---|-----------------|--------------|
| 6. Key Largo Trailer Village Project Update | | TAB 6 |
| 7. Lake Surprise/Sexton Cove RFQ | (Action) | TAB 7 |

J. GENERAL MANAGER'S REPORT

- | | | |
|--------------------------|--|--------------|
| 8. Key Largo Park Update | | TAB 8 |
| 9. Rate Study | | TAB 9 |

K. COMMISSIONER ITEMS

- | | |
|---|---------------|
| 10. Sexton Cove RFQ cost for County Reimbursements. (Commissioner Bauman) | TAB 10 |
| 11. Discussion on the policy and rules for Commissioner participation by phone at meetings. | |
| 12. Discussion on a policy for Board approval on all public notices before they are released. | |

ITEMS OF ONGOING CONCERN

- a. Procedures
- b. Website Development
- c. Agency Coordination

L. ADJOURNMENT

TAB 1

KEY LARGO WASTEWATER TREATMENT DISTRICT
Agenda Request Form

Meeting Date: January 19, 2005

Agenda Item No. /

☐ PUBLIC HEARING

☐ RESOLUTION

☐ DISCUSSION

☐ BID/RFP AWARD

☒ GENERAL APPROVAL OF ITEM

☐ CONSENT AGENDA

☐ Other:

SUBJECT: Minutes of January 5, 2005 Board Meeting

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

Approved by General Manager

Date: 1-11-04

Originating Department: Board Clerk	Costs: Approximately \$0 Funding Source: Acct. #	Attachments: Minutes of 1.5.05 meeting
Department Review: <input checked="" type="checkbox"/> District Counsel <u>TP</u> <input checked="" type="checkbox"/> General Manager <u>C.F.N.</u> <input checked="" type="checkbox"/> Finance <u>MW</u>	<input checked="" type="checkbox"/> Engineering <u>EC</u> <input checked="" type="checkbox"/> Clerk _____	Advertised: Date: _____ Paper: _____ <input checked="" type="checkbox"/> 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:

Resulting Board Action:

☐ Approved

☐ Tabled

☐ Disapproved

☐ Recommendation Revised

MINUTES

Key Largo Wastewater Treatment District (KLWTD) Board of Commisisoner's Meeting

January 5, 2005
Key Largo Civic Club, 209 Ocean Bay Drive

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

Commissioner Glenn Patton led the Pledge of Allegiance.

ADDITIONS/DELETIONS TO THE AGENDA.

Commissioner Andrew Tobin requested that item 8, a discussion on Project Delivery Methods, be moved up to come after Public Comment.

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

Vote on motion:

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

Motion passed 5 to 0

MINUTES

Motion: Commissioner Tobin made a motion to approve the Minutes of December 15, 2004. The motion was seconded by Commissioner Patton.

Vote on motion:

Board Member	Yes	No	Other
Commissioner Gary Bauman	X		

Commissioner Claude Bullock	X		
Commissioner Glenn Patton	X		
Commissioner Andrew Tobin	X		
Chairman Charles Brooks	X		

Motion passed 5 to 0

Motion: Commissioner Bullock made a motion to approve the minutes of the December 29, 2004 Special Call meeting. The motion was seconded by Commissioner Patton.

Commissioner Tobin and Commissioner Bauman stated that they will be abstaining from the vote since they did not attend the meeting.

Vote on motion:

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

Motion passed 3 to 0

PUBLIC COMMENT: The following persons addressed the Commission: None

DISCUSSION ON PROJECT DELIVERY METHODS

John Darmody, Larry Laws, and Patrick Mullin of MWH gave a presentation on the different types of project delivery methods. See Exhibit "A".

ENGINEERS REPORT

Key Largo Village Project and Key Largo Park

Ed Castle, District Engineer, reported on the monthly status report. On the Key Largo Village Project the construction of the vacuum collection system is continuing and the clearing of the Wastewater Treatment Plant site is continuing. There is another request for additional information concerning the permit for the Treatment Plant. Construction on the Vacuum Pump Station has been started.

Lake Surprise / Sexton Cove

The requested action for this item is to give the Manager approval to send out a letter to the eight engineering firms that the District has contracts with asking them to update their "Statement of Qualifications". There was no action taken on this item.

Commissioner Bauman explained that he was on the review panel that handled the RFQ's for District engineers that decided which eight firms to put under contract and he very strongly feels that the District should go through the complete process again. Commissioner Tobin agreed with him. Commissioner Bauman stated that firms like MWH should be included in the process the second time around.

Ed Castle recommended that if the Board in planning on using the Design-Bid-Build process then they should have a specific scope of work to go out in the RFQ.

District Counsel Thomas Dillon explained that if the District advertises an RFQ based on design-bid-build the same RFQ can not be used to select a construction management at risk type firm because the scope of the work is different. The District would be requesting qualifications for one thing but awarding on different criteria. Commissioner Bauman stated that the District could ask "What other skills does your firm bring to bear to make construction to be less risky for the District". Mr. Dillon said that if the District is going to use that for a decision point on who is the most qualified then there has to be a structure set up first before the RFQ is sent out.

Commissioner Bullock stated that he had made the trip to Cape Coral to see the project that MWH has been managing. He feels that they are an outstanding firm. He also said that what he sees in the Staff that the District has hired a lot of what MWH is doing for Cape Coral. He feels that staff is doing a good job. The Public Works Director of Cape Coral explained that they hired MWH because they did not have the City Staff to do the job and meet the deadlines.

Commissioner Patton requested that there be an agenda item that would debate the Design-Bid-Build vs. the Construction Management at Risk type of project delivery and an RFQ should be made for one or the other type.

Mr. Castle explained that there is always a possibility of the Contractor not agreeing with the design. No matter what type of project delivery method is used there needs to be a good team with good people responding. He agrees with Commissioner Bullock that the District does already have a good team in place. Mr. Castle stated that he has a lot of hands on experience in the wastewater field and he will do his best to make sure that the design that comes out no matter what delivery method is used is the right design and the best system for the District. He thinks that the risk is pretty low that the District will get a system that is not constructible, which is the biggest cause for change orders. If the District chooses a good, qualified firm and they already have a good staff to watch over the design development like Key Largo Trailer Village then the District will end up with a good product.

Commissioner Bauman stated that he is willing to accept Mr. Castle's explanation without going any further. But he would like to know if there is going to be four designers and four contractors for the four projects and who is going to be responsible.

Mr. Castle answered that he suggest only two design components and the rest depends on the wishes of the District. If the Board wants to move quickly they can award a contract for the installation of the force main while the design development is going forward on the other portions. He can see three contractors doing the work. There is enough staff to handle the design portion but during the contraction portion there may be a need for more staff.

General Manager Charles Fishburn stated that he would like to hire the Treatment Plant Operator in March and then he will be able to oversee the construction of the Treatment Plant and future projects.

The Board requested that Mr. Castle bring the RFQ back to them at the January 19, 2005 meeting.

Ed Castle gave a power point presentation on the Sexton Cove Project (the same one that was given in September 2004)

LEGAL COUNSEL REPORT

District Counsel Thomas Dillon reviewed the email that he had sent to the Board concerning participation in a Board meeting by phone. He stated that a Board Member can participate in the meeting by phone as long as a quorum is present. He suggested that the Board may want to set a policy adopting rules for the procedure.

Commissioner Bauman asked if the Board could also adopt rules that would require prior Board approval on notices before they go into the paper. Mr. Dillon said that they can.

CHIEF FINANCIAL OFFICERS REPORT

Pending Payments

Financial Officer Martin Waits presented the pending payments schedule for December 15, 2004.

Motion: Commissioner Bauman made a motion to approve the pending payments list subject to the availability of the funds for December 15, 2004. Commissioner Patton made the second.

Vote on motion:

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

Chairman Charles Brooks	X		
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Motion passed 5 to 0

Resolution for designating bank account signatories.

RESOLUTION NO. 01-01-05

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.

**Motion: Commissioner Patton made a motion to approve Resolution No. 07-12-04.
The motion was seconded by Commissioner Tobin.**

Chairman Brooks requested that an amendment be made to reduce the approval amount of the General Manager from \$10,000 to \$5,000. There was no motion made.

Vote on motion:

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

Motion passed 5 to 0

Operating Budget Report

Financial Officer Martin Waits presented the current operating budget report and reviewed how to read it.

George Garrett is working on changing the language in the Inter-Local Agreement with Monroe County to make the cesspits credits more readily available. The Board asked that the provision on the cesspit credits be brought back to the Board for review.

GENERAL MANAGER'S REPORT

Key Largo Park Status

General Manager Charles Fishburn reported that staff is still talking with contractors about the Park.

Mr. Fishburn asked the Board for permission to attend a Design Build Institute of America meeting in Orlando that he would like to go to that is specifically about water and wastewater. The cost would be around \$1,000.

Motion: Commissioner Tobin made a motion to send the General Manager to the Design Build Institute of America meeting in Orlando that concerns water and wastewater. The motion was seconded by Commissioner Bauman.

Vote on motion:

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

Motion passed 5 to 0

COMMISSIONER COMMENTS

The Board decided that Commissioners expenses should be covered by the District.

ADJOURNMENT

After a motion by Commissioner Glenn Patton and seconded by Commissioner Claude Bullock to adjourn the meeting adjourned at 9:00 PM.

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he KLWTD meeting minutes of January 5, 2005 were approved on January 19, 2005.

Chairman Charles Brooks

Carol Simpkins, CMC
Board Clerk

TAB 2

KEY LARGO WASTEWATER TREATMENT DISTRICT
Agenda Request Form

Meeting Date: January 19, 2005

Agenda Item No. 2

☐ PUBLIC HEARING

☐ RESOLUTION

☐ DISCUSSION

☐ BID/RFP AWARD

☒ GENERAL APPROVAL OF ITEM

☐ CONSENT AGENDA


☐ 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: 1-11-05

Originating Department: Finance	Costs: \$ Funding Source: Acct. #	Attachments:
Department Review: <input type="checkbox"/> District Counsel <input checked="" type="checkbox"/> General Manager <u></u> <input type="checkbox"/> Finance	<input type="checkbox"/> Engineering _____ <input type="checkbox"/> Clerk _____	Advertised: Date: _____ Paper: _____ <input checked="" type="checkbox"/> 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: No invoices have been received for approval at the time of the agenda book preparation. A list of any request for payment which are received will be presented at the January 19 meeting.

Resulting Board Action:

☐ Approved

☐ Tabled

☐ Disapproved

☐ Recommendation Revised

TAB 3

KEY LARGO WASTEWATER TREATMENT DISTRICT
Agenda Request Form

Meeting Date: January 19, 2005

Agenda Item No.

3

☐ PUBLIC HEARING

☐ RESOLUTION

☒ DISCUSSION

☐ BID/RFP AWARD

☐ GENERAL APPROVAL OF ITEM

☐ CONSENT AGENDA

☐ Other:

SUBJECT: 2004 CAFR (DRAFT)

RECOMMENDED MOTION/ACTION: No Action required

Approved by General Manager

Date:

1-11-05

Originating Department: Finance	Costs: \$ Funding Source: Acct. #	Attachments: 1. Transmittal letter 2. Audited Statements 3. Management Discussion and Analysis
Department Review: <input type="checkbox"/> District Counsel <input checked="" type="checkbox"/> General Manager <input type="checkbox"/> Finance	<input type="checkbox"/> Engineering <input type="checkbox"/> Clerk	Advertised: Date: _____ Paper: _____ <input checked="" type="checkbox"/> 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: The first draft of the 2004 Audited Financial Statements prepare by Catarineau & Catarineau is presented for review and discussion as well as drafts of documents being prepared by Staff for incorporation in the District 2004 CAFR.

Resulting Board Action:

☐ Approved

☐ Tabled

☐ Disapproved

☐ Recommendation Revised

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

DRAFT COPY
PRELIMINARY & TENTATIVE
FOR DISCUSSION PURPOSES ONLY

January 21, 2005

Honorable Chairman,
Members of the Board of Commissioners, and
Citizens of Key Largo

The comprehensive annual financial report of the Key Largo Wastewater Treatment District, Florida for the fiscal year ended September 30, 2004, is submitted herewith pursuant to Florida Statute Chapter 218.39 and Chapter 189.436(3) governing audit requirements for special districts. The comprehensive annual financial report was compiled by the Finance Officer based upon financial information provided by the District's contracted management team, Government Services Group, through July 31, 2004, and thereafter upon financial information recorded by District staff beginning August 1, 2004. It represents the official report of the District's financial operations and condition to the citizens, Board of Commissioners, rating agencies, and other interested parties.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the data is accurate in all material respects and is presented in a manner designed to fairly set forth the financial position and results of operations of the single enterprise fund of the District.

State law requires an annual audit by independent certified public accountants. The District's financial statements have been audited by the independent certified public accounting firm of Catarineau & Catarineau, LLC and they have issued an unqualified opinion on the financial statements for the fiscal year ended September 30, 2004. In addition to meeting the requirements set forth in state law, the audit was also designed to meet the requirements of the Single Audit Act and the related Federal OMB Circular A-133. The auditors' report on the financial statements is included in the Financial Section of this report. Auditors' reports related specifically to the single audit are in the Single Audit Section.

Generally Accepted Accounting Principles (GAAP) require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is intended to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the report of the independent accountants.

The financial and accounting structure of the District consists of a single enterprise fund. The District is an Independent Special District authorized by Chapter 2002-337, Florida Statutes, enacted May 23, 2002. The principle function of the District is to provide for the design, construction and operation of wastewater treatment facilities to serve the island of Key Largo, an unincorporated portion of Monroe County, Florida. The District complies with the operating and reporting requirements of Chapter 189, Florida Statutes as applicable to Special Districts.

All management services, including financial and grant management and District Clerk functions, were provided by Government Services Group, Inc. (GSG) on a contract basis in fiscal 2003 and continuing into 2004. A General Manager was employed by the District on June 1, 2004. Beginning August 1, 2004, a staff of District employees assumed all management and financial reporting responsibilities for the District and the contract with GSG was terminated.

The District maintains an intensive level of internal controls. Every disbursement transaction requires specific approval by the five member Board of Commissioners. All disbursements in excess of \$2,500 require dual signature, one of which must be a District Officer (commissioner) for disbursements in excess of \$10,000. In January, 2005, the threshold for dual signatures was reduced to \$1,000.

The District develops an annual budget to provide for the operations and capital programs of the District. A draft budget is developed by management and presented to the Board of Commissioners for review, revision and ultimate approval. A series of budget presentations, public hearings and budget revisions are conducted in July and August. In September of each year, following public advertisement of the budget, it is adopted by the Board of Commissioners, by resolution, for the upcoming fiscal year of October 1st through September 30th.

The District's mission is part of larger national initiatives to save the Everglades and Florida Bay eco structure for the benefit of future generations. In Key Largo, and typically all the Florida Keys except Key West, the disposal of domestic sewage has been historically handled by septic tanks and cesspits. A few commercial operations utilize small package sewage treatment plants. The statute creating the District established goals which included the introduction of advanced waste disposal treatment infrastructure to serve all residents and commercial operations of Key Largo by the year 2010.

Over 13,000 individual parcels of land exist on Key Largo. In its inaugural year, FY 2003, the District entered into contracts that would provide for the first major wastewater treatment plant on the island and to install vacuum based collection systems in the Key Largo Trailer Village and Key Largo Park communities containing 850 equivalent residential connections. Work on these projects in 2004 focused primarily on design, engineering and permitting. A ground breaking ceremony for the Key Largo Trailer Village project was conducted on October 27, 2004. Plant construction and installation of collection systems is scheduled for completion by the end of FY 2005, with full scale operation in FY 2006.

In FY 2005 the District has initiated planning for the construction of a main collection line for the northern half of the island, the installation of collection systems in additional communities along the new main, and the expansion of treatment capacity from 0.183 MGD to 2.25 MGD to accommodate the increased flow which will be generated.

The preparation of this comprehensive annual financial report for the Key Largo Wastewater Treatment District was made possible in large part by the dedicated efforts of the staff of Government Services Group throughout 10 months of the fiscal year, and thereafter through year end by their active participation in the transitioning of management and financial responsibilities to District employees.

Without the leadership and vision of the Board of Commissioners, preparation of this report would not have been possible.

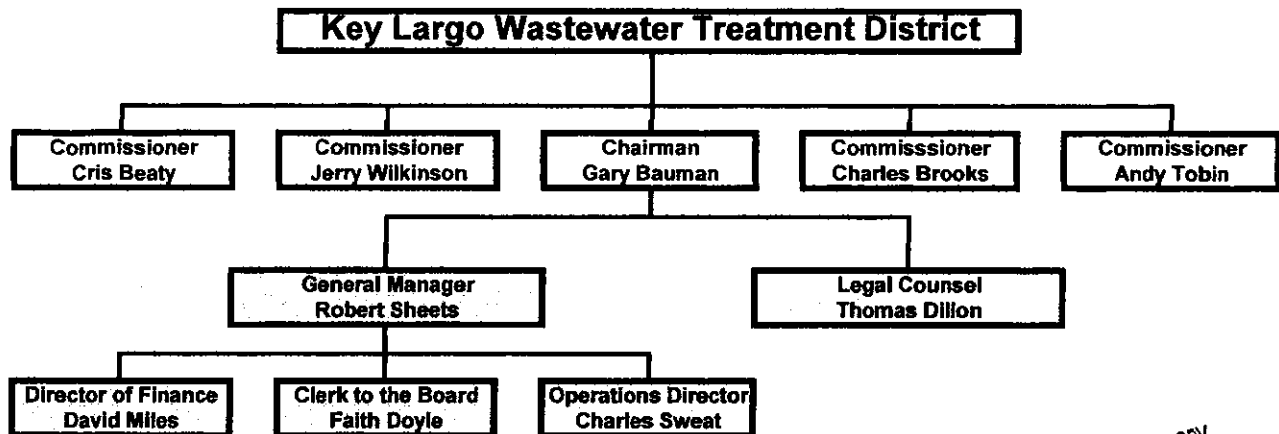
DRAFT COPY
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FOR DISCUSSION PURPOSES ONLY

Charles F. Fishburn, General Manager

Martin D. Waits, Finance Officer

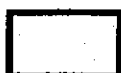
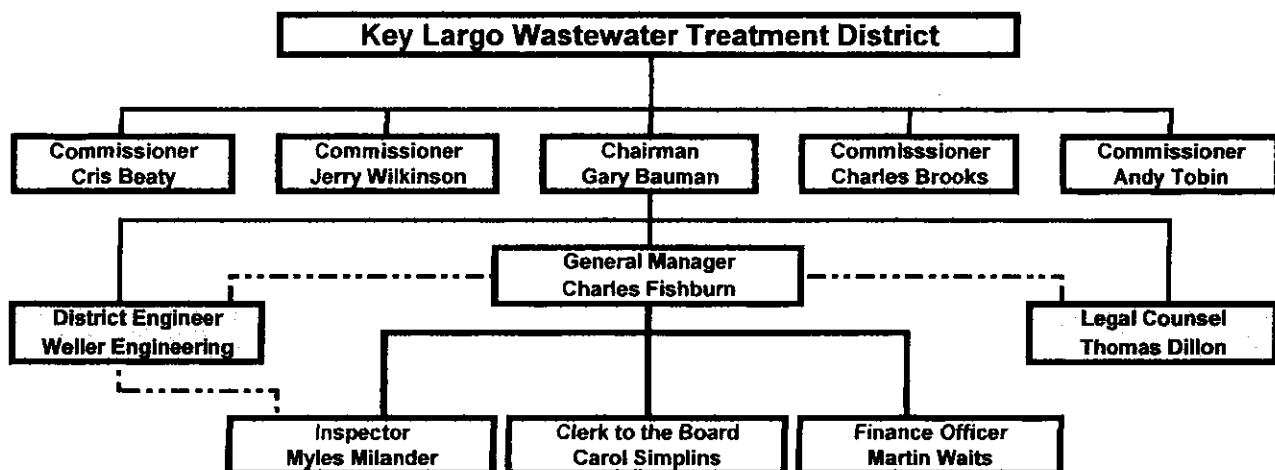
KEY LARGO WASTEWATER TREATMENT DISTRICT ORGANIZATION CHARTS

Contract Management Organization Responsible For Financial Management Through July 31, 2004



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FOR DISCUSSION PURPOSES ONLY

Staff Organization Responsible For Financial Management Beginning August 1, 2004



Contracted Services



District Employees

Key Largo Wastewater Treatment District

Management Discussion and Analysis

On behalf of the Key Largo Wastewater Treatment District, management presents this narrative overview and analysis of financial activities of the District to readers of the District's financial statements for the fiscal year ended September 30, 2004. We are providing this discussion and analysis in order to provide the reader with a better understanding of the District's overall financial position. This narrative should be considered in conjunction with the additional information contained in the introductory transmittal letter and the District's financial statements which follow in this section.

Overview Of Operations

The District is a relatively new governmental entity formed with the election of inaugural commissioners on November 5, 2002, as provided in Chapter 2002-337, Florida Statutes. The District's mission includes the introduction of advanced wastewater treatment and disposal infrastructure to serve all residents and commercial operations on the unincorporated island of Key Largo by the year 2010.

In its inaugural year, FY 2003, the District's activities were focused entirely on administrative responsibilities associated with organization of a new public entity and on selecting contractors to begin implementing its mission to design, construct and operate a wastewater treatment system to serve the citizens of Key Largo. Contracts to design and build a 0.183 million gallon per day wastewater treatment plant and to install collection systems in the Key Largo Trailer Village and Key Largo Park communities serving 850 equivalent residential connections were awarded. Administrative expenses totaling approximately \$326,000 were funded by a \$100,000 loan from Monroe County and a County grant which provided the balance of funds required.

In the subject year of this report, FY 2004, the District's activities focused on administration of the engineering design of these projects. The District also established an employee staff to manage construction of projects in FY 2005 and beyond, to provide service to customers and operate the new facilities upon startup, and to implement future projects extending wastewater treatment service to all residents of Key Largo by 2010. Administrative expenses totaling \$348,576 were funded by Monroe County with MSTU ad valorem tax revenues. Project costs totaling \$1,253,232 were funded by federal, state and local grants.

In FY 2005 the District expects to complete construction of these initial projects and to begin operation of the treatment plant. The District also anticipates initiating construction of a main collection line for the northern half of the island, installing collection systems in additional communities along the new main, and expanding the treatment plant to accommodate the increased flow these new projects will generate.

The District's Single Enterprise Fund

The District uses proprietary fund accounting to record and report its results of operation as a single enterprise fund. This method of accounting is used when an entity charges customers for the services it provides.

Activities in the first two years of the District's existence have been directed toward the construction of facilities. Operation of the District as a true enterprise through the delivery of sanitary sewer services to the first customers for a fee is expected to begin late in FY 2005. Comparative analysis will be provided once operations have commenced.

The District's Assets

Total Assets of the District at September 30, 2004, were \$3,573,249 and Total Liabilities amounted to \$334,474. Total Net Assets of the District were \$3,238,775.

Total Current Assets of \$208,010 essentially consisted of cash provided and cash due from Monroe County MSTU funding. Total Non-Current Assets consisted of \$1,285,773 cash provided by Federal and State grants to fund capital projects, \$1,253,232 in grant monies invested in uncompleted capital projects, and the value of land deeded to the District by Monroe County in the amount of \$826,234 as an in-kind transfer for a site to construct the wastewater treatment facility.

Total Current Assets can be used to finance day-to-day operations of the fund without constraints established by debt covenants, enabling legislation, or other legal requirements and are therefore classified as unrestricted. Total Non-Current Assets are restricted in use to fund capital projects in accordance with specific grant covenants and are further restricted in use to the implementation of specific projects.

Total Liabilities of the District in the amount of \$334,474 consisted of \$234,474 in payments due for services rendered by contractors, vendors and employees, as well as principal and accrued interest on a \$100,000 loan provided to the District in its inaugural year to assist in funding District startup.

District Revenues, Expenses, and Changes In Fund Assets

The District's Net Assets increased by \$3,314,938 in FY 2004 from a deficit of \$76,163 on October 1, 2003 to \$3,238,775 on September 30, 2004. Total revenues for the period were \$2,841,406, plus an \$826,234 in-kind transfer of land for the plant site.

There were no general revenues (i.e., fees for services provided to customers) in FY 2004. All District operating revenue was provided by Monroe County MSTU funding in the amount of \$477,151, which was 65.8% of approximately \$725,000 generated by the .35 mill MSTU levy in FY 2004. Unused funding has been escrowed by the County for use by the District in future years.

Operating expenses for the District totaled \$344,576 in FY 2004, which was \$158,752 less than the \$507,328 budgeted for the year.

Actual vs. Budgeted Operating Expenses

	<u>FY 2004 Actual</u>	<u>FY 2004 Budget</u>	<u>Under (Over) Budget</u>
Management Expense:			
Contract Staff	\$ 104,464	\$ 129,600	\$ 25,136
District Staff	57,541	-	(57,541)
Commissioners	<u>42,300</u>	<u>48,500</u>	<u>5,000</u>
	204,305	178,100	(26,205)
Administrative Expense:			
General Overhead	39,697	49,928	10,231
Legal Counsel	50,511	108,000	57,489
Audit Service	<u>10,520</u>	<u>10,300</u>	<u>(220)</u>
	100,728	168,228	67,500
Other Expenses:			
Professional Services	39,934	149,000	109,066
Miscellaneous	<u>3,609</u>	<u>12,000</u>	<u>8,391</u>
	43,543	161,000	117,457
Total Operating Expense	<u>\$ 348,576</u>	<u>\$ 507,328</u>	<u>\$ 158,752</u>

Actual expenditures for legal representation and professional services, particularly engineering support, were significantly less than budgeted. The FY 2004 budget anticipated starting construction in mid-summer, but actual groundbreaking did not occur until just before the fiscal year end. Expenditures in these areas were therefore deferred, and similar levels of spending have been reflected in the FY 2005 budget now that construction has commenced.

In FY 2004 the District received non-operating revenues of \$2,364,057 in the form of grants to implement capital projects as follows:

Federal Emergency Management Agency (FEMA)	\$ 1,839,550
Florida Department of Community Affairs (DCA)	306,591
Florida Department of Environmental Protection (FDEP)	101,466
South Florida Water Management District (SFWMD)	100,000
Monroe County Planning / Zoning Fund (148 Fund)	16,450
Monroe County Infrastructure Fund (304 Fund)	<u>-</u>
Total Grant Revenue FY 2004	<u>\$ 2,364,057</u>

The District's Capital Projects

In FY 2004 the District fully implemented the engineering and design phase of two capital projects which were authorized in FY 2003. The Key Largo Trailer Village (KLTV) project provides for the design and construction of a 0.183 MGD advanced wastewater treatment plant and the installation of a vacuum collection system in the KLTV community. The Key Largo Park (KLP) project provides for the design and installation of a vacuum collection system in the KLP community and connection to the treatment plant. The total capital commitment to these two projects is estimated to be \$11,865,458 when completed in FY 2005.

Capital Project Costs

	<u>KLTV Project</u>	<u>KLP Project</u>
Encumbrances & Expenses -- FY 2003 / 2004	\$ 8,571,483	\$ 1,616,042
Anticipated Encumbrances & Expenses -- FY 2005	<u>452,708</u>	<u>1,225,225</u>
Total Estimated Project Costs	<u>\$ 9,024,191</u>	<u>\$ 2,841,267</u>

The district has secured firm commitments for grants and loans from federal, state and local agencies in the total amount of \$11,927,905 to fund these projects as follows:

Capital Project Funding Commitments

	<u>KLTV Project</u>	<u>KLP Project</u>	<u>Total Commitment</u>
Federal:			
FEMA	\$ 5,485,714	-	\$ 5,485,714
State:			
DCA	1,739,286	400,600	2,139,886
FDEP	-	1,847,312	1,847,312
SFWMD	<u>100,000</u>	<u>-</u>	<u>100,000</u>
	1,839,286	2,247,912	4,087,198
Local:			
MC 148 Fund	-	456,000	456,000
MC 304 Fund	<u>1,708,993</u>	<u>190,000</u>	<u>1,898,993</u>
	1,708,993	646,000	2,354,993
Total Commitments	<u>\$ 9,033,993</u>	<u>\$ 2,893,912</u>	<u>\$ 11,927,905</u>

KEY LARGO WASTEWATER TREATMENT DISTRICT

STATEMENT OF NET ASSETS

September 30, 2004

DRAFT COPY
PRELIMINARY & TENTATIVE
FOR DISCUSSION PURPOSES ONLY

ASSETS:

Current assets

Cash and cash equivalents	\$ 119,504
Due from other governmental units	87,681
Prepaid rent	825
Total current assets	<u>208,010</u>

Noncurrent Assets

Restricted cash and cash equivalents	1,285,773
Land	826,234
Construction in progress	1,253,232
Total noncurrent assets	<u>3,365,239</u>

Total assets	<u><u>\$ 3,573,249</u></u>
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LIABILITIES:

Current liabilities:

Accounts payable and accrued expenses	\$ 21,674
Accrued salaries and benefits payable	24,457
Construction contracts payable	182,281
Accrued interest payable	6,062
Total current liabilities	<u>234,474</u>

Non current liabilities:

Due to Monroe County	<u>100,000</u>
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Total liabilities	<u><u>\$ 334,474</u></u>
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NET ASSETS:

Restricted	3,193,321
Unrestricted	45,454
Total net assets	<u><u>\$ 3,238,775</u></u>

See accompanying notes to financial statements

KEY LARGO WASTEWATER TREATMENT DISTRICT

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

For The Year Ended September 30, 2004

DRAFT COPY
PRELIMINARY & TENTATIVE
FOR DISCUSSION PURPOSES ONLY

OPERATING REVENUES:

Ad valorem taxes	\$ 477,151
Total operating revenues	<u>477,151</u>

OPERATING EXPENSES:

Board meeting compensation	42,300
Personal services	57,541
Contractual services	205,954
Other expenses	<u>42,781</u>
Total operating expenses	<u>348,576</u>

Operating income (loss)	<u>128,575</u>
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NON OPERATING REVENUES (EXPENSES):

Grants	2,364,057
Contributed land	826,234
Investment income	298
Interest and financing expense	<u>(4,227)</u>
Total non operating revenues (expenses)	<u>3,186,363</u>

Increase in net assets	3,314,938
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Total net assets beginning of year	<u>(76,163)</u>
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Total net assets end of year	<u>\$ 3,238,775</u>
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See accompanying notes to financial statements

KEY LARGO WASTEWATER TREATMENT DISTRICT

STATEMENT OF CASH FLOWS

For The Year Ended September 30, 2004

DRAFT COPY
PRELIMINARY & TENTATIVE
FOR DISCUSSION PURPOSES ONLY

Cash Flows From Operating Activities:

Ad valorem taxes	\$ 424,217
Payments for personal services	(33,084)
Payments for contractual services	(221,852)
Payments for other operating expenses	<u>(85,907)</u>
Net cash provided by operating activities	<u>83,374</u>

**Cash Flows From Capital And Related
Financing Activities:**

Grants	2,364,057
Net Purchases/Construction of capital assets	<u>(1,070,951)</u>
Net cash flows from capital and related financing activities	<u>1,293,106</u>

Cash Flows From Investing Activities:

Investment earnings	298
Interest and financing expense	<u>(376)</u>
Net cash flows from investing activities	<u>(78)</u>

Net increase in cash and cash equivalents	<u>1,376,402</u>
Cash and cash equivalents beginning of year	<u>28,875</u>
Cash and cash equivalents end of year	<u><u>\$ 1,405,277</u></u>

See accompanying notes to financial statements

KEY LARGO WASTEWATER TREATMENT DISTRICT

STATEMENT OF CASH FLOWS

For The Year Ended September 30, 2004

DRAFT COPY
PRELIMINARY & TENTATIVE
FOR DISCUSSION PURPOSES ONLY

**Reconciliation of operating income to
net cash provided by operating activities:**

Operating income (loss)	\$ 128,575
(Increase)/decrease in assets:	
Increase in accounts receivable	(52,935)
Increase in prepaid rent	(825)
Increase/(decrease) in liabilities:	
Increase in accounts payable	(15,898)
Increase in accrued salaries and benefits payable	<u>24,457</u>
Net cash provided by operating activities	<u>\$ 83,374</u>

Noncash investing, capital, and financing activities:

On December 17, 2004, Monroe County transferred a parcel of land valued at \$826,234 to the District for use as the site for a wastewater treatment plant.

See accompanying notes to financial statements

Note 1 REPORTING ENTITY

The Key Largo Wastewater Treatment District (District) is an autonomous Independent Special District and political body formed in 2002 by the Legislature of the State of Florida by House Bill 471, enacted as Chapter 2002-37, Laws of Florida, for the purpose of carrying out the planning, acquisition, development, operation, and management of a wastewater management system within the District's boundaries in Key Largo, Monroe County, Florida. This responsibility was transferred from the Florida Keys Aqueduct Authority (FKAA) to the District pursuant to a Interlocal Agreement dated February 26, 2003 between the District, Monroe County, and FKAA. The District is governed by a five member Board of Directors which are elected in a nonpartisan election. The District currently has four employees. Previously the District contracted with Government Services Group, Inc. for management functions. The contract covering management responsibilities was terminated effective May 9, 2004.

Note 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The District's financial statements are presented on the full accrual basis of accounting and conform to accounting principles generally accepted in the United States of America. The District has elected under GASB Statement No. 20, Accounting and Financial Reporting for Proprietary Funds and Other Governmental Activities That Use Proprietary Fund Accounting, to apply all applicable GASB pronouncements as well as any applicable pronouncements of the Financial Accounting Standards Board, the Accounting Principles Board, or any Accounting Research Bulletins issued on or before November 30, 1989, unless these pronouncements conflict with or contradict GASB pronouncements.

The accounts of the District are organized on the basis of a proprietary fund type, specifically an enterprise fund. The focus of proprietary fund measurement is the determination of net income, financial position and cash flows. The generally accepted accounting principles applicable to proprietary funds are similar to those applicable in the private sector. Enterprise funds account for activities (i) that are financed with debt that is secured solely by the pledge of the net revenues from fees and charges of the activity; or (ii) that are required by laws or regulations that the activity's costs of providing services, including capital costs (such as depreciation or debt service), be recovered with fees and charges, rather than with taxes or similar revenues; or (iii) that the pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs (such as depreciation or debt service).

Cash and Cash Equivalents – Cash and cash equivalents consists of cash on hand and deposited in banks. Investments with a maturity of three months or less, when purchased, are considered to be cash equivalents.

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2004

Revenue Recognition – During the planning, acquisition, and development phase of the District, grants, ad valorem taxes and other revenues received to cover non-capital functions will be recorded as operating revenues. Receipts from federal, state, and local government grants to construct capital assets will be recorded as non operating revenue. Revenue will be recognized when the District has filed for reimbursement from the appropriate government agency.

Use of Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, and changes therein, and the disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Restricted Assets – Restricted assets are cash and cash equivalents whose use is restricted by legal requirements. Restricted cash and cash equivalents represent amounts restricted for the construction of the Key Largo Trailer Village and Key Largo Park projects.

Capital Assets – Fixed assets are recorded at historical costs. The District maintains a \$750 threshold for additions to equipment. Construction period interest cost is capitalized as part of fixed asset cost. Contributed assets are recorded at estimated value at time of acquisition. Depreciation will begin when depreciable assets are placed in service and will be based on the estimated useful lives of the related assets.

Note 3 CASH AND CASH EQUIVALENTS

The carrying amount of the District's deposits at September 30, 2004, was \$ 1,405,277 and the related bank balance was \$ 1,664,138. The difference between the bank balance and the carrying amount represents outstanding checks.

\$100,000 of the bank balance at September 30, 2004 was insured by Federal Depository Insurance. The remaining balance of \$1,564,138 was not collateralized as required by Chapter 280, Florida Statutes. This statute requires that public funds be deposited in a bank or savings association that is designated by the State Treasurer as authorized to receive deposits in the State and that meets the collateral requirements. The collateral requirements for the bank or savings association are that the greater of (i) the average daily balance of public deposits multiplied by the depository's minimum collateral pledging level, established by the State treasurer, (ii) 25 percent of the average monthly balance of public deposits or (iii) 125 percent of the average daily balance of public deposits greater than capital must be deposited with the State Treasurer as security for public deposits. The

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2004

District's funds were deposited in a qualified depository, but because the account was not properly classified by the depository as a public funds account, the funds over \$100,000 were not collateralized.

Note 4 CAPITAL ASSETS

Capital Assets include land transferred from Monroe County on December 17, 2003 to be used as the site for the treatment plant. This land is valued at its fair market value. Construction in progress represents the capital costs incurred on the Key Largo Trailer Village and Key Largo Park projects as of September 30, 2004.

Note 5 DUE TO MONROE COUNTY

The District entered into an Interlocal Agreement with Monroe County pursuant to Sec. 163.01, Florida Statutes on December 18, 2002, in which Monroe County agreed to lend \$100,000 to the District to assist the District in completion of its projects. The District received the funds in January and deposited them at a financial institution authorized by the State of Florida to receive public fund deposits. The District must repay Monroe County the principle balance plus interest calculated at the adjusted rate per annum established by the State Revolving Loan Fund by January 7, 2006. At September 30, 2003 and September 30, 2004 the principle balance of this loan was \$100,000. At September 30, 2004, the interest payable was \$ 6,063 which includes interest expense of \$3,850 based on a rate of 3.85% for the fiscal year ended September 30, 2004.

Note 6 COMMITMENTS AND CONTINGENCIES

On December 3, 2003, the District obtained a \$150,000 line of credit to provide bridge funding for normal operating expenses. This line of credit has a term of eighteen months with an interest rate of Wall Street Journal Prime plus .50%. No funds were utilized from this line of credit during the fiscal year ended September 30, 2004.

In order to carry out the development of a wastewater management system, the District has entered into contracts with engineers and contractors to construct the collection system and treatment plant. Total commitments on these contracts were \$9,411,042 at September 30, 2004 with \$182,281 of this amount payable on that date.

Note 7 RISK MANAGEMENT

The District is exposed to various risks of loss related to torts and errors and omissions. The District has liability and errors and omissions insurance through the Florida Municipal Insurance Trust (FMIT), operated by the Florida League of Cities.

On September 8, 2004, the Haskell Company made a claim for additional compensation in the amount of \$269,093, which represents additional material and labor costs claimed to have been incurred as the results of delays. The District will contest the claim vigorously and believes that while an unfavorable outcome is unlikely, it will attempt to settle the claim for a nominal amount.

Management is of the opinion that there are no lawsuits or other contingencies outstanding that would have a material adverse effect on the District's financial position.

Supplementary Information

KEY LARGO WASTEWATER TREATMENT DISTRICT
SCHEDULE OF REVENUES AND EXPENSES,-BUDGET AND ACTUAL
For The Year Ended September 30, 2004

DRAFT COPY
PRELIMINARY & TENTATIVE
FOR DISCUSSION PURPOSES ONLY

	Budgeted Amounts, Original & Final	Actual Amounts	Variance with Actual Amounts, Favorable(Unfav)
OPERATING REVENUES:			
Ad valorem taxes	599,562	477,151	(122,411)
Total operating revenues	<u>599,562</u>	<u>477,151</u>	<u>(122,411)</u>
OPERATING EXPENSES:			
Board Meeting Compensation	45,000	42,300	2,700
General Manager	-	30,668	(30,668)
Board Clerk	-	8,833	(8,833)
Finance Officer	-	10,365	(10,365)
Inspector	-	488	(488)
P/R Tax - FICA	2,835	5,825	(2,990)
P/R Tax - Medicare	665	1,362	(697)
Rents & Leases	7,200	2,925	4,275
Utilities	2,160	188	1,972
Telephone	600	2,859	(2,259)
Legal Advertisements	2,880	4,830	(1,950)
Office Supplies	800	6,454	(5,654)
Postage Expense	4,300	2,932	1,368
Copy Expense	8,000	8,101	(101)
Travel	4,500	547	3,953
Liability Insurance	11,500	7,538	3,962
Bank Fees	-	156	(156)
Dues & Subscriptions	300	175	125
Regulatory/Permits Fees	2,000	-	2,000
Miscellaneous Expenses	1,800	2,764	(964)
Reserve For Contingencies	3,888	228	3,660
Computer Support	5,000	525	4,475
Audit & Accounting Services	10,300	10,520	(220)
Engineering Services	-	39,934	(39,934)
Project Planning Contingency	122,000	-	122,000
Legal - General Counsel	60,000	50,511	9,489
Legal - Litigation Reserve	48,000	-	48,000
Financail Advisor	27,000	-	27,000
GSG Management Services	129,600	104,464	25,136
Capital Expenditures A&O	7,000	3,084	3,916
Total operating expenses	<u>507,328</u>	<u>348,576</u>	<u>158,752</u>
Operating income (loss)	<u>92,234</u>	<u>128,575</u>	<u>36,341</u>

KEY LARGO WASTEWATER TREATMENT DISTRICT
SCHEDULE OF REVENUES AND EXPENSES,-BUDGET AND ACTUAL
For The Year Ended September 30, 2004

DRAFT COPY
PRELIMINARY & TENTATIVE
FOR DISCUSSION PURPOSES ONLY

	Budgeted Amounts, Original & Final	Actual Amounts	Actual Amounts, Favorable(Unfav) Variance with
NON OPERATING REVENUES			
(EXPENSES):			
Investment Earnings	6,500	298	(6,202)
Debt service/interest expense	(21,525)	(4,227)	17,298
Total non operating revenues (expenses)	(15,025)	(3,929)	11,096
 Budgeted income(loss)	 \$ 77,209	 \$ 124,646	 \$ 47,437

TAB 4

KEY LARGO WASTEWATER TREATMENT DISTRICT
Agenda Request Form

Meeting Date: January 19, 2005

Agenda Item No. 4

☐ PUBLIC HEARING

☐ RESOLUTION

☒ DISCUSSION

☐ BID/RFP AWARD

☐ GENERAL APPROVAL OF ITEM

☐ CONSENT AGENDA

☐ Other:

SUBJECT: Operating Budget Report

RECOMMENDED MOTION/ACTION: No Action required

Approved by General Manager C. J. A.

Date: 1-11-05

Originating Department: Finance	Costs: \$ Funding Source: Acct. #	Attachments: Operating Budget Report
Department Review: <input type="checkbox"/> District Counsel <input checked="" type="checkbox"/> General Manager <u>C. J. A.</u> <input type="checkbox"/> Finance	<input type="checkbox"/> Engineering _____ <input type="checkbox"/> Clerk _____	Advertised: Date: _____ Paper: _____ <input checked="" type="checkbox"/> 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:

Resulting Board Action:

☐ Approved

☐ Tabled

☐ Disapproved

☐ Recommendation Revised

KLWTD
Operating Budget vs. Actual
October through December 2004
(First Quarter FY 2005)

	<u>December YTD</u>	<u>Budget YTD</u>	<u>Fav (Unfav) To Budget</u>	<u>FY 2005 Budget</u>	<u>Note Grant Funding</u>
Income					
311001 - MSTU Ad Valorem Taxes	\$ 52,138	\$ 178,065	\$ (125,926)	\$ 827,685	
343605 - Wastewater Capacity Fees	-	-	-	81,000	
343617 - Grant Operating Reimbursement	See note	10,535	See note	42,823	26,719
343608 - Miscellaneous Service Charges	-	742	(742)	3,000	
361001 - Investment Earnings	496	237	258	1,000	
Total Income	<u>\$ 52,633.91</u>	<u>\$189,579.36</u>	<u>\$ (136,945.45)</u>	<u>\$955,508.00</u>	
Expense					
511001 - Board Meeting Compensation	9,600	11,190		45,000	
512000 - Employee Payroll					
512010 - General Manager	16,888				6,113
512020 - Board Clerk	13,250				
513010 - Finance Officer	10,350				450
513011 - Inspector	-				10,740
512000 - Employee Payroll - Other	-	48,471			
Total 512000 - Employee Payroll	<u>40,488</u>	<u>48,471</u>	<u>7,983</u>	<u>195,700</u>	<u>17,303</u>
511200 - Payroll Taxes					
511211 - P/R Tax - FICA	884				409
511212 - P/R Tax - Medicare	207				96
511213 - P/R Tax - FUTA	229				
511200 - Payroll Taxes - Other	-	4,555			
Total 511200 - Payroll Taxes	<u>1,319</u>	<u>4,555</u>	<u>3,236</u>	<u>18,414</u>	<u>504</u>
511000 - General Administrative Expenses					
511011 - Rents & Leases	1,650	3,868	2,218	30,000	
511013 - Utilities	472	697	225	6,128	
511012 - Telephone	1,365	1,484	119	6,000	
511007 - Legal Advertisements	1,074	1,187	113	4,818	
511008 - Office Supplies	4,076	1,113	(2,963)	4,500	
511003 - Postage Expense	596	579	(18)	2,330	
511002 - Copy Expense	-	2,028	2,028	8,200	
511010 - Travel	610	495	(116)	2,000	
511214 - Workers Comp Insurance	3,823	2,952	(871)	6,000	
511015 - Liability Insurance	3,750	3,690	(60)	7,500	
511009 - Dues & Subscriptions	475	79	(396)	325	
515002 - Regulatory / Permit Fees	-	495	495	2,000	
511006 - Miscellaneous Expenses	1,601	460	(1,141)	1,850	
511099 - Reserve For Contingencies	763	1,187	424	4,778	
Total 511000 - General Administrative Expenses	<u>20,255</u>	<u>20,311</u>	<u>57</u>	<u>86,429</u>	
514000 - Professional Services					
514010 - Computer Support	338	5,452	5,114	10,000	
514006 - Audit & Accounting Services	3,500	9,000	5,500	10,600	
514005 - Engineering Services	16,937	26,213	9,276	50,000	
514007 - Project Planning Contingency	-	29,677	29,677	120,000	
514003 - Utility Rate Consultant	-	1,500	1,500	15,000	
514001 - Legal - General Counsel	7,117	14,839	7,722	60,000	7,460
514002 - Legal - Litigation Reserve	-	2,000	2,000	20,000	1,367
512005 - GSG Management Services	739	5,935	5,196	20,000	85
Total 514000 - Professional Services	<u>28,631</u>	<u>94,616</u>	<u>65,985</u>	<u>305,600</u>	
591000 - Non-Operating Expenses					
591001 - Capital Expenditures A&O	-	4,142	4,142	15,000	
591002 - Renewal & Replacement Transf	-	-	-	4,365	
591003 - Transfer To Operating Reserve	-	-	-	204,000	
591004 - Transfer To Capital Reserve	-	-	-	81,000	
Total 591000 - Non-Operating Expenses	<u>-</u>	<u>4,142</u>	<u>4,142</u>	<u>304,365</u>	
Total Expense	<u>100,292</u>	<u>183,286</u>	<u>82,994</u>	<u>955,508</u>	<u>26,719</u>
Net Income	<u>\$ (47,659)</u>	<u>\$ 6,293</u>	<u>\$ 53,952</u>	<u>\$ -</u>	

TAB 5

KEY LARGO WASTEWATER TREATMENT DISTRICT
Agenda Request Form

Meeting Date: January 19, 2005

Agenda Item No. 5

☐ PUBLIC HEARING

☐ RESOLUTION

☒ DISCUSSION

☐ BID/RFP AWARD

☐ GENERAL APPROVAL OF ITEM

☐ CONSENT AGENDA

☐ Other:

SUBJECT: Discussion of DCA Cesspits Grant Funds provided in the Inter-Local

RECOMMENDED MOTION/ACTION: No Action required

Approved by General Manager C. J. R.
Date: 1-11-05

Originating Department: Finance	Costs: \$ Funding Source: Acct. #	Attachments: Section of Inter-local Agreement
Department Review: <input type="checkbox"/> District Counsel <input checked="" type="checkbox"/> General Manager <u>C. J. R.</u> <input type="checkbox"/> Finance _____	<input type="checkbox"/> Engineering _____ <input type="checkbox"/> Clerk _____	Advertised: Date: _____ Paper: _____ <input checked="" type="checkbox"/> 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: Requested by Chairman Brooks for discussion at the January 5, 2005 meeting to be brought to the January 19, 2005 meeting.

Resulting Board Action:

☐ Approved

☐ Tabled

☐ Disapproved

☐ Recommendation Revised

**INTERLOCAL AGREEMENT
RELATING TO THE TRANSITION OF WASTEWATER JURISDICTION AND
SERVICES FROM THE FLORIDA KEYS AQUEDUCT AUTHORITY TO THE KEY
LARGO WASTEWATER TREATMENT DISTRICT**

SECTION 2.03. DUTIES AND RESPONSIBILITIES OF THE COUNTY.

A. Financial Commitments. The County agrees to provide certain funds it has available to support the development of the Key Largo Trailer Village and Key Largo Park projects. These commitments are outlined in Exhibits A and D and are provided specifically in Exhibit F. Exhibit F outlines all financial commitments to date, including state and federal funds commitments. The County will provide funds through several different committed funding sources with conditions for the use of these funds, as outlined below.

1. **Administrative Loan.** Pursuant to an Interlocal Agreement entered into on December 18, 2002 between the County and the District, attached hereto and marked as Exhibit G, the County loaned the District \$100,000. Unless otherwise agreed between the County and the District, this \$100,000 is to be reimbursed to the County, the terms of which are outlined in the referenced Interlocal Agreement.

2. **Capital Funds for Key Largo Trailer Village.** Pursuant to County Resolution 093-2002, attached hereto and marked as Exhibit A, the County will provide capital funds to the District in order to secure a commitment to the Key Largo Trailer Village project up to \$914,285, as needed, to complete the project. As costs are incurred by the District, and upon a request for payment of expenses, the County will transfer necessary funds to the District for payment of such expenses. These funds will be provided to the District as a loan to be repaid upon such terms and conditions to be agreed upon between the District and the County within the next 90 days. To date, 20% of the \$914,285 has been transmitted to the Authority (\$182,857). The County will direct that the Authority transfer these funds to the District to the extent that such funds remain after project development to date.

3. **Cesspit Grant Funds.** Pursuant to DCA Contracts, a total of \$1,225,600 will be provided to the District for Key Largo Trailer Village and Key Largo Park.

- a. DCA Contract 00-DR-1W-11-54-01-002, and DCA Contract 01-DR-16-11-54-001 are attached hereto and marked as Exhibit H.
- b. The County will administer the grant funds, and will disburse only if the District provides an audit trail identifying that funds will be used to replace cesspits equivalent to approximately \$10,100 per cesspit replaced.
- c. The County will continue to administer these funds and as costs are incurred by the District, upon a request for payment of expenses, the County will transfer funds to the District out of these grant funds. The County agrees that these funds can be utilized for construction as a part of Key Largo Trailer Village or Key Largo Park.

AGREEMENT

THIS AGREEMENT is entered into by and between the State of Florida, Department of Community Affairs, with headquarters in Tallahassee, Florida (hereinafter referred to as the "Department"), and the Monroe County Board of County Commissioners, (hereinafter referred to as the "Recipient").

THIS AGREEMENT IS ENTERED INTO BASED ON THE FOLLOWING FACTS:

A. WHEREAS, the Recipient represents that it is fully qualified, possesses the requisite skills, knowledge, qualifications and experience to provide the services identified herein, and does offer to perform such services, and

B. WHEREAS, the Department has a need for such services and does hereby accept the offer of the Recipient upon the terms and conditions hereinafter set forth, and

C. WHEREAS, the Department has authority pursuant to Florida law to disburse the funds under this Agreement.

NOW, THEREFORE, the Department and the Recipient do mutually agree as follows:

(1) SCOPE OF WORK.

The Recipient shall fully perform the obligations in accordance with the Budget and Scope of Work, Attachment A of this Agreement.

(2) INCORPORATION OF LAWS, RULES, REGULATIONS AND POLICIES.

Both the Recipient and the Department shall be governed by applicable State and Federal laws, rules and regulations.

(3) PERIOD OF AGREEMENT.

This Agreement shall begin upon execution by both parties and shall end December 31, 2000, unless terminated earlier in accordance with the provisions of paragraph (8) of this Agreement.

(4) MODIFICATION OF CONTRACT; REPAYMENTS

Either party may request modification of the provisions of this Agreement. Changes which are mutually agreed upon shall be valid only when reduced to writing, duly signed by each of the parties hereto, and attached to the original of this Agreement.

All refunds or repayments to be made to the Department under this Agreement are to be made payable to the order of "Department of Community Affairs", and mailed directly to the Department at the following address:

Department of Community Affairs
Cashier
Finance and Accounting
2555 Shumard Oak Boulevard
Tallahassee FL 32399-2100

(5) RECORD KEEPING

(a) If applicable, Recipient's performance under this Agreement shall be subject to the federal "Common Rule: Uniform Administrative Requirements for State and Local Governments" (53 Federal Register 8034) or OMB Circular No. A-110, "Grants and Agreements with Institutions of High Education, Hospitals, and Other Nonprofit Organizations," and either OMB Circular No. A-87, "Cost Principles for State and Local Governments," OMB Circular No. A-21, "Cost Principles for Educational Institutions," or OMB Circular No. A-122, "Cost Principles for Nonprofit Organizations." If this Agreement is made with a commercial (for-profit) organization on a cost-reimbursement basis, the Recipient shall be subject to Federal Acquisition Regulations 31.2 and 931.2.

(b) All original records pertinent to this Agreement shall be retained by the Recipient for three years following the date of termination of this Agreement or of submission of the final close-out report, whichever is later, with the following exceptions:

1. If any litigation, claim or audit is started before the expiration of the three year period and extends beyond the three year period, the records will be maintained until all litigation, claims or audit findings involving the records have been resolved.

2. Records for the disposition of non-expendable personal property valued at \$5,000 or more at the time of acquisition shall be retained for three years after final disposition.

3. Records relating to real property acquisition shall be retained for three years after closing of title.

(c) All records, including supporting documentation of all program costs, shall be sufficient to determine compliance with the requirements and objectives of the Budget and Scope of Work - Attachment A - and all other applicable laws and regulations.

(d) The Recipient, its employees or agents, including all subcontractors or consultants to be paid from funds provided under this Agreement, shall allow access to its records at reasonable times to the Department, its employees, and agents. "Reasonable" shall be construed according to the circumstances but ordinarily shall mean during normal business hours of 8:00 a.m. to 5:00 p.m., local time, on Monday through Friday. "Agents" shall include, but not be limited to, auditors retained by the Department.

(6) MONITORING.

The Recipient shall constantly monitor its performance under this Agreement to ensure that time schedules are being met, the Scope of Work is being accomplished within specified time periods, and other performance goals are being achieved. Such review shall be made for each function or activity set forth in Attachment A to this Agreement.

(7) LIABILITY.

(a) Except as otherwise provided in subparagraph (b) below, the Recipient shall be solely responsible to parties with whom it shall deal in carrying out the terms of this agreement, and shall save the Department harmless against all claims of whatever nature by third parties arising out of the performance of work under this agreement. For purposes of this agreement, Recipient agrees that it is not an employee or agent of the Department, but is an independent contractor.

(b) Any Recipient who is a state agency or subdivision, as defined in Section 768.28, Fla. Stat., agrees to be fully responsible for its negligent acts or omissions or tortious acts which result in claims or suits against the Department, and agrees to be liable for any damages proximately caused by

said acts or omissions. Nothing herein is intended to serve as a waiver of sovereign immunity by any Recipient to which sovereign immunity applies. Nothing herein shall be construed as consent by a state agency or subdivision of the State of Florida to be sued by third parties in any matter arising out of any contract.

(8) DEFAULT; REMEDIES; TERMINATION.

(a) If the necessary funds are not available to fund this agreement as a result of action by the Legislature, the Office of the Comptroller or the Office of Management and Budgeting, or if any of the following events occur ("Events of Default"), all obligations on the part of the Department to make any further payment of funds hereunder shall, if the Department so elects, terminate and the Department may, at its option, exercise any of its remedies set forth herein, but the Department may make any payments or parts of payments after the happening of any Events of Default without thereby waiving the right to exercise such remedies, and without becoming liable to make any further payment:

1. If any warranty or representation made by the Recipient in this Agreement or any previous Agreement with the Department shall at any time be false or misleading in any respect, or if the Recipient shall fail to keep, observe or perform any of the terms or covenants contained in this Agreement or any previous agreement with the Department and has not cured such in timely fashion, or is unable or unwilling to meet its obligations thereunder,

2. If any material adverse change shall occur in the financial condition of the Recipient at any time during the term of this Agreement from the financial condition revealed in any reports filed or to be filed with the Department, and the Recipient fails to cure said material adverse change within thirty (30) days from the time the date written notice is sent by the Department.

3. If any reports required by this Agreement have not been submitted to the Department or have been submitted with incorrect, incomplete or insufficient information;

4. If the Recipient has failed to perform and complete in timely fashion any of the services required under the Scope of Work attached hereto as Attachment A.

(b) Upon the happening of an Event of Default, then the Department may, at its option, upon written notice to the Recipient and upon the Recipient's failure to timely cure, exercise any one or

more of the following remedies, either concurrently or consecutively, and the pursuit of any one of the following remedies shall not preclude the Department from pursuing any other remedies contained herein or otherwise provided at law or in equity:

1. Terminate this Agreement, provided that the Recipient is given at least thirty (30) days prior written notice of such termination. The notice shall be effective when placed in the United States mail, first class mail, postage prepaid, by registered or certified mail-return receipt requested, to the address set forth in paragraph (9) herein;
2. Commence an appropriate legal or equitable action to enforce performance of this Agreement;
3. Withhold or suspend payment of all or any part of a request for payment;
4. Exercise any corrective or remedial actions, to include but not be limited to, requesting additional information from the Recipient to determine the reasons for or the extent of non-compliance or lack of performance, issuing a written warning to advise that more serious measures may be taken if the situation is not corrected, advising the Recipient to suspend, discontinue or refrain from incurring costs for any activities in question or requiring the Recipient to reimburse the Department for the amount of costs incurred for any items determined to be ineligible;
5. Exercise any other rights or remedies which may be otherwise available under law;

(c) The Department may terminate this Agreement for cause upon such written notice as is reasonable under the circumstances. Cause shall include, but not be limited to, misuse of funds; fraud; lack of compliance with applicable rules, laws and regulations; failure to perform in a timely manner; and refusal by the Recipient to permit public access to any document, paper, letter, or other material subject to disclosure under Chapter 119, Fla. Stat., as amended.

(d) Suspension or termination constitutes final agency action under Chapter 120, Fla. Stat., as amended. Notification of suspension or termination shall include notice of administrative hearing rights and time frames.

(e) The Recipient shall return funds to the Department if found in non-compliance with laws, rules, regulations governing the use of the funds or this Agreement.

(f) This Agreement may be terminated by the written mutual consent of the parties.

(g) Notwithstanding the above, the Recipient shall not be relieved of liability to the Department by virtue of any breach of Agreement by the Recipient. The Department may, to the extent authorized by law, withhold any payments to the Recipient for purpose of set-off until such time as the exact amount of damages due the Department from the Recipient is determined.

(9) NOTICE AND CONTACT.

(a) All notices provided under or pursuant to this Agreement shall be in writing, either by hand delivery, or first class, certified mail, return receipt requested, to the representative identified below at the address set forth below and said notification attached to the original of this Agreement.

(b) The name and address of the Department contract manager for this Agreement is:

Mike McDaniel
Growth Management Administrator
Room 300D
2555 Shumard Oak Boulevard
Tallahassee, Florida 32399
(850) 487-4545

(c) The name and address of the Representative of the Recipient responsible for the administration of this Agreement is:

George Garrett
Director of Marine Resources
2798 Overseas Highway, Suite 420
Marathon, Florida 33050
(305) 289-2507

(d) In the event that different representatives or addresses are designated by either party after execution of this Agreement, notice of the name, title and address of the new representative will be rendered as provided in (9)(a) above.

(10) OTHER PROVISIONS.

(a) The validity of this Agreement is subject to the truth and accuracy of all the information, representations, and materials submitted or provided by the Recipient in this Agreement, in any subsequent submission or response to Department request, or in any submission or response to fulfill the requirements of this Agreement, and such information, representations, and materials are incorporated by reference. The lack of accuracy thereof or any material changes shall, at the option of the Department and with thirty (30) days written notice to the Recipient, cause the termination of this Agreement and the release of the Department from all its obligations to the Recipient.

(b) This Agreement shall be construed under the laws of the State of Florida, and venue for any actions arising out of this Agreement shall lie in Leon County. If any provision hereof is in conflict with any applicable statute or rule, or is otherwise unenforceable, then such provision shall be deemed null and void to the extent of such conflict, and shall be deemed severable, but shall not invalidate any other provision of this Agreement.

(c) No waiver by the Department of any right or remedy granted hereunder or failure to insist on strict performance by the Recipient shall affect or extend or act as a waiver of any other right or remedy of the Department hereunder, or affect the subsequent exercise of the same right or remedy by the Department for any further or subsequent default by the Recipient. Any power of approval or disapproval granted to the Department under the terms of this Agreement shall survive the terms and life of this Agreement as a whole.

(d) The Agreement may be executed in any number of counterparts, any one of which may be taken as an original.

(e) The Recipient agrees to comply with the Americans With Disabilities Act (Public Law 101-336, 42 U.S.C. Section 12101 et seq.), if applicable, which prohibits discrimination by public and private entities on the basis of disability in the areas of employment, public accommodations, transportation, State and local government services, and in telecommunications.

(f) A person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid on a contract to provide any goods or services

to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids on leases of real property to a public entity, may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with a public entity, and may not transact business with any public entity in excess of Category Two for a period of 36 months from the date of being placed on the convicted vendor list.

(11) AUDIT REQUIREMENTS.

(a) The Recipient agrees to maintain financial procedures and support documents, in accordance with generally accepted accounting principles, to account for the receipt and expenditure of funds under this Agreement.

(b) These records shall be available at all reasonable times for inspection, review, or audit by state personnel and other personnel duly authorized by the Department. "Reasonable" shall be construed according to circumstances, but ordinarily shall mean normal business hours of 8:00 a.m. to 5:00 p.m., local time, Monday through Friday.

(c) The Recipient shall also provide the Department with the records, reports or financial statements upon request for the purposes of auditing and monitoring the funds awarded under this Agreement.

(d) The Recipient shall provide the Department with an annual financial audit report which meets the requirements of Sections 11.45 and 216.349, Fla. Stat., and Chapter 10.550 and 10.600, Rules of the Auditor General. If the contract amount is \$300,000 or more, then the Recipient shall also provide the Department with an annual financial audit report which meets the requirements of the Single Audit Act of 1984, 31 U.S.C. ss. 7501-7507, OMB Circular A-133 for the purposes of auditing and monitoring the funds awarded under this Agreement.

1. The annual financial audit report shall include all management letters and the Recipient's response to all findings, including corrective actions to be taken.

2. The annual financial audit report shall include a schedule of financial assistance specifically identifying all Agreement and other revenue by sponsoring agency and Agreement number.

3. The complete financial audit report, including all items specified in (11)(d) 1 and 2 above, shall be sent directly to:

Department of Community Affairs
Office of Audit Services
2555 Shumard Oak Boulevard
Tallahassee, Florida 32399-2100

(e) In the event the audit shows that the entire funds disbursed hereunder, or any portion thereof, were not spent in accordance with the conditions of this Agreement, the Recipient shall be held liable for reimbursement to the Department of all funds not spent in accordance with these applicable regulations and Agreement provisions within thirty (30) days after the Department has notified the Recipient of such non-compliance.

(f) The Recipient shall retain all financial records, supporting documents, statistical records, and any other documents pertinent to this contract for a period of three years after the date of submission of the final expenditures report. However, if litigation or an audit has been initiated prior to the expiration of the three-year period, the records shall be retained until the litigation or audit findings have been resolved.

(g) The Recipient shall have all audits completed by an independent certified public accountant (IPA) who shall either be a certified public accountant or a public accountant licensed under Chapter 473, Fla. Stat. The IPA shall state that the audit complied with the applicable provisions noted above.

(h) The audit is due seven (7) months after the end of the fiscal year of Recipient or by the date the audit report is issued by the state Auditor General, whichever is later.

(i) An audit performed by the State Auditor General shall be deemed to satisfy the above audit requirements.

(12) SUBCONTRACTS.

(a) If the Recipient subcontracts any or all of the work required under this Agreement, a copy of the executed subcontract must be forwarded to the Department within thirty (30) days after execution of the subcontract. The Recipient agrees to include in the subcontract that (i) the

subcontractor is bound by all applicable state and federal laws and regulations, and (ii) the subcontractor shall hold the Department and Recipient harmless against all claims of whatever nature arising out of the subcontractor's performance of work under this Agreement, to the extent allowed and required by law.

(13) TERMS AND CONDITIONS.

The Agreement contains all the terms and conditions agreed upon by the parties.

(14) ATTACHMENTS.

(a) All attachments to this Agreement are incorporated as if set out fully herein.

(b) In the event of any inconsistencies or conflict between the language of this Agreement and the attachments hereto, the language of such attachments shall be controlling, but only to the extent of such conflict or inconsistency.

(c) This Agreement has the following attachments:

Attachment A, Scope of Work

(15) FUNDING/CONSIDERATION

This is a fixed fee agreement. As consideration for performance of work rendered under this Agreement, the Department agrees to pay a fixed fee of up to \$600,750. Payment will be made in accordance to Attachment A, Scope of Work, Item 6(A).

(16) STANDARD CONDITIONS.

The Recipient agrees to be bound by the following standard conditions:

(a) The State of Florida's performance and obligation to pay under this Agreement is contingent upon an annual appropriation by the Legislature, and subject to any modification in accordance with Chapter 216, Fla. Stat. or the Florida Constitution.

(b) If otherwise allowed under this Agreement, the Agreement may be renewed on a yearly basis for a period of up to two (2) years after the initial agreement or for a period no longer than the term of the original agreement, whichever period is longer, specifying the terms under which the cost may change as determined in the invitation to bid, request for proposals, or pertinent statutes or regulations.

(c) All bills for fees or other compensation for services or expenses shall be submitted in detail sufficient for a proper preaudit and postaudit thereof.

(d) If otherwise allowed under this Agreement, all bills for any travel expenses shall be submitted in accordance with s. 112.061, Fla. Stat.

(e) The Department of Community Affairs reserves the right to unilaterally cancel this Agreement for refusal by the Recipient to allow public access to all documents, papers, letters or other material subject to the provisions of Chapter 119, Fla. Stat., and made or received by the Recipient in conjunction with this Agreement.

(f) If the Recipient is allowed to temporarily invest any advances of funds under this Agreement, any interest income shall either be returned to the Department or be applied against the Department's obligation to pay the contract amount.

(g) The State of Florida will not intentionally award publicly-funded contracts to any contractor who knowingly employs unauthorized alien workers, constituting a violation of the employment provisions contained in 8 U.S.C. Section 1324a(e) [Section 274A(e) of the Immigration and Nationality Act ("INA")]. The Department shall consider the employment by any contractor of unauthorized aliens a violation of Section 274A(e) of the INA. Such violation by the Recipient of the employment provisions contained in Section 274A(e) of the INA shall be grounds for unilateral cancellation of this Agreement by the Department.

(17) STATE LOBBYING PROHIBITION.

No funds or other resources received from the Department in connection with this Agreement may be used directly or indirectly to influence legislation or any other official action by the Florida Legislature or any state agency.

(18) LEGAL AUTHORIZATION.

The Recipient certifies with respect to this Agreement that it possesses the legal authority to receive the funds to be provided under this Agreement and that, if applicable, its governing body has authorized, by resolution or otherwise, the execution and acceptance of this Agreement with all

covenants and assurances contained herein. The Recipient also certifies that the undersigned possesses the authority to legally execute and bind Recipient to the terms of this Agreement.

(19) VENDOR PAYMENTS.

Pursuant to Section 215.422, Fla. Stat., the Department shall issue payments to vendors within 40 days after receipt of an acceptable invoice and receipt, inspection, and acceptance of goods and/or services provided in accordance with the terms and conditions of the Agreement. Failure to issue the warrant within 40 days shall result in the Department paying interest at a rate as established pursuant to Section 55.03(1) Fla. Stat. The interest penalty shall be paid within 15 days after issuing the warrant.

Vendors experiencing problems obtaining timely payment(s) from a state agency may receive assistance by contacting the Vendor Ombudsman at (850) 488-2924 or by calling the State Comptroller's Hotline at 1-800-848-3792.

(The remainder of this page left intentionally blank)

IN WITNESS WHEREOF, the parties hereto have caused this contract to be executed
by their undersigned officials as duly authorized.

MONROE COUNTY BOARD OF
COUNTY COMMISSIONERS

BY: Shirley Freeman
Shirley Freeman, Mayor

Date: MAY 18, 2000

Approved as to form and legality:

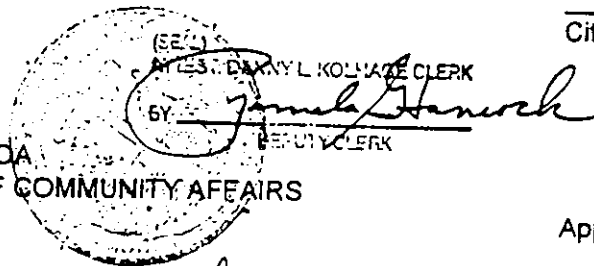
ATTEST:

City Clerk

STATE OF FLORIDA
DEPARTMENT OF COMMUNITY AFFAIRS

BY: J. Thomas Berk
Steven M. Seibert, Secretary

Date: 6-16-00



Approved as to form and legality:

[Signature]

ATTACHMENT A

Scope of Work

1. The Recipient shall provide services and provide payment as described in this Scope of Work, to achieve the objectives of this agreement in compliance with the following:
 - A. Rule 28-20.100 of the Florida Administrative Code, as amended.
2. The Recipient shall establish the following relating to assistance to both single family and multi-family, private residential property owners in Monroe County in eliminating illegal and inadequate On-Site Treatment and Disposal Systems (OSTDS):
 - A. Procedures for the selection of property owners to receive financial assistance via the Contractor under this agreement.
 - B. The amount of financial assistance to be given to property owners under this agreement, by the Contractor, in eliminating illegal and inadequate OSTDS. The assistance shall be comparable with the level of financial assistance estimated, at the time of the Department's acceptance of the initial report under Item 6.A below, to be realized by the residents of the Little Venice area to be served by centralized wastewater transmission, treatment and disposal facilities resulting from the U.S. Environmental Protection Agency Grant C120602-04.
3. The Recipient shall implement a properly value-based sliding scale grant assistance program, using the County's funds, to supplement the assistance made available under the agreement to Monroe County private property owners for eliminating illegal and inadequate OSTDS if the County finds such additional assistance is desirable to carry out the purposes of Rule 28-20.100 of the Florida Administrative Code. Such a sliding scale grant program must emphasize assistance to financially needy households.
4. The Recipient shall establish procedures for procurement of equipment, materials and services relating to elimination of illegal and inadequate OSTDS and replacement with On-site Wastewater Nutrient Removal Systems (OWNRS), the funding of which is wholly or partly provided under this agreement. Procurement procedures shall assure that only OWNRS meeting the statutorily required treatment levels are furnished and installed using funds made available under this agreement. The Department recognizes the Contractor's regulatory determination in the issuance of the construction permit and the issuance of the operating permit to ensure that the installed OSTDS eliminates the illegal and inadequate OSTDS. Alternatively, procurement procedures may allow for replacement of illegal and inadequate OSTDS with centralized wastewater transmission, treatment and disposal facilities.

Procurement procedures shall not arbitrarily preclude responsible firms and companies possessing the ability to successfully perform services related to elimination of illegal and inadequate OSTDS and meeting other requirements pursuant to this agreement from providing such services. In conjunction with these procedures, a standardized subagreement or work order authorizing specific costs to be incurred by third parties and incorporating appropriate requirements set forth in this agreement shall be developed; similarly, standardized documentation of costs incurred or invoiced by third parties shall be developed.

5. As consideration for the services to be rendered under the terms of this agreement, the Department shall authorize disbursements as described below.
- A. An amount not to exceed \$600,750 shall be made available as the State's share of the eligible cost to eliminate illegal and inadequate OSTDS located on privately owned residential properties classified as either single family or multi-family residential properties. Eligible costs include abandonment of illegal and inadequate OSTDS; furnishing and installing OWNRS, including any required disinfection facilities; providing centralized wastewater transmission, treatment and disposal facilities; and required technical services excepting those required to be performed by a governmental entity (e.g., Florida Department of Health's permitting activities). Reimbursement for the purchase of equipment and materials for the furnishing and installing of OWNRS on private property is specifically authorized. Such equipment and materials may be retained by property owners provided the equipment is to be properly operated and maintained. The Recipient shall retain the documentation listed below for each illegal and inadequate OSTDS eliminated using funds made available under this agreement.
- i. Identification of each property location, including the individual area designated in the County's Rate of Growth Ordinance, at which an illegal and inadequate OSTDS was eliminated.
 - ii. Description of each OWNRS or the connection to centralized wastewater transmission, treatment and disposal facilities provided as part of the illegal and inadequate OSTDS elimination.
 - iii. For each property location under Item i above, the identification of the brand name or manufacturer of the OWNRS furnished; the name of the contractor that installed the OWNRS or that made the connection to centralized wastewater transmission, treatment and disposal facilities; and the engineer responsible for preparation of construction drawings and specifications.
 - iv. Certification by the appropriate permitting authority that the OWNRS is designed to meet the required treatment levels was furnished, and was installed and made operational or that the connection to centralized wastewater transmission, treatment and disposal facilities was made.
 - v. Identification of the total cost of each operational OWNRS or connection to centralized wastewater transmission, treatment and disposal facilities; the share due under this agreement; the share of the cost paid from the County funds (if any); and the local resident's share.
 - vi. Certification of no double benefits (i.e., no part of the costs invoiced for disbursement by the Department under this agreement has been or will be requested to be paid, reimbursed, or otherwise funded by another agency).
 - vii. Certification that the initial report under Item 6.A below and all quarterly reports due under Items 6.C and 6.D below have been submitted to the Department.
 - viii. Certification by the owner of the property on which an OWNRS was installed that the OWNRS will be properly operated and maintained on a continuing basis.

- B. The Recipient shall not use State funds made available under this agreement for direct salaries and multipliers (i.e., fringe benefits, overhead, and/or general and administrative rates) for its employees or for any of its employees' travel expenses. No funds made available under this agreement shall be used for contract management expenses that may be incurred by the Recipient or Florida Department of Health.

6. The Recipient shall submit, or cause to be submitted, deliverables to the Department. The Department shall have twenty (20) days to review and accept reports or return reports to the Contractor or County, as appropriate, for correction. The deliverables are as follows:

- A. An initial report (ten copies) to be submitted to the Department no later than June 30, 2000, documenting the following:

- i. The selection procedures and the assistance level determination under Item 2 above.

- ii. The details of any sliding-scale grant program proposed under Item 3 above.

- iii. A description of the procurement procedures required under Item 4 above.

The Department shall pay \$600,750 to the Recipient following the Department's receipt, review, and acceptance of the initial report no later than June 30, 2000.

- B. Progress reports from the Recipient, as appropriate, for the calendar year quarterly periods ending September 30, December 31, March 31, and June 30 of each year beginning January 1, 2000, and continuing throughout the remainder of the period during which this agreement is in effect. Progress reports shall be submitted to the Department within twenty (20) days after the end of the period and shall contain the following information relating to the elimination of illegal and inadequate OSTDS.

- i. The number of OSTDS eliminated and their location indicating, at a minimum, the County's Rate of Growth Ordinance (ROGO) area and a description of either the OWNRS installed or the connection to centralized wastewater transmission, treatment and disposal facilities.

- ii. The number and status of OSTDS for which elimination is underway.

- iii. The projected schedule to complete all project work under this agreement.

- iv. The funds expended during the reporting period and the funds remaining to be disbursed for OSTDS elimination under this agreement.

- C. A completion report (ten copies) from the Recipient to be received by the Department no later than December 31, 2000, summarizing the quarterly reports prepared by each party.

Contract Number: 00-DR-1W-11-54-01-002, Modification No. 1

MODIFICATION

That Contract numbered 00-DR-1W-11-54-01-002, entered into between the State of Florida, Department of Community Affairs (the "Department"), and Monroe County (the "Recipient"), signed on June 26, 2000 by the Department, is hereby modified as follows:

Section 3, Period of Agreement is modified to read as follows:

This Agreement shall begin upon execution by both parties and shall end December 31, 2001, unless terminated earlier in accordance with the provisions of paragraph (8) of this Agreement.

Attachment A, Scope of Work, Section 6.A., is modified to read as follows:

- A. An initial report (ten copies) to be submitted to the Department no later than November 30, 2000, documenting the following:
 - i. The selection procedures and the assistance level determination under Item 2 above.
 - ii. The details of any sliding-scale grant program proposed under Item 3 above.
 - iii. A description of the procurement procedures required under Item 4 above.

The Department shall pay \$600,750 to the Recipient following the Department's receipt, review, and acceptance of the initial report no later than November 30, 2000.

Attachment A, Scope of Work, Section 6.C., is modified to read as follows:

- C. A completion report (ten copies) from the Recipient to be received by the Department no later than December 31, 2001, summarizing the quarterly reports prepared by each party.

Except as modified herein, all other terms and conditions contained in said Contract remain in full force and effect, and are to be performed in accordance with the terms of said Contract.

IN WITNESS WHEREOF, the parties have caused this Modification to be executed by their duly authorized representative.

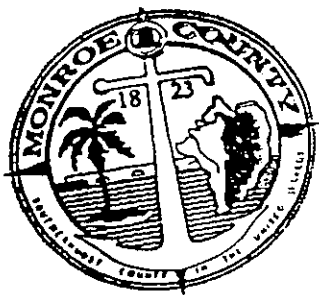
MONROE COUNTY BOARD OF
COUNTY COMMISSIONERS

By: Shirley Freeman

Printed Name: SHIRLEY FREEMAN

Title: MAYOR

Date: 10/19/00



(SEAL)

ATTEST: DANNY L. KOLHAGE, CLERK

BY Isabel C. DeSantis
DEPUTY CLERK

STATE OF FLORIDA, DEPARTMENT
OF COMMUNITY AFFAIRS

By: J. Thomas Beck

J. Thomas Beck

Director

Date: 11-27-00

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY
BY [Signature]
ROBERT N. WOLFE
DATE 11-11-00

Contract Number: 00-DR-1W-11-54-01-002, Modification No. 2

MODIFICATION

That Contract numbered 01-DR-1W-11-54-01-002, Modification 1 entered into between the State of Florida, Department of Community Affairs (the "Department"), and Monroe County (the "Recipient"), signed on November 27, 2000, by the Department is hereby modified as follows:

Section 3, Period of Agreement is modified to read as follows:

This Agreement shall begin upon execution by both parties and shall end March 31, 2002, unless terminated earlier in accordance with the provisions of paragraph (8) of this Agreement.

Attachment A, Scope of Work, is modified in section 2. A. to read:

2. A. Procedures for the selection of property owners to receive financial assistance via the Contractor under this agreement. Such procedures may provide for income-based selection criteria.

Attachment A, Scope of Work, is modified in section 3 to read :

3. The Recipient shall implement a properly value-based sliding scale grant assistance program using the County's funds to supplement the assistance made available under the agreement to Monroe County private property owners for eliminating illegal and inadequate OSTDS if the County finds such additional assistance is desirable to carry out the purposes of Rule 28-20.100 of the Florida Administrative Code. Such a sliding scale grant program must emphasize assistance to financially needy households. Additionally, County funds may be used to establish an income-based grant assistance program.

Except as modified herein, all other terms and conditions contained in said Contract remain in full force and effect, and are to be performed in accordance with the terms of said Contract.

IN WITNESS WHEREOF, the parties have caused this Modification to be executed by their duly authorized representative.

**MONROE COUNTY BOARD OF
COUNTY COMMISSIONERS**

By: George R. Neugent

Printed Name: GEORGE NEUGENT

Title: MAYOR

Date: 3/22/01

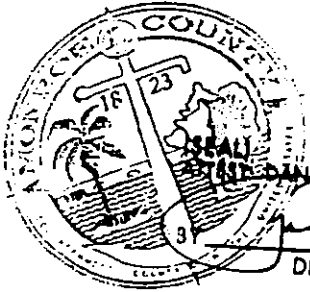
**STATE OF FLORIDA, DEPARTMENT
OF COMMUNITY AFFAIRS**

By: J. Thomas Beck

J. Thomas Beck

Director

Date: 4-25-01



DANNY L. KOLHAGE, CLERK

Danny L. Kolhage
DEPUTY CLERK

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY
BY: [Signature]
ROBERT R. WOLFE
DATE 2-27-01

MODIFICATION

That Contract numbered 00-DR-1W-54-01-002 entered into between the State of Florida, Department of Community Affairs (the "Department"), and Monroe County (the "Recipient"), signed on April 22, 2001 by the Department is hereby reinstated and modified as follows:

Section 3, Period of Agreement is modified to read as follows:

This Agreement shall begin upon execution by both parties and shall end December 31, 2002, unless terminated earlier in accordance with the provisions of paragraph (8) of this Agreement.

Attachment A, Scope of Work, "Illegal and Severely Inadequate Onsite Sewage System Replacement Program", is modified to add section 5. C. as follows:

5. C. The amount of grant funding to be provided will be determined by the number of illegal and inadequate On-site Treatment and Disposal Systems(OSTDS) contained within County designated "cold" spots to be serviced by the system or system extension or expansion. That number should be multiplied by a number no greater than the maximum amount of grant funding allowed per household under the existing Homeowners Wastewater System Assistance Program (HWSAP) of \$8,400 to determine the full funding amount toward the overall cost of the system for all users. In the case of centralized system hook-up, while funding depends upon the number of unknown systems, that funding amount will be utilized to offset total system costs for all users.

Attachment A, Scope of Work, "Illegal and Severely Inadequate Onsite Sewage System Replacement Program", is modified in section 6. C. to read:

6. C. A completion report (ten copies) from the Recipient to be received by the Department no later than December 31, 2002.

Except as modified herein, all other terms and conditions contained in said Contract remain in full force and effect, and are to be performed in accordance with the terms of said Contract.

IN WITNESS WHEREOF, the parties have caused this Modification to be executed by their duly authorized representative.

**MONROE COUNTY BOARD OF
COUNTY COMMISSIONERS**

By: [Signature]

Printed Name: CHARLES MCCOY

Title: MAYOR

Date: 3/20/02

**STATE OF FLORIDA, DEPARTMENT
OF COMMUNITY AFFAIRS**

By: [Signature]

H.E. "Sonny" Timmerman

Director, Division of Community Planning

Date: 6/13/02

(SEAL)
ATTORNEY: DORIS L. KOLHAGE CLERK
[Signature]
DEPUTY CLERK

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY

BY [Signature]
SUZANNE A. HUTTON

DATE 5/22/02

MODIFICATION

That Contract numbered 01-DR-16-11-54-01-001 entered into between the State of Florida, Department of Community Affairs (the "Department"), and Monroe County (the "Recipient"), signed on December 14, 2000, by the Department is hereby modified as follows:

Section 15, Funding /Consideration is modified to read as follows:

This is a fixed fee agreement. As consideration for performance of work rendered under this Agreement, the Department agrees to pay a fixed fee up to \$ 1,130,712. Payment will be made in accordance with the provisions of Attachment A - Scope of Work. An invoice shall be submitted with each deliverable which is in detail sufficient for a proper preaudit and postaudit thereof.

Attachment A, Scope of Work, "Illegal and Severely Inadequate Onsite Sewage System Replacement Program", is modified in section B. 1. to read:

- B. 1. Procedures for the selection of property owners to receive financial assistance via the Contractor under this agreement. Such procedures may provide for income-based selection criteria.

Attachment A, Scope of Work, "Illegal and Severely Inadequate Onsite Sewage System Replacement Program", is modified in section C to read :

- C. The Recipient shall implement a properly value-based sliding scale grant assistance program using the County's funds to supplement the assistance made available under the agreement to Monroe County private property owners for eliminating illegal and inadequate OSTDS if the County finds such additional assistance is desirable to carry out the purposes of Rule 28-20.100 of the Florida Administrative Code. Such a sliding scale grant program must emphasize assistance to financially needy households. Additionally, County funds may be used to establish an income-based grant assistance program.

Attachment A, Scope of Work, "Illegal and Severely Inadequate Onsite Sewage System Replacement Program", is modified in section F 1 and 3 to read :

- F. 1. The Department shall pay \$ 624,850 to the Recipient following the Department's receipt, review, and acceptance of the Memorandum of Understanding between the Florida Department of Health, Monroe County Health Department and the County to implement a Homeowners Assistance Program that is revised to reflect the additional funding in this contract received no later than March 31, 2001.

3. A completion report (ten copies) from the Recipient to be received by the Department no later than May 31, 2002.

Attachment A, Scope of Work, "Little Venice Water Quality Monitoring Program", is added to read as follows:

1. The Department shall pay \$ 242,912 following the Department's receipt, review, and acceptance of the Quality Assurance Project Plan (QAPP) that has been approved by the Florida Department of Environmental Protection. Receipt of the approved QAPP will occur no later than April 30, 2001.
2. The Recipient shall prepare progress reports for quarterly periods ending March 31, June 30, September 30, and December 31 of each year beginning January 1, 2001 and continuing throughout the remainder of the period during which this Agreement is in effect. Progress reports shall be submitted to the Department within twenty (20) days after the end of each quarter and shall contain information on work completed during the quarter, consultant invoices and reports, work expected to be completed in next quarter, and identify any unanticipated problems or delays in completing the project on schedule and within budget.
3. Attachment A-1, Water Quality Sampling Program for the Little Venice Sewage Collection and Treatment Project in Marathon, Florida shall be utilized to select the subcontractor with the appropriate chemical detection limits and laboratory facilities needed for this project.

Except as modified herein, all other terms and conditions contained in said Contract remain in full force and effect, and are to be performed in accordance with the terms of said Contract.

IN WITNESS WHEREOF, the parties have caused this Modification to be executed by their duly authorized representative.

**MONROE COUNTY BOARD OF
COUNTY COMMISSIONERS**

By: George R. Neugent

Printed Name: GEORGE NEUGENT

Title: MAYOR

Date: 3/22/01

**STATE OF FLORIDA, DEPARTMENT
OF COMMUNITY AFFAIRS**

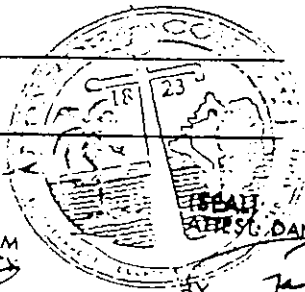
By: J. Thomas Beck

J. Thomas Beck

Director

Date: May 7, 2001

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY
BY ROBERT N. WOLFE
DATE 2-27-01



ATTEST: DANNY L. KOLHAGE, CLERK
J. Hancock
DEPUTY CLERK

WATER QUALITY SAMPLING PROGRAM
FOR THE LITTLE VENICE SEWAGE COLLECTION AND
TREATMENT PROJECT IN MARATHON, FLORIDA

BACKGROUND

The ocean side of Vaca key from Vaca Cut (east) to 94th Street (west), Marathon, Florida has a large percentage of houses and trailers that are currently serviced by inadequate septic tank systems or cesspit disposal. This area has been collectively called the "Little Venice" Service Area, whereas in fact, Little Venice Subdivision is located on the westernmost portion of the service area. The Little Venice Service Area includes approximately 540 residences (Figure 1).

The Little Venice Service area was selected as the first phase of wastewater improvements for the Marathon Service Area because of the large number of homes on cesspits, the small average size of lots, the density of the homes, and known water quality problems in the canals that occur in the area. Water quality of the 89th - 91st Street canals was thoroughly studied in the 1984-1985 as part of the Florida Department of Environmental Regulation Monitoring Study (FDER, 1987). That study demonstrated significant nutrient enrichment of the canals, high chlorophyll a content, and a high coprostanol concentrations in sediments. Coprostanol is a break-down product of cholesterol and is an indicator of fecal contamination.

The Little Venice Service Area will receive a low-pressure, vacuum wastewater collection system that will transmit wastewater to a central treatment plant. The treatment plant will produce effluent that meets or exceeds the current advanced wastewater treatment (AWT) standards of 5:5:3:1 (BOD5, TSS, TN, TP) and will use a Class V injection well for disposal of treated wastewater. Central collection and treatment of wastewater will remove a substantial portion of nutrient loading into the canals by removing the sources of wastewater (Poorly functioning septic tanks and cesspits).

SAMPLING PROGRAM

The purpose of this water quality sampling program is to document water quality improvements in the canals of the Little Venice Service Area. The sampling program consists of two phases. Phase 1 will be conducted for two years prior to the initiation of operation of the central sewage treatment system. Phase 1 will establish existing conditions in the canals within the service area. Phase 2 will be conducted for two years after initiation of the central sewage treatment system and will document changes in water quality and sediment chemistry of the canals.

Four canals within the Little Venice Service Area will be selected for sampling (Figure 1). Canal 1 and 2 are a connected "U- shaped" canal system located at 112th Street. These canals may receive better tidal flushing than other canals within the Service Area because of their flow-through design and their relatively short length. Canals 1 and 2 are lined with single-family

residences that were constructed prior to 1970 and a high percentage of those residences are thought to have no sewage treatment systems (cesspits). Canal 3 is located adjacent to 100th Street and Canal 4 is located adjacent to 97th Street. Both canal 3 and 4 are dead-end canals that are lined with single-family houses and mobile homes. Many of these residences are thought to have poorly functioning septic systems or cesspits. The 91st Street canal has been selected as a reference canal and is located outside the Little Venice Service Area. Historic water quality and sediment data exist for this canal (FDER 1987).

Field Sampling Regime

Nine sampling stations were chosen for this project: two per canal with an external site off 100th Street canal (Figure 1). Stations were located at the mouth of the canal and at the dead -end. Each of the 9 stations will be visited weekly via small boat. Surface and bottom measurements of temperature, salinity, and dissolved oxygen (DO) will be performed at each station. Duplicate water samples will be collected in mid-channel at 1 meter below surface. Water samples will also be collected just below the surface for bacteriological analysis. To ensure that we capture the greatest potential terrestrial inputs, sampling will be performed on the low, low tide whenever possible. Localized data from an ongoing study by FIU of the Florida Keys National Marine Sanctuary will be used as the background ambient water quality in the nearshore waters for comparative purposes.

Nutrient Analysis

Water samples will be analyzed for total nitrogen (TN), total phosphorus (TP), and chlorophyll a (Chla) by the Contractor's Southeast Environmental Research Center laboratory using standard methodology outlined in the Quality Assurance Project Plan (QAPP). Once a month the samples will be analyzed for the full suite of nutrients including ammonium (NH_4^+), nitrate (NO_3^-), nitrite (NO_2^-), silicate ($\text{Si}(\text{OH})_4$), soluble reactive phosphate (SRP), and total organic carbon (TOC). Some parameters will not be measured directly, but calculated by difference. Nitrate (NO_3^-) will be calculated as $\text{NO}_x^- - \text{NO}_2^-$. Dissolved inorganic nitrogen (DIN) will be calculated as $\text{NO}_x^- - \text{NO}_4^+$. Total organic nitrogen (TON) will be defined as $\text{TN} - \text{DIN}$.

Diurnal Sampling

In addition to the weekly sampling program, each month two ISCO autosamplers will be deployed at rotating sites which will be programmed to collect 12 samples per day over a 2 day period. Water samples will be analyzed for TN and TP. Hydrolab datasondes will accompany the autosamplers and will measure and log temperature, salinity, DO, and pH on an hourly basis. This will result in diurnal profiles of physical and chemical variables associated with tidal cycles and precipitation events.

Bacteriological Analysis

Water samples will be collected as above and transported to a lab for enumeration of enterococci.

Sediment Sampling

Sediment samples at each site plus a duplicate site will be collected annually (10 per year) using a PVC core device. The top 5 cm of the cores will be analyzed in the SERC labs for a suite of heavy metals using DEP Method MT-002-5: Microwave Digestion of soil, sediment, tissue, and waste samples for total recoverable metal analysis and EPA Method 6020A: Inductively Coupled Plasma-Mass Spectrometry; coprostanol using SERC-EARL-Standard Operating Procedure 2000-0107-Rev1: Quantitative Determination of Fecal Sterols in Aqueous and Sediment Samples by GC/MS; and trace organics following the NOAA Status and Trends program Mussel Watch Project: 1993-1996 Update, G.G. Lauenstein and A.Y. Cantillo (Eds), NOAA Technical Memorandum NOS ORCA 130, Silver Springs, Maryland, (1998).

REPORTING

Reporting will include production of a geo-referenced station map, quarterly data reports, and an annual interpretive report. The principal investigator will be responsible for ensuring the results are compiled and the complete data set is submitted in a timely fashion to the Contractor.

Upon completion of the analysis of samples from each quarterly period, the principal investigator will produce a statistical summary of the data in a logical format based on the station design. The statistical summary will include calculated averages, sample variances, ranges, and number of samples. When appropriate, the principal investigator will provide the summaries in a graphical format. The principal investigator will submit a data and narrative report documenting the results of each quarterly survey. The data report will include the raw data in SORET format and statistical summaries in hard copy and on disc. The investigator will evaluate the data in accordance with the data quality objectives developed in the QAPP.

After completion of analysis of samples from the fourth quarterly survey, the principal investigator will produce statistical summaries of the data collection at each station to be incorporated into an annual report. All data will be evaluated in relation to the data quality objectives developed in the QAPP. The data will be analyzed using appropriate statistical tests of significance to meet the specific objectives of the monitoring program.

COSTS

Costs for the Little Venice Water quality Sampling Program are estimated to be \$363,000 for four years of sampling (Phase 1 and 2) or \$90,750 per year (Table 2). Total cost is based on the following costs for analyses: salinity, temperature, and dissolved oxygen - \$1.50 per sample: total phosphorus and total nitrogen - \$10.00 per sample: chlorophyll a - \$5.00 per sample: suite of nutrients - \$15.00 per sample: fecal coliforms - \$20 per sample; and enterococci - \$25.00 per sample. This includes analysis of 10 sediment samples each year for heavy metals, pesticides, and coprostanol at no charge to the project.

Table 1. Sampling Schedule for Little Venice Water Quality Sampling Program					
Phase 1 (2 years)	Number of Samples				
	Canal 1	Canal 2	Canal 3	Canal 4	Total
Hourly Parameters (rotating)					
salinity	288	288	288	288	1152
temperature	288	288	288	288	1152
dissolved oxygen	288	288	288	288	1152
pH	288	288	288	288	1152
Diurnal Parameters (rotating)					
total nitrogen	144	144	144	144	576
total phosphorus	144	144	144	144	576
Weekly Parameters					
surface salinity	208	208	208	312	936
bottom salinity	208	208	208	312	936
surface temperature	208	208	208	312	936
bottom temperature	208	208	208	312	936
surface dissolved oxygen	208	208	208	312	936
bottom dissolved oxygen	208	208	208	312	936
total nitrogen	208	208	208	312	936
total phosphorus	208	208	208	312	936
chlorophyll a	208	208	208	312	936
fecal coliform	208	208	208	312	936
enterococci	208	208	208	312	936
Monthly Parameters					
nutrients (NO ₂ , NO ₃ , NH ₄ , SRP, TOC, Si(OH) ₄)	48	48	48	72	216
Annual Parameters					
coprostanol (sediment)	2	2	2	3	9
heavy metals (sediment)	2	2	2	3	9
pesticides (sediment)	2	2	2	3	9
Phase 2 (2 years) sampling will follow the same protocol as Phase 1 unless unforeseen adjustments to the sampling program are warranted.					

Table 2.

BUDGET

WATER QUALITY SAMPLING FOR THE LITTLE VENICE PROJECT (FDEP)

Salaries and Wages

OPS Technician/Student	\$ 25,500.00
Fringe @ 7.65%	1,951.00

SUBTOTAL	<u>27,451.00</u>
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Travel	3,328.00
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Expense

Nutrient Analysis	31,510.00
Maintenance	1,260.00

SUBTOTAL	<u>32,770.00</u>
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Subcontract for Microbiology

Fecal coliforms 468 samples @ \$20.00 each	9,360.00
Enterococci 468 samples @ \$25.00 each	11,700.00
Handling fee (transport to lab) 52 x \$35.00	1,820.00

SUBTOTAL	<u>22,880.00</u>
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Total direct charges:	\$ 86,429.00
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Indirect @ 5%:	4,321.00
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Total Annual Project	\$ 90,750.00
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*This budget assumes that FDEP will provide a boat for sampling from Marathon office. It also includes analysis of 10 sediment samples each year for metals, pesticides, and coprostanol at no charge to the project.

MODIFICATION

That Contract numbered 01-DR-16-11-54-01-001 entered into between the State of Florida, Department of Community Affairs (the "Department"), and Monroe County (the "Recipient"), signed on May 7, 2001 by the Department is hereby modified as follows:

Section 3, Period of Agreement is modified to read as follows:

This Agreement shall begin upon execution by both parties and shall end May 31, 2004, unless terminated earlier in accordance with the provisions of paragraph (8) of this Agreement.

Attachment A, Scope of Work, "Illegal and Severely Inadequate Onsite Sewage System Replacement Program", is modified to add section E. 3. as follows:

- E. 3. The amount of grant funding to be provided will be determined by the number of illegal and inadequate On-site Treatment and Disposal Systems (OSTDS) contained within County designated "cold" spots to be serviced by the system or system extension or expansion. That number should be multiplied by a number no greater than the maximum amount of grant funding allowed per household under the existing Homeowners Wastewater System Assistance Program (HWSAP) of \$8,400 to determine the full funding amount toward the overall cost of the system for all users. In the case of centralized system hook-up, while funding depends upon the number of unknown systems, that funding amount will be utilized to offset total system costs for all users.

Attachment A, Scope of Work, "Illegal and Severely Inadequate Onsite Sewage System Replacement Program", is modified in section F 3 to read :

- F. 3. A completion report (ten copies) from the Recipient to be received by the Department no later than May 31, 2004.

Attachment A, Scope of Work, "Comprehensive Master Plan for Canals" is modified in section 3. D. to read:

3. D. The Recipient shall submit a final draft Canal Study by no later than June 30, 2002, to the Department for its review, comment, and approval.

Except as modified herein, all other terms and conditions contained in said Contract remain in full force and effect, and are to be performed in accordance with the terms of said Contract.

IN WITNESS WHEREOF, the parties have caused this Modification to be executed by their duly authorized representative.

MONROE COUNTY BOARD OF
COUNTY COMMISSIONERS

By: _____

Printed Name: CHARLES MCCOY

Title: MAYOR

Date: 2/14/02

STATE OF FLORIDA, DEPARTMENT
OF COMMUNITY AFFAIRS

By: H.E. Timmerman

H.E. "Sonny" Timmerman

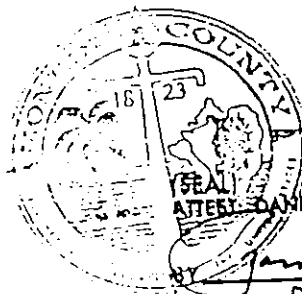
Director, Division of Community
Planning

Date: 3/20/02

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY

BY Suzanne A. Hutton

DATE 2/5/02



ATTEST: DANNY L. KOLHAGE, CLERK

DEPUTY CLERK

MODIFICATION

That Contract numbered 01-DR-16-11-54-01-001 entered into between the State of Florida, Department of Community Affairs (the "Department"), and Monroe County (the "Recipient"), signed on March 20, 2002 by the Department is hereby modified as follows:

Attachment A, Scope of Work, "Illegal and Severely Inadequate Onsite Sewage System Replacement Program", is modified in section E. 3. as follows:

- E. 3. The amount of grant funding to be provided will be determined by the number of illegal and inadequate On-site Treatment and Disposal Systems (OSTDS) contained within the Monroe County designated geographic areas to be serviced by the system or system extension or expansion. That number is to be multiplied by a number no greater than the maximum amount of grant funding allowed per household under the existing Homeowners Wastewater System Assistance Program (HWSAP) of \$8,400 to determine the full funding amount toward the overall cost of the system for all users. In the case of centralized system hook-up, while funding depends upon the number of unknown systems, that funding amount will be utilized to offset total system costs for all users.

Except as modified herein, all other terms and conditions contained in said Contract remain in full force and effect, and are to be performed in accordance with the terms of said Contract.

IN WITNESS WHEREOF, the parties have caused this Modification to be executed by their duly authorized representative.

MONROE COUNTY BOARD OF
COUNTY COMMISSIONERS

By: [Signature]

Printed Name: CUOPLES

Title: 1-4-12

Date: 11-12-02

STATE OF FLORIDA, DEPARTMENT
OF COMMUNITY AFFAIRS

By: [Signature]

H.E. "Sonny" Timmerman

Director, Division of Community Planning

Date: 12/3/02

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY
BY [Signature]
ROBERT N. WOLFE,
DATE 12-6-02

(SEAL)
ATTEST: DANNY L. KOLHAGE, CLERK
BY [Signature]
DEPUTY CLERK

MODIFICATION

That Contract numbered 01-DR-1W-11-54-01-002, entered into between the State of Florida, Department of Community Affairs (the "Department"), and Monroe County (the "Recipient"), signed on June 17, 2002, by the Department is hereby modified as follows:

Section 3, Period of Agreement is modified to read as follows:

This Agreement shall begin upon execution by both parties and shall end December 31, 2003, unless terminated earlier in accordance with the provisions of paragraph (8) of this Agreement.

Attachment A, Scope of Work, "Illegal and Severely Inadequate Onsite Sewage System Replacement Program", is modified in section 5. C. as follows:

5. C. The amount of grant funding to be provided will be determined by the number of illegal and inadequate On-site Treatment and Disposal Systems (OSTDS) contained within the Monroe County designated geographic areas to be serviced by the system or system extension or expansion. That number is to be multiplied by a number no greater than the maximum amount of grant funding allowed per household under the existing Homeowners Wastewater System Assistance Program (HWSAP) of \$8,400 to determine the full funding amount toward the overall cost of the system for all users. In the case of centralized system hook-up, while funding depends upon the number of unknown systems, that funding amount will be utilized to offset total system costs for all users.

Attachment A, Scope of Work, "Illegal and Severely Inadequate Onsite Sewage System Replacement Program", is modified in section 6. C. to read :

6. C. A completion report (ten copies) from the Recipient to be received by the Department no later than December 31, 2003.

Except as modified herein, all other terms and conditions contained in said Contract remain in full force and effect, and are to be performed in accordance with the terms of said Contract.

IN WITNESS WHEREOF, the parties have caused this Modification to be executed by their duly authorized representative.

**MONROE COUNTY BOARD OF
COUNTY COMMISSIONERS**

By: _____

Printed Name: _____

Title: _____

Date: _____

APPROVED AS TO FORM
AND LEGAL EFFECT
BY: _____
ROBERT W. WILF
DATE 10-4-02

**STATE OF FLORIDA, DEPARTMENT
OF COMMUNITY AFFAIRS**

By: _____

H. E. Sonny Timmerman

Director, Division of Community Planning

Date: 12/4/02

(SEAL)
ATTEST: DANNY L. KOLHAGE, CLERK

By: _____
DEPUTY CLERK

AGREEMENT

THIS AGREEMENT is entered into by and between the Florida Department of Community Affairs, with headquarters in Tallahassee, Florida (hereinafter referred to as the "Department"), and Monroe County, (hereinafter referred to as the "Recipient").

THIS AGREEMENT IS ENTERED INTO BASED ON THE FOLLOWING FACTS:

A. WHEREAS, the Recipient represents that it is fully qualified, possesses the requisite skills, knowledge, qualifications and experience to provide the services identified herein, and does offer to perform such services, and

B. WHEREAS, the Department has a need for such services and does hereby accept the offer of the Recipient upon the terms and conditions hereinafter set forth, and

C. WHEREAS, the Department has authority pursuant to Florida law to disburse the funds under this Agreement.

NOW, THEREFORE, the Department and the Recipient do mutually agree as follows:

(1) SCOPE OF WORK.

The Recipient shall fully perform the obligations in accordance with the Scope of Work, Attachment A of this Agreement.

(2) INCORPORATION OF LAWS, RULES, REGULATIONS AND POLICIES.

Both the Recipient and the Department shall be governed by applicable State laws, rules and regulations.

(3) PERIOD OF AGREEMENT.

This Agreement shall begin upon execution by both parties and shall end May 31, 2002, unless terminated earlier in accordance with the provisions of paragraph (8) of this Agreement.

(4) MODIFICATION OF CONTRACT: REPAYMENTS

Either party may request modification of the provisions of this Agreement. Changes which are mutually agreed upon shall be valid only when reduced to writing, duly signed by each of the parties hereto, and attached to the original of this Agreement.

All refunds or repayments to be made to the Department under this Agreement are to be made payable to the order of "Department of Community Affairs", and mailed directly to the Department at the following address:

Department of Community Affairs
Cashier
Finance and Accounting
2555 Shumard Oak Boulevard
Tallahassee FL 32399-2100

In accordance with § 215.34(2), Fla. Stat., if a check or other draft is returned to the Department for collection, the Department must add to the amount of the check or draft a service fee of Fifteen Dollars (\$15.00) or Five Percent (5%) of the face amount of the check or draft.

(5) RECORDKEEPING

(a) All original records pertinent to this Agreement shall be retained by the Recipient for three years following the date of termination of this Agreement or of submission of the final close-out report, whichever is later, with the following exceptions:

1. If any litigation, claim or audit is started before the expiration of the three year period and extends beyond the three year period, the records will be maintained until all litigation, claims or audit findings involving the records have been resolved.
2. Records for the disposition of non-expendable personal property valued at \$5,000 or more at the time of acquisition shall be retained for three years after final disposition.
3. Records relating to real property acquisition shall be retained for three years after closing of title.

(b) All records, including supporting documentation of all program costs, shall be sufficient to determine compliance with the requirements and objectives of the Scope of Work - Attachment A - and all other applicable laws and regulations.

(c) The Recipient, its employees or agents, including all subcontractors or consultants to be paid from funds provided under this Agreement, shall allow access to its records at reasonable times to the Department, its employees, and agents. "Reasonable" shall be construed according to the circumstances but ordinarily shall mean during normal business hours of 8:00 a.m. to 5:00 p.m., local time, on Monday through Friday. "Agents" shall include, but not be limited to, auditors retained by the Department.

(6) MONITORING.

The Recipient shall constantly monitor its performance under this Agreement to ensure that time schedules are being met, the Scope of Work is being accomplished within specified time periods, and other performance goals are being achieved. Such review shall be made for each function or activity set forth in Attachment A to this Agreement.

(7) LIABILITY.

Any Recipient who is a state agency or subdivision, as defined in Section 768.28, Fla. Stat., agrees to be fully responsible for its negligent acts or omissions or tortious acts which result in claims or suits against the Department, and agrees to be liable for any damages proximately caused by said acts or omissions. Nothing herein is intended to serve as a waiver of sovereign immunity by any Recipient to which sovereign immunity applies. Nothing herein shall be construed as consent by a state agency or subdivision of the State of Florida to be sued by third parties in any matter arising out of any contract.

(8) DEFAULT; REMEDIES; TERMINATION

(a) If the necessary funds are not available to fund this agreement as a result of action by Congress, the state Legislature, the Office of the Comptroller or the Office of Management and Budgeting, or if any of the following events occur ("Events of Default"), all obligations on the part of the Department to make any further payment of funds hereunder shall, if the Department so elects, terminate and the Department may, at its option, exercise any of its remedies set forth herein, but the Department may make

any payments or parts of payments after the happening of any Events of Default without thereby waiving the right to exercise such remedies, and without becoming liable to make any further payment:

1. If any warranty or representation made by the Recipient in this Agreement or any previous Agreement with the Department shall at any time be false or misleading in any respect, or if the Recipient shall fail to keep, observe or perform any of the terms or covenants contained in this Agreement or any previous agreement with the Department and has not cured such in timely fashion, or is unable or unwilling to meet its obligations thereunder;

2. If any material adverse change shall occur in the financial condition of the Recipient at any time during the term of this Agreement from the financial condition revealed in any reports filed or to be filed with the Department, and the Recipient fails to cure said material adverse change within thirty (30) days from the time the date written notice is sent by the Department.

3. If any reports required by this Agreement have not been submitted to the Department or have been submitted with incorrect, incomplete or insufficient information;

4. If the Recipient has failed to perform and complete in timely fashion any of the services required under the Scope of Work attached hereto as Attachment A.

(b) Upon the happening of an Event of Default, then the Department may, at its option, upon written notice to the Recipient and upon the Recipient's failure to timely cure, exercise any one or more of the following remedies, either concurrently or consecutively, and the pursuit of any one of the following remedies shall not preclude the Department from pursuing any other remedies contained herein or otherwise provided at law or in equity:

1. Terminate this Agreement, provided that the Recipient is given at least thirty (30) days prior written notice of such termination. The notice shall be effective when placed in the United States mail, first class mail, postage prepaid, by registered or certified mail-return receipt requested, to the address set forth in paragraph (10) herein;

2. Commence an appropriate legal or equitable action to enforce performance of this Agreement;

3. Withhold or suspend payment of all or any part of a request for payment;

4. Exercise any corrective or remedial actions, to include but not be limited to, requesting additional information from the Recipient to determine the reasons for or the extent of non-compliance or lack of performance, issuing a written warning to advise that more serious measures may be taken if the situation is not corrected, advising the Recipient to suspend, discontinue or refrain from incurring costs for any activities in question or requiring the Recipient to reimburse the Department for the amount of costs incurred for any items determined to be ineligible;

5. Exercise any other rights or remedies which may be otherwise available under law;

(c) The Department may terminate this Agreement for cause upon such written notice as is reasonable under the circumstances. Cause shall include, but not be limited to, misuse of funds; fraud; lack of compliance with applicable rules, laws and regulations; failure to perform in a timely manner; and refusal by the Recipient to permit public access to any document, paper, letter, or other material subject to disclosure under Chapter 119, Fla. Stat., as amended.

(d) Suspension or termination constitutes final agency action under Chapter 120, Fla. Stat., as amended. Notification of suspension or termination shall include notice of administrative hearing rights and time frames.

(e) The Recipient shall return funds to the Department if found in non-compliance with laws, rules, regulations governing the use of the funds or this Agreement.

(f) This Agreement may be terminated by the written mutual consent of the parties.

(g) Notwithstanding the above, the Recipient shall not be relieved of liability to the Department by virtue of any breach of Agreement by the Recipient. The Department may, to the extent authorized by law, withhold any payments to the Recipient for purpose of set-off until such time as the exact amount of damages due the Department from the Recipient is determined.

(9) NOTICE AND CONTACT.

(a) All notices provided under or pursuant to this Agreement shall be in writing, either by hand delivery, or first class, certified mail, return receipt requested, to the representative identified below at the address set forth below and said notification attached to the original of this Agreement.

(b) The name and address of the Department contract manager for this Agreement is:

Mike McDaniel
Growth Management Administrator
Room 300D
2555 Shumard Oak Boulevard
Tallahassee, Florida 32399
(850) 487-4545

(c) The name and address of the Representative of the Recipient responsible for the administration of this Agreement is:

George Garrett
Director of Marine Resources
2798 Overseas Highway, Suite 420
Marathon, Florida 33050
(305) 289-2507

(d) In the event that different representatives or addresses are designated by either party after execution of this Agreement, notice of the name, title and address of the new representative will be rendered as provided in (9)(a) above.

(10) OTHER PROVISIONS.

(a) The validity of this Agreement is subject to the truth and accuracy of all the information, representations, and materials submitted or provided by the Recipient in this Agreement, in any subsequent submission or response to Department request, or in any submission or response to fulfill the requirements of this Agreement, and such information, representations, and materials are incorporated by reference. The lack of accuracy thereof or any material changes shall, at the option of the Department and with thirty (30) days written notice to the Recipient, cause the termination of this Agreement and the release of the Department from all its obligations to the Recipient.

(b) This Agreement shall be construed under the laws of the State of Florida, and venue for any actions arising out of this Agreement shall lie in Leon County. If any provision hereof is in conflict with any applicable statute or rule, or is otherwise unenforceable, then such provision shall be deemed null and

void to the extent of such conflict, and shall be deemed severable, but shall not invalidate any other provision of this Agreement.

(c) No waiver by the Department of any right or remedy granted hereunder or failure to insist on strict performance by the Recipient shall affect or extend or act as a waiver of any other right or remedy of the Department hereunder, or affect the subsequent exercise of the same right or remedy by the Department for any further or subsequent default by the Recipient. Any power of approval or disapproval granted to the Department under the terms of this Agreement shall survive the terms and life of this Agreement as a whole.

(d) The Agreement may be executed in any number of counterparts, any one of which may be taken as an original.

(e) The Recipient agrees to comply with the Americans With Disabilities Act (Public Law 101-336, 42 U.S.C. Section 12101 et seq.), if applicable, which prohibits discrimination by public and private entities on the basis of disability in the areas of employment, public accommodations, transportation, State and local government services, and in telecommunications.

(f) A person or affiliate who has been placed on the convicted vendor list or the discriminatory vendor list following a conviction for a public entity crime or on the discriminatory vendor list may not submit a bid on a contract to provide any goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids on leases of real property to a public entity, may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with a public entity, and may not transact business with any public entity in excess of Category Two for a period of 36 months from the date of being placed on the convicted vendor list or on the discriminatory vendor list.

(11) AUDIT REQUIREMENTS

(a) The Recipient agrees to maintain financial procedures and support documents, in accordance with generally accepted accounting principles, to account for the receipt and expenditure of funds under this Agreement.

(b) These records shall be available at all reasonable times for inspection, review, or audit by state personnel and other personnel duly authorized by the Department. "Reasonable" shall be construed according to circumstances, but ordinarily shall mean normal business hours of 8:00 a.m. to 5:00 p.m., local time, Monday through Friday.

(c) The Recipient shall also provide the Department with the records, reports or financial statements upon request for the purposes of auditing and monitoring the funds awarded under this Agreement.

(d) In the event that the Recipient expends a total amount of State awards (i.e., State financial assistance provided to recipient to carry out a State project) from all state sources equal to or in excess of \$300,000 in any fiscal year of such Recipient, the Recipient must have a State single or project-specific audit for such fiscal year in accordance with Section 216.3491, Florida Statutes; applicable rules of the Executive Office of the Governor and the Comptroller, and Chapter 10.600, Rules of the Auditor General.

In determining the State awards expended in its fiscal year, the Recipient shall consider all sources of State awards, including State funds received from the Department, except that State awards received by a nonstate entity for Federal program matching requirements shall be excluded from consideration. The funding for this Agreement was received by the Department as a Grant and Aid appropriation.

1. The annual financial audit report shall include all management letters and the Recipient's response to all findings, including corrective actions to be taken.

2. The annual financial audit report shall include a schedule of financial assistance specifically identifying all Agreement and other revenue by sponsoring agency and Agreement number.

3. The complete financial audit report, including all items specified in (11)(d) 1 and 2 above, shall be sent directly to:

Department of Community Affairs
Office of Audit Services
2555 Shumard Oak Boulevard
Tallahassee, Florida 32399-2100
and
State of Florida Auditor General
Attn: Ted J Sauerbeck
Room 574, Claude Pepper Building
111 West Madison Street
Tallahassee, Florida 32302-1450

5. In connection with the audit requirements addressed in (d) above, the Recipient shall ensure that the audit complies with the requirements of Section 216.3491(7), Florida Statutes. This includes submission of a reporting package as defined by Section 216.3491(2)(d), Florida Statutes, and Chapter 10.600, Rules of the Auditor General.

6. If the Recipient expends less than \$300,000 in State awards in its fiscal year, an audit conducted in accordance with the provisions of Section 216.3491, Florida Statutes, is not required. In the event that the Recipient expends less than \$300,000 in State awards in its fiscal year and elects to have an audit conducted in accordance with the provisions of Section 216.3491, Florida Statutes, the cost of the audit must be paid from non-State funds (i.e., the cost of such an audit must be paid from recipient funds obtained from other than State entities).

(e) In the event the audit shows that the entire funds disbursed hereunder, or any portion thereof, were not spent in accordance with the conditions of this Agreement, the Recipient shall be held liable for reimbursement to the Department of all funds not spent in accordance with these applicable regulations and Agreement provisions within thirty (30) days after the Department has notified the Recipient of such non-compliance.

(f) The Recipient shall retain all financial records, supporting documents, statistical records, and any other documents pertinent to this contract for a period of three years after the date of submission of the final expenditures report. However, if litigation or an audit has been initiated prior to the expiration of the three-year period, the records shall be retained until the litigation or audit findings have been resolved.

(g) The Recipient shall have all audits completed in accordance with 216.3491, Fla. Stat. by an independent certified public accountant (IPA) who shall either be a certified public accountant or a public accountant licensed under Chapter 473, Fla. Stat. The IPA shall state that the audit complied with the applicable provisions noted above.

(h) The audit is due seven (7) months after the end of the fiscal year of Recipient or by the date the audit report is issued by the state Auditor General, whichever is later.

(i) An audit performed by the State Auditor General shall be deemed to satisfy the above audit requirements.

(12) SUBCONTRACTS.

(a) If the Recipient subcontracts any or all of the work required under this Agreement, a copy of the executed subcontract must be forwarded to the Department within thirty (30) days after execution of the subcontract. The Recipient agrees to include in the subcontract that (i) the subcontractor is bound by all applicable state and federal laws and regulations, and (ii) the subcontractor shall hold the Department and Recipient harmless against all claims of whatever nature arising out of the subcontractor's performance of work under this Agreement, to the extent allowed and required by law.

(13) TERMS AND CONDITIONS.

The Agreement contains all the terms and conditions agreed upon by the parties.

(14) ATTACHMENTS.

(a) All attachments to this Agreement are incorporated as if set out fully herein.

(b) In the event of any inconsistencies or conflict between the language of this Agreement and the attachments hereto, the language of such attachments shall be controlling, but only to the extent of such conflict or inconsistency.

(c) This Agreement has the following attachments:

Attachment A, Scope of Work.

(15) FUNDING/CONSIDERATION

This is a fixed fee agreement. As consideration for performance of work rendered under this Agreement, the Department agrees to pay a fixed fee of up to \$887,800. Payment will be made in accordance with the provisions of Attachment A -Scope of Work. An invoice shall be submitted with each deliverable which is in detail sufficient for a proper preaudit and postaudit thereof.

(16) STANDARD CONDITIONS.

The Recipient agrees to be bound by the following standard conditions:

(a) The State of Florida's performance and obligation to pay under this Agreement is contingent upon an annual appropriation by the Legislature, and subject to any modification in accordance with Chapter 216, Fla. Stat. or the Florida Constitution.

(b) If otherwise allowed under this Agreement, the Agreement may be renewed on a yearly basis for a period of up to two (2) years after the initial agreement or for a period no longer than the term of the original agreement, whichever period is longer, specifying the terms under which the cost may change as determined in the invitation to bid, request for proposals, or pertinent statutes or regulations.

(c) All bills for fees or other compensation for services or expenses shall be submitted in detail sufficient for a proper preaudit and postaudit thereof.

(d) If otherwise allowed under this Agreement, all bills for any travel expenses shall be submitted in accordance with s. 112.061, Fla. Stat.

(e) The Department of Community Affairs reserves the right to unilaterally cancel this Agreement for refusal by the Recipient to allow public access to all documents, papers, letters or other material subject to the provisions of Chapter 119, Fla. Stat., and made or received by the Recipient in conjunction with this Agreement.

(f) If the Recipient is allowed to temporarily invest any advances of funds under this Agreement, any interest income shall either be returned to the Department or be applied against the Department's obligation to pay the contract amount.

(g) The State of Florida will not intentionally award publicly-funded contracts to any contractor who knowingly employs unauthorized alien workers, constituting a violation of the employment provisions contained in 8 U.S.C. Section 1324a(e) [Section 274A(e) of the Immigration and Nationality Act ("INA")]. The Department shall consider the employment by any contractor of unauthorized aliens a violation of Section 274A(e) of the INA. Such violation by the Recipient of the employment provisions contained in Section 274A(e) of the INA shall be grounds for unilateral cancellation of this Agreement by the Department.

(17) STATE LOBBYING PROHIBITION.

No funds or other resources received from the Department in connection with this Agreement may be used directly or indirectly to influence legislation or any other official action by the Florida Legislature or any state agency.

(18) LEGAL AUTHORIZATION.

The Recipient certifies with respect to this Agreement that it possesses the legal authority to receive the funds to be provided under this Agreement and that, if applicable, its governing body has authorized, by resolution or otherwise, the execution and acceptance of this Agreement with all covenants and assurances contained herein. The Recipient also certifies that the undersigned possesses the authority to legally execute and bind Recipient to the terms of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this contract to be executed by their undersigned officials as duly authorized.

MONROE COUNTY BOARD OF COUNTY COMMISSIONERS:

BY:

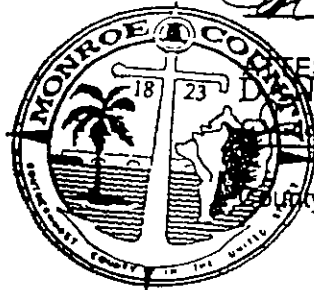
Shirley Freeman

Shirley Freeman, Mayor

Date: 10-19-00

Approved as to form and legality:

Pat [Signature], Asst. Co. Atty.



DANNY L. KOLHAGE, Clerk

Isabel C. DeSantis, D.C.

County Clerk

STATE OF FLORIDA

DEPARTMENT OF COMMUNITY AFFAIRS

BY:

J. Thomas Beck

J. Thomas Beck, Division Director of Community Planning

Approved as to form and legality:

Date: 12-14-00

ATTACHMENT A

Scope of Work

Illegal and Severely Inadequate Onsite Sewage System Replacement Program

- A. The Recipient shall provide services and provide payment as described in this Scope of Work, to achieve the objectives of this Agreement in compliance with the following:
1. Rule 28-20.100 of the Florida Administrative Code, as amended.
- B. The Recipient shall establish the following relating to assistance to both single family and multi-family, private residential property owners in Monroe County in eliminating illegal and inadequate On-Site Treatment and Disposal Systems (OSTDS):
1. Procedures for the selection of property owners to receive financial assistance via the Contractor under this Agreement.
 2. The amount of financial assistance to be given to property owners under this Agreement, by the Contractor in eliminating illegal and inadequate OSTDS. The assistance shall be comparable with the level of financial assistance estimated, at the time of the Department's acceptance of the initial submittal under Item 6.A below, to be realized by the residents of the Little Venice area to be served by centralized wastewater transmission, treatment and disposal facilities resulting from the U.S. Environmental Protection Agency Grant C120602-04.
- C. The Recipient shall implement a properly value-based sliding scale grant assistance program, using the County's funds, to supplement the assistance made available under the agreement to Monroe County private property owners for eliminating illegal and inadequate OSTDS if the County finds such additional assistance is desirable to carry out the purposes of Rule 28-20.100 of the Florida Administrative Code. Such a sliding scale grant program must emphasize assistance to financially needy households.
- D. The Recipient shall establish procedures for procurement of equipment, materials and services relating to elimination of illegal and inadequate OSTDS and replacement with On-site Wastewater Nutrient Removal Systems (OWNRS), the funding of which is wholly or partly provided under this Agreement. Procurement procedures shall assure that only OWNRS meeting the statutorily required treatment levels are furnished and installed using funds made available under this Agreement. The Department recognizes the Contractor's regulatory determination in the issuance of the construction permit and the issuance of the operating permit to ensure that the installed OSTDS eliminates the illegal and inadequate OSTDS. Alternatively, procurement procedures may allow for replacement of illegal and inadequate OSTDS with centralized wastewater transmission, treatment and disposal facilities.

Procurement procedures shall not arbitrarily preclude any responsible firms and companies possessing the ability to successfully perform services related to elimination of illegal and inadequate OSTDS and meeting other requirements pursuant to this Agreement from providing such services. In conjunction with these procedures, a standardized subagreement or work order authorizing specific costs to be incurred by third parties and incorporating appropriate requirements set forth in this Agreement shall be developed; similarly, standardized documentation of costs incurred or invoiced by third parties shall be developed.

- E. As consideration for the services to be rendered under the terms of this Agreement, the Department shall authorize disbursements as described below.
1. An amount not to exceed \$624,850 shall be made available as the State's share of the eligible cost to eliminate illegal and inadequate OSTDS located on privately owned residential properties classified as either single family or multi-family residential properties. Eligible costs include abandonment of illegal and inadequate OSTDS; furnishing and installing OWNRS, including any required disinfection facilities; providing centralized wastewater transmission, treatment and disposal facilities; and required technical services excepting those required to be performed by a governmental entity (e.g., Florida Department of Health's permitting activities). Reimbursement for the purchase of equipment and materials for the furnishing and installing of OWNRS on private property is specifically authorized. Such equipment and materials may be retained by property owners provided the equipment is to be properly operated and maintained. The Recipient shall retain the documentation listed below for each illegal and inadequate OSTDS eliminated using funds made available under this agreement.
 - i. Identification of each property location, including the individual area designated in the County's Rate of Growth Ordinance, at which an illegal and inadequate OSTDS was eliminated.
 - ii. Description of each OWNRS or the connection to centralized wastewater transmission, treatment and disposal facilities provided as part of the illegal and inadequate OSTDS elimination.
 - iii. For each property location under Item i above, the identification of the brand name or manufacturer of the OWNRS furnished; the name of the contractor that installed the OWNRS or that made the connection to centralized wastewater transmission, treatment and disposal facilities; and the engineer responsible for preparation of construction drawings and specifications.
 - iv. Certification by the appropriate permitting authority that the OWNRS is designed to meet the required treatment levels was furnished, and was installed and made operational or that the connection to centralized wastewater transmission, treatment and disposal facilities was made.
 - v. Identification of the total cost of each operational OWNRS or connection to centralized wastewater transmission, treatment and disposal facilities; the share due under this agreement; the share of the cost paid from the County funds (if any); and the local resident's share.
 - vi. Certification of no double benefits (i.e., no part of the costs invoiced for disbursement by the Department under this agreement has been or will be requested to be paid, reimbursed, or otherwise funded by another agency).
 - vii. Certification that the initial report under Item 6.A below and all quarterly reports due under Items 6.C and 6.D below have been submitted to the Department.
 - viii. Certification by the owner of the property on which an OWNRS was installed that the OWNRS will be properly operated and maintained on a continuing basis.

2. The Recipient shall not use State funds made available under this agreement for direct salaries and multipliers (i.e., fringe benefits, overhead, and/or general and administrative rates) for its employees or for any of its employees' travel expenses. No funds made available under this agreement shall be used for contract management expenses that may be incurred by the Recipient or Florida Department of Health.

F. The Recipient shall submit, or cause to be submitted the following deliverables to the Department. The Department shall have twenty (20) days to review and accept reports or return reports to the Contractor or County, as appropriate, for correction. The deliverables are as follows:

1. The Department shall pay \$624,850 to the Recipient following the Department's receipt, review, and acceptance of the Memorandum of Understanding between the Florida Department of Health, Monroe County Health Department and the County to implement a Homeowners Assistance Program that is revised to reflect the additional funding in this contract received no later than January 15, 2001.
2. Progress reports from the Recipient for the calendar year quarterly periods ending September 30, December 31, March 31, and June 30 of each year beginning January 1, 2000, and continuing throughout the remainder of the period during which this Agreement is in effect. Progress reports shall be submitted to the Department within twenty (20) days after the end of each quarter and shall contain the following information relating to the elimination of illegal and inadequate OSTDS.
 - i. The number of OSTDS eliminated and their location indicating, at a minimum, the County's Rate of Growth Ordinance (ROGO) area and a description of either the OWNRS installed or the connection to centralized wastewater transmission, treatment and disposal facilities.
 - ii. The number and status of OSTDS for which elimination is underway.
 - iii. The projected schedule to complete all project work under this agreement.
 - iv. The funds expended during the reporting period and the funds remaining to be disbursed for OSTDS elimination under this agreement.
3. A completion report (ten copies) from the Recipient to be received by the Department no later than December 31, 2001, summarizing the quarterly reports prepared by each party.

COMPREHENSIVE MASTER PLAN FOR CANALS

1. The Recipient shall prepare a comprehensive master plan (hereinafter called "Canal Study") for improving water quality in residential canals to fulfill the requirements of Objectives 202.14 and 202.15 of the Monroe County Year 2010 Comprehensive Plan.
2. The Recipient shall submit, or cause to have submitted to the Department the deliverables in 3. to the Department. The Department shall have twenty (20) days to review and accept reports or return report to the County for correction.
3. The Department shall pay a total amount not to exceed \$175,000 in accordance with schedule of deliverables and disbursements as specified below:
 - A. The Recipient shall submit by no later than November 10, 2000, to the Department for its review and approval, a draft Request for Proposal package for soliciting consultant responses to prepare the Canal Study.
 - B. The Recipient shall submit by no later than January 15, 2001, to the Department for its review and approval, a draft copy of the work scope for services to be performed to prepare the Canal Study and its estimated costs.
 - C. If the Department approves the Scope of Work and its estimated costs the Department shall pay the Recipient up to \$175,000 upon its receipt of the executed contract to prepare the Canal Study between the Recipient and its consultant which shall be submitted no later than May 31, 2001.
 - D. The Recipient shall submit a final draft Canal Study by no later than March 15, 2002, to the Department for its review, comment, and approval.
 - E. The Recipient shall submit to the Department a final Canal Study by no later than thirty (30) days after receiving the Department's written comments.
 - F. The Recipient shall prepare progress reports for quarterly periods ending March 31, June 30, September 30, and December 31 of each year beginning January 1, 2001 and continuing throughout the remainder of the period during which this Agreement is in effect. Progress reports shall be submitted to the Department within twenty (20) days after the end of each quarter and shall contain information on work completed during the quarter, consultant invoices and reports, work expected to be completed in next quarter, and identify any unanticipated problems or delays in completing the project on schedule and within budget.
 - G. The Recipient shall submit a completion report (ten copies) to the Department no later than May 31, 2002, summarizing the quarterly reports prepared.

POST-DISASTER REDEVELOPMENT PLAN

1. The Recipient shall prepare a Post-Disaster Redevelopment Plan to fulfill the requirements of Objective 217.2 of the Monroe County Year 2010 Comprehensive Plan.
2. The Recipient shall submit, or cause to have submitted to the Department the deliverables in 3. to the Department. The Department shall have twenty (20) days to review and accept reports or return report to the County for correction.
3. The Department shall pay a total amount not to exceed \$87,950 in accordance with schedule of deliverables and disbursements as specified below:
 - A. The Recipient shall submit by no later than November 30, 2000, to the Department for its review and approval, a draft Request for Proposal package for soliciting consultant responses to prepare the Post-Disaster Redevelopment Plan.
 - B. The Recipient shall submit by no later than February 29, 2001, to the Department for its review and approval, a draft copy of the work scope for services to be performed to prepare the Post-Disaster Redevelopment Plan and its estimated costs.
 - C. If the Department approves the Scope of Work and its estimated costs the Department shall pay the Recipient up to \$87,950 upon its receipt of the executed contract to prepare the Post-Disaster Redevelopment Plan between the Recipient and its consultant which shall be submitted no later than May 31, 2001.
 - H. The Recipient shall submit a final draft Post-Disaster Redevelopment Plan by no later than December 31, 2001, to the Department for its review, comment, and approval.
 - I. The Recipient shall submit to the Department a final Post-Disaster Redevelopment Plan by no later than thirty (30) days after receiving the Department's written comments.
 - J. The Recipient shall prepare progress reports for quarterly periods ending March 31, June 30, September 30, and December 31 of each year beginning January 1, 2001 and continuing throughout the remainder of the period during which this Agreement is in effect. Progress reports shall be submitted to the Department within twenty (20) days after the end of each quarter and shall contain information on work completed during the quarter, consultant invoices and reports, work expected to be completed in next quarter, and identify any unanticipated problems or delays in completing the project on schedule and within budget.
 - K. The Recipient shall submit a completion report (ten copies) to the Department by no later than March 31, 2002, summarizing the quarterly reports prepared.

TAB 6

KEY LARGO WASTEWATER TREATMENT DISTRICT
Agenda Request Form

Meeting Date: January 19, 2005

Agenda Item No. 6

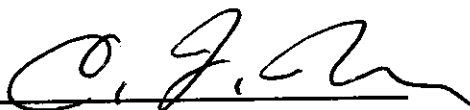
- | | |
|---|---|
| <input type="checkbox"/> PUBLIC HEARING | <input type="checkbox"/> RESOLUTION |
| <input checked="" type="checkbox"/> DISCUSSION | <input type="checkbox"/> BID/RFP AWARD |
| <input type="checkbox"/> GENERAL APPROVAL OF ITEM | <input type="checkbox"/> CONSENT AGENDA |
| <input type="checkbox"/> Other: | |


SUBJECT: KLTV Monthly Progress Report

RECOMMENDED MOTION/ACTION: No action required.

Approved by General Manager

Date: 1-12-05



Originating Department: Engineering	Costs: \$ Funding Source: Acct. #	Attachments:
Department Review: <input type="checkbox"/> District Counsel <input checked="" type="checkbox"/> General Manager  <input type="checkbox"/> Finance	<input checked="" type="checkbox"/> Engineering <u>EC</u> <input type="checkbox"/> Clerk	Advertised: Date: _____ Paper: _____ <input checked="" type="checkbox"/> 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:

Resulting Board Action:

☒ Approved

☐ Tabled

☐ Disapproved

☐ Recommendation Revised

TAB 7

KEY LARGO WASTEWATER TREATMENT DISTRICT
Agenda Request Form

Meeting Date: January 19, 2005

Agenda Item No. 7

☐ PUBLIC HEARING

☐ RESOLUTION

☐ DISCUSSION

☐ BID/RFP AWARD

☒ GENERAL APPROVAL OF ITEM

☐ CONSENT AGENDA

☐ Other:

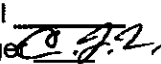
SUBJECT: Sexton Cove / Lake Surprise RFQ

RECOMMENDED MOTION/ACTION:

Approved by General Manager

Date: 1-11-05



Originating Department: Engineering	Costs: \$ Funding Source: Acct. #	Attachments: Sexton Cove RFQ
Department Review: <input type="checkbox"/> District Counsel <input checked="" type="checkbox"/> General Manager  <input type="checkbox"/> Finance	<input checked="" type="checkbox"/> Engineering <u>EC,</u> <input type="checkbox"/> Clerk	Advertised: Date: _____ Paper: _____ <input checked="" type="checkbox"/> 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: The RFQ for Sexton Cove/Lake Surprise as a Design-Bid-Build Project is attached. Also included is the ranking and a list of the eight engineering firms that are under contract with the District.

Resulting Board Action:

☐ Approved

☐ Tabled

☐ Disapproved

☐ Recommendation Revised



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

MEMORANDUM

To: KLWTD Board Members

From: Robert Sheets, Manager

Date: June 23, 2003

Subject: Ranking and Recommendations of District Engineering Firms

The Key Largo Wastewater District, in response to its "Request for Qualifications" (RFQ) for engineering services, received responses from thirteen interested firms. The Key Largo Wastewater Board, at the February 5th, 2003 Board Meeting, approved an Evaluation Committee comprised of a District Board Member, the General Manager, Director of Operations and an independent professional engineer from HDR who, together with his firm, are unassociated with the Key Largo Wastewater Project. The top eight (8) most qualified firms are ranked in order, based upon qualifications, according to a cumulative point scoring system of all Evaluation Committee members.

Ranking	Engineering Firm	Total Cumulative Points
1	Malcolm Pirnie	342
2	Boyle Engineering	306
3	The Weiler Engineering Corporation	301
4	Metcalf & Eddy	299
5	PBS&J	298
6	ARCADIS GM	296
7	CPH	293
8	Calvin, Giordano & Associates	288

REQUEST FOR STATEMENT OF QUALIFICATIONS

The Key Largo Wastewater Treatment District Board, in compliance with the Consultants' Competitive Negotiation Act (CNNA), Section 287.005, Florida Statutes, announces that professional services will be required as set forth herein:

DESIGN OF WASTEWATER TREATMENT SYSTEM DESIGN OF WASTEWATER COLLECTION AND TRANSMISSION SYSTEM

A. PURPOSE OF THIS REQUEST FOR STATEMENT OF QUALIFICATIONS AND GENERAL SCOPE OF WORK

The Key Largo Wastewater Treatment District (KLWTD) seeks Statements of Qualifications from Engineering Firms that wish to provide design services for the KLWTD Lake Surprise wastewater treatment service area expansion and the wastewater treatment plant expansion. The KLWTD intends to enter into Professional Services Agreements with one or more of the most highly qualified Engineering Firms to perform the scopes of work for Task A and Task B as describe herein. A Selection Review Committee will recommend selected Engineering Firms for the KLWTD Board's approval.

General Description of Scope of Work

The scope of work includes the design of a wastewater collection, treatment and disposal system as described further in this document. The intent of the Key Largo Wastewater Treatment District (KLWTD) Board is to solicit qualifications from interested firms to prepare detailed design of the wastewater treatment system components, to obtain appropriate permitting through the Florida Department of Environmental Protection, and to prepare bid solicitation and construction contract documents. The selected firm will work closely with the KLWTD General Manager, the KLWTD Counsel, and the KLWTD Engineer throughout design development.

Task A, Wastewater Treatment Plant Expansion Design

Wastewater Treatment Plant

The wastewater treatment plant must be capable of meeting the effluent quality requirements established by the Florida Legislature in House Bill 99-395. For the planned KLWTD treatment plant, these limits are 5 mg/l CBOD, 5 mg/l TSS, 3 mg/l TN and 1 mg/l TP on an annual average basis. Monthly average, weekly average and single sample limits also apply.

The wastewater treatment plant will be designed to treat the anticipated flow for the entire KLWTD service area through the 20-year planning horizon. At this time, that flow is estimated to be 2.25 MGD AADF. The influent will be comprised mainly of domestic wastewater, but due to water conservation efforts and the relatively high density of food preparation facilities in the Florida Keys, it is anticipated that the concentrations of the wastewater constituents will be above average levels. The design of the wastewater treatment system will include verification of anticipated flows and concentrations. The design will also take into consideration seasonal variations in wastewater flows and will apply appropriate peaking factors.

The KLWTD desires to use pre-engineered Sequencing Batch Reactor (SBR) technology, such as the Jet-Tech OMNIPAC system or equivalent, for the biological treatment train. This system must be designed such that the phased connection of collection basins in the KLWTD service area is possible. In this initial phase, the flow from the existing Key Largo Village and Key Largo Park service areas will be combined with residential flows from the Lake Surprise basin and a portion of the Largo Gardens basin. Flow from commercial properties located to the north of the wastewater treatment plant site will also contribute. It is estimated that at start-up, the AADF will be 0.500 MGD. When configuring the wastewater treatment system, consideration must be given to maintaining Class I reliability. Consideration must also be given to maintaining treatment for the Key Largo Park and Key Largo Village service areas while construction the new treatment facilities occurs.

Effluent filtration and disinfection will be required. Ultraviolet disinfection is desirable both to avoid the hazards of chlorine gas and to reduce the treatment system footprint.

The residuals treatment system will be designed, at a minimum, to produce Class B residuals suitable for land application. A sludge dewatering system will be designed to provide the most cost-efficient means of disposal. It is anticipated that the residuals will be land-applied as fertilizer in an area north of Lake Okeechobee. The KLWTD Board may elect to have the design engineers perform a cost-benefit analysis comparing the various available means of sludge disposal. Consideration should be given to production of both Class A and Class B residuals, as well as exploration of alternative means of dewatering, such as mobile centrifuges or belt presses.

Effluent Disposal

For wastewater effluent discharges of 1.0 MGD or greater, disposal through deep injection wells is required. In the Florida Keys, effluent is discharged into the boulder zone, approximately 3000 feet below the surface. The KLWTD effluent must be disposed of in this manner. Class I reliability requirements dictate that two disposal wells be installed. A monitoring well is also required. The cost of construction should be given high priority in design of the disposal well system. Consideration should be given to the use of alternative casing materials and other means to reduce the cost of construction.

An effluent reuse feasibility study is required as part of the wastewater treatment plant permitting process. If it is found that reuse of 100% of effluent is feasible, then only one deep injection well will be required. Since there is no local golf course or other area suitable for irrigation with reclaimed water, consideration should be given to use of effluent for cooling water, toilet flushing water, etc. at the larger commercial buildings such as hotels. To reduce costs of transmission mains associated with effluent reuse, the use of double-walled pipe or other means of providing encasement should be investigated, if this would allow a single trench to be used for both the raw wastewater and the reclaimed water force mains.

Task B, Wastewater Collection and Transmission System Design

Wastewater Collection System

Two wastewater collection basins have been identified to be included in this phase of the KLWTD project design. In addition, many of the commercial properties along US 1 will be connected into the force main as part of this project.

Collection Basin 1 includes the Lake Surprise, Sexton Cove and Ocean Isle Estates residential subdivisions as outlined on the drawings. The commercial properties along US 1 within the boundaries of Collection Basin 1 are also to be included in the design. It is anticipated that all of the properties in this basin will be connected as part of this phase.

Collection Basin 2 includes the Largo Gardens residential subdivision and other areas as outlined on the drawings. It is anticipated that only the Largo Gardens subdivision will be constructed at this time. However, the entire basin is to be designed at this time in a manner that will provide for the eventual connection of all properties.

Connections of the larger commercial properties along US 1 will be included in this phase. Many of these properties have existing wastewater treatment plants and wastewater pump stations. In certain areas, a short run of gravity main to collect wastewater from adjacent properties may provide the most cost-effective means of connection. In these cases, design of the gravity main and the associated pump station would be included in the scope

Both vacuum and gravity wastewater collection technologies will be considered when designing the collection systems for Basins 1 and 2. The use of a hybrid system will also be considered. The selection of one or the other technology will be based on construction cost, operation and maintenance cost, reliability and susceptibility to I&I. The local geology, topography, ground water elevation and weather conditions will affect the costs and reliability. Special consideration should be given to the potential effects of tropical storms, hurricanes and power outages. A cost-benefit analysis of the alternatives for each service area will be prepared as part of the preliminary design phase.

Raw Wastewater Transmission Force Main

A force main of approximately 5.5 miles will be designed to transport the collected wastewater from Collection Basin 1 to the wastewater treatment plant site at mile marker

100.5. The force main will be sized to accept the anticipated flows for the 20-year planning horizon. This will include all residential and commercial properties in the KLWTD north of the wastewater treatment plant except for those areas served by the vacuum collection system associated with the Key Largo Park and Key Largo Village projects.

The force main will be routed in the most economical manner and will include branch mains intended to serve the collection basins identified on the attached drawing and the larger commercial properties along US 1. The branch force mains will be positioned such that access to the properties to be served is adequate while minimizing the capital construction costs. Special consideration should be given to the cost of US 1 crossings.

Alternative technologies for construction of the force main and branch mains should be examined. These technologies include, but are not limited to, directional boring and pipe bursting. Abandoned water lines, as small as two inches, can serve as conduits for pipe bursting, provided that the consequent heaving of the fill upward will not cause problems.

B. GENERAL CRITERIA FOR SELECTION

1. Schedule

Advertise for Statement of Qualifications.....January 20, 2005 and
January 27, 2005

Mandatory Pre-Submission Meeting.....February 8, 2005

Submission Deadline.....February 28, 2005

Selection Review Committee Meets.....March 8, 2005⁽¹⁾

KLWTD Board Approval of Recommended Firm(s).....March 16, 2005⁽¹⁾

(1) Tentative dates subject to change by KLWTD Board

2. Information to Be Submitted

Submit responses to the Request for Statements of Qualifications (SOQ) in the format described below. Any deviation from this format may result in the Firm's disqualification. For those firms interested in both tasks, a separate SOQ shall be prepared for Task A and for Task B.

The SOQ shall be limited to the following: a Letter of Interest and four sections as discussed below:

One Page Letter of Interest:

Transmittal letter indicating interest in the SOQ. The letter will clearly indicate whether the SOQ is submitted for **Task A, Wastewater Treatment Plant Expansion Design**, or for **Task B, Wastewater Collection and Transmission System Design**.

Note: One page maximum

Section 1 – Knowledge of Monroe County Wastewater Issues:

Describe the Firm's understanding of wastewater issues and construction issues in Monroe County and how the Firm intends to address them.

Note: Five pages maximum

Section 2 – Qualifications of Staff Assigned to Project:

1. Identify only individuals who will actually work on the project. Include any consultants that may be engaged by the Firm in the execution of the project.
2. Describe specific assignments and functions of each individual.
3. Provide an organization chart for the Firm's employees and consultants who will work on the project.
4. Resumes of the individuals and identified in Item 1, above

Section 3 – Proficiency of Firm

Provide a summary the Firm's (and consultants', if any) proficiency in each of the areas described in the Scope of Work for the task of interest. Include design development, permitting, cost-benefit analysis and contract document preparation proficiency.

Section 4 – Specific Project Examples:

Provide a summary of up to five projects of similar scope to the task of interest. The summary should include a brief project description, cost information (Firm's fees, estimated construction cost, actual construction cost, change order costs, etc.), Firm's employees and consultants who worked on the project and their assignment, client contact person and their telephone number and email address. Include examples of value engineering and use of alternative or innovative technology to achieve cost savings.

3. **Method of Selection**

The KLWTD Selection Review Committee shall:

1. Independently evaluate and rank each SOQ with respect to the professional services proposed.
2. Jointly select those Firms that are the most qualified (in the Committee's sole opinion) to provide the desired services for Task A and Task B. A single Firm or two separate Firms may be selected for recommendation to the KLWTD Board.

3. Forward its selection(s) to the KLWTD Board and recommend that (1) the Board approve the Committee's selection(s) and (2) authorize the KLWTD General Manager to negotiate with the approved Firm(s).
4. The KLWTD General Manager will submit the negotiated agreements to the Board for final acceptance, after which the General Manager will execute the agreements.

The Selection Review Committee will consist of:

1. Charles Brooks, KLWTD Board Chairman
2. Charles Fishburn, KLWTD General Manager
3. Claude Bullock, KLWTD Commissioner
4. R. Jeff Weiler, P.E., President, Weiler Engineering Corporation

Do not contact any Selection Review Committee member regarding this SOQ. Contacting a committee member to discuss the SOQ will result in the Consultant's disqualification from the selection process.

The KLWTD Board may, at its sole option, affirm, reject or modify the Committee's selections.

C. NOTES TO ALL PROSPECTIVE FIRMS

Be brief but concise in your submittal. THERE WILL BE NO INTERVIEWS IN CONNECTION WITH THE SELECTIONS UNDER THIS REQUEST FOR STATEMENTS OF QUALIFICATIONS. Potential and actual respondents are hereby put on notice that the only data and information upon which selection will be based is the Firm's SOQ and information provided by client references.

The KLWTD is interested in Firms that can provide all or most of the expertise needed to provide the desired services for each task. However, it is recognized that certain areas may require expertise beyond that of the submitting Firm. For specialty functions, the use of consultants is acceptable, but the Firm should be qualified to perform the bulk of the work using its own employees.

The KLWTD will not be responsible for any expenses incurred by a Firm in preparing or submitting an SOQ.

The SOQ is to be submitted in a sealed envelope. The face of the envelope for submissions in response to Task A shall contain the following title: "TASK A, WASTEWATER TREATMENT PLANT EXPANSION DESIGN". The face of the envelope for submissions in response to Task B shall contain the following title: "TASK B, WASTEWATER COLLECTION AND TRANSMISSION SYSTEM DESIGN".

D. SUBMISSION REQUIREMENTS

Submit one (1) original and nine (9) copies of the SOQ **on or before 2:00 PM Monday, February 28th, 2005** to:

Charles Fishburn, General Manager
Key Largo Wastewater Treatment District

Mailing address:
P.O. Box 491
Key Largo, FL 33036

Street address:
91831 Overseas Highway, Suite 200
Tavernier, Florida 33070

The SOQ must be received on or before the time and date specified herein or it will be disqualified.

Address questions regarding the SOQ in writing only to:

Carol Simpkins, Clerk
Key Largo Wastewater Treatment District
See addresses above.

All questions must be received by the KLWTD, attention Carol Simpkins, at least ten (10) working days before the SOQ submittal due date.

TAB 8

KEY LARGO WASTEWATER TREATMENT DISTRICT
Agenda Request Form

Meeting Date: January 19, 2005

Agenda Item No. 8

☐ PUBLIC HEARING

☐ RESOLUTION

☒ DISCUSSION

☐ BID/RFP AWARD

☐ GENERAL APPROVAL OF ITEM

☐ CONSENT AGENDA

☐ Other:

SUBJECT: Key Largo Park Status

RECOMMENDED MOTION/ACTION: No action required.

Approved by General Manager

Date:

C. J. [Signature]
1-11-04

Originating Department: General Manager	Costs: \$ Funding Source: Acct. #	Attachments:
Department Review: <input type="checkbox"/> District Counsel <input checked="" type="checkbox"/> General Manager <i>C. J. [Signature]</i> <input type="checkbox"/> Finance	<input type="checkbox"/> Engineering _____ <input type="checkbox"/> Clerk _____	Advertised: Date: _____ Paper: _____ <input checked="" type="checkbox"/> 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:

Resulting Board Action:

☒ Approved

☐ Tabled

☐ Disapproved

☐ Recommendation Revised

TAB 9

KEY LARGO WASTEWATER TREATMENT DISTRICT
Agenda Request Form

Meeting Date: January 19, 2005

Agenda Item No. 9

☐ PUBLIC HEARING

☐ RESOLUTION

☒ DISCUSSION

☐ BID/RFP AWARD

☐ GENERAL APPROVAL OF ITEM

☐ CONSENT AGENDA

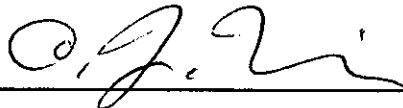
☐ Other:

SUBJECT: Rate Study

RECOMMENDED MOTION/ACTION:

Approved by General Manager

Date: 1-12-05



Originating Department: General Manager	Costs: \$ Funding Source: Acct. #	Attachments:
Department Review: <input type="checkbox"/> District Counsel _____ <input checked="" type="checkbox"/> General Manager _____ <input type="checkbox"/> Finance _____	<input type="checkbox"/> Engineering _____ <input type="checkbox"/> Clerk _____	Advertised: Date: _____ Paper: _____ <input checked="" type="checkbox"/> 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:

Resulting Board Action:

☐ Approved

☐ Tabled

☐ Disapproved

☐ Recommendation Revised

TAB 10

KEY LARGO WASTEWATER TREATMENT DISTRICT
Agenda Request Form

Meeting Date: January 19, 2005

Agenda Item No. *10*

☐ PUBLIC HEARING

☐ RESOLUTION

☒ DISCUSSION

☐ BID/RFP AWARD

☐ GENERAL APPROVAL OF ITEM

☐ CONSENT AGENDA

☐ Other:

SUBJECT: Lake Surprise/Sexton Cove RFQ cost for County Reimbursements.

RECOMMENDED MOTION/ACTION:

Approved by General Manager 

Date: *1-12-02*

Originating Department: Commissioner Bauman	Costs: \$ Funding Source: Acct. #	Attachments:
Department Review: <input type="checkbox"/> District Counsel <input checked="" type="checkbox"/> General Manager <i>BA</i> <input type="checkbox"/> Finance	<input type="checkbox"/> Engineering____ <input type="checkbox"/> Clerk____	Advertised: Date: _____ Paper: _____ <input checked="" type="checkbox"/> 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:

Resulting Board Action:

☐ Approved

☐ Tabled

☐ Disapproved

☐ Recommendation Revised

WORK AUTHORIZATION NO. WEC 04-02

a

Contract for Consulting/Professional Services Agreement Between the
Key Largo Wastewater Treatment District (KLWTD),
a legal entity and public body created by
Chapter 02-337, Laws of Florida, 2003

and

The Weiler Engineering Corporation

A. SCOPE OF SERVICE

Request for Qualifications For Design of a Wastewater Treatment System To Serve Lake Surprise and Surrounding Communities

Objective

The objective of this assignment is to produce a Request For Qualifications for design of the next wastewater project in the Key Largo Wastewater Treatment District, in cooperation with the District Manager and the District Board. Data from the Monroe County Sanitary Sewer Wastewater Master Plan for the areas north of the MM 100.5 WWTP site to the northern border of the Key Largo Wastewater Treatment District will be updated to reflect current costs and will be used to provide a working tool to help the KLWTD Board make informed decisions related to providing central wastewater treatment service to the residents of the Key Largo area. Due to the constraints of funding, the Board must schedule projects in a manner that matches the funding as it becomes available. The updated data from the Master Plan will provide guidance for the next phase of construction of the collection, transmission and treatment systems that will serve the District. Operating revenue will also be considered when recommending the technologies used in the phased expansion of the wastewater system.

Upon completion of the Update and Report Phase, Engineer will coordinate with the District Manager and District Attorney to prepare a request for qualifications (RFQ) and select a consultant to prepare construction plans, specifications and bidding documents for the Project.

Scope of Services

Update and Report Phase

Engineer shall coordinate with the District Manager and the Board to prepare a conceptual design and report that will generally include:

1. Consult with the District Manager and the Board to define and clarify the Board's requirements for the Project and available data.
2. Advise as to the necessity of additional data or services which are not part of ENGINEER's Basic Services, and assist District in obtaining such data and services.

- Project Recommendation – for a base project of approximately \$35 M with incremental service areas identified to increase or decrease scope to match the available funding. This recommendation will include a conceptual transition plan from skid-mount package plants to the regional plant.
- Request for Qualifications – assist the District manager and the District Attorney with the preparation of the request for qualifications and to evaluate the respondents and choose the most qualified Consultant.
- Design Review – assist the District and District staff throughout the design and permitting process to evaluate the designs and submittals provided by the successful Consultant.

B. PROJECT COST

The cost of performing the scope of work described for North Key Largo is \$84,835.00. The proposal is lump sum based on the estimated times allocated for each task listed below. If the scope of work is changed, the lump sum cost of the task will be adjusted accordingly.

Task Description	Principal @ \$125	Engineer @ \$105	Engineer @ \$105	EI or RPR @ \$85	Sr. Designer @ \$75	Clerical @ \$35	SubTotal
Update Report Phase 1							
Research & Site Investigations	4	16	16	25			\$5,985.00
Identify Existing Systems	1	16	16	24			\$5,525.00
Assumptions & Design Calculations	1	16	16	8			\$4,165.00
Master Plan Reconciliation	2	4	8	8			\$2,190.00
Service Areas Definitions and Estimates	2	8	8	16	20		\$4,790.00
Conceptual WWTP Plans and Estimates	4	40	16	40	32		\$12,180.00
Production of service area plans	1	4	16	0	6		\$2,675.00
Transmission Main Locations and Estimates	1	8	4	2	10		\$2,305.00
Scope of work and supplementary conditions	1	8	8	0		12	\$2,225.00
Request for Proposals Phase 2							
Evaluate responses, check references, etc.	2	10	5	20		4	\$3,665.00
Pre-submittal Meeting	2	8	8	8		4	\$2,750.00
Ranking and recommendations	2	8	8			4	\$2,070.00
Design Review Phase 3							
Design review and comments, 4 submittals	8	64	72	12		2	\$16,370.00
Design review meetings, 4	8	32	32	4		2	\$8,130.00
Status reports to Board	8	40	40	4		2	\$9,810.00
SubTotals	47	282	273	171	68	30	

Total
Cost = \$84,835.00

PROJECT SCHEDULE

P.O. Box 491 Key Largo, FL 33037
Phone: 305-852-2477
Fax: 305-852-2477

**Key Largo
Wastewater
Treatment District**

Memo

To: KLWTD Board
From: Carol Simpkins, CMC
CC: Staff
Date: January 19, 2005
Re: TAB 7

Attached is back up items for agenda item and TAB 7 for the 1.19.05 agenda package.

MEMORANDUM

FROM: Thomas M. Dillon
To: Key Largo Wastewater Treatment District
Date: January 17, 2005
Subject: Procurement of Design Professionals

Introduction

At the District Board meeting of 1/5/05, I expressed the opinion that procurement of design professionals for a design/bid/build project would need to implement different selection criteria than procurement of design professionals for a design/build project. At the General Manager's request, I have reviewed the applicable law. This memorandum will demonstrate that the process and the selection criteria for design professionals for a design/bid/build project are substantially different selection from the process and criteria that must be implemented for a design/build project.

Also, as requested by the General Manager, I have reviewed the procurement documents issued by the District in April, 2003, in order to answer the question whether those documents could have been used to select a design firm to act as a construction manager.

Conclusions

Procurement of the services of design professionals and design/builders is governed by the Consultants' Competitive Negotiation Act (Fla. Stat. § 287.055 (2004)), commonly known as "CCNA."

The substantive portions of CCNA cover design/bid/build projects primarily in Subsections (3) through (8), and design/build projects in Subsection (9).

The legally-mandated process of selecting a design professional for design/bid/build projects is significantly different from the process of selecting a design/build.

In the case of design/bid/build projects, CCNA specifies the selection criteria. They are general in nature, and they cannot include price.

In CCNA, the term "design-build contract means a single contract with a design-build firm for the design and construction of a public construction project." (Fla. Stat. § 287.255(2)(i)). I conclude that, this term, and CCNA Subsection (9), apply both to contractor-led design/build projects and engineer-led construction manager projects.

In the case of design/build projects, CCNA requires that the agency prepare a design criteria package. The agency then must qualify and select at least three design-build firms as the most qualified, based on qualifications, availability, and past work. The agency must then develop criteria, procedures, and standards for the evaluation of proposals or bids; the criteria, procedures, and standards must be weighted for the project, and must include price, as well as technical and design aspects of the project. Finally, the agency must solicit competitive proposals.

Because the processes and criteria for selection of a design firm for a design/bid/build project and selection of a design/builder are entirely different from one another, it is not possible to use a single process to solicit design firms without first defining the type of project delivery system to be used.

CCNA requirements for design/bid/build projects

Under CCNA, an agency must:

... publicly announce, in a uniform and consistent manner, each occasion when professional services must be purchased for a project the basic construction cost of which is estimated by the agency to exceed the threshold amount provided in § 287.017 for CATEGORY FIVE¹ or for a planning or study activity when the fee for professional services exceeds the threshold amount provided in § 287.017 for CATEGORY TWO²....

Fla. Stat. § 287.055(3)(a).

CCNA covers competitive selection of a design firm as follows:

For each proposed project, the agency shall evaluate current statements of qualifications and performance data on file with the agency, together with those that may be submitted by other firms regarding the proposed project, and shall conduct discussions with, and may require public presentations by, no fewer than three firms regarding their qualifications, approach to the project, and ability to furnish the required services.

Fla. Stat. § 287.055(4)(a).

The agency is then required to select, in order of preference, at least three firms most highly qualified to perform the required services. (Fla. Stat. § 287.055(4)(b)). Following are the considerations to be used in selecting the firms:

In determining whether a firm is qualified, the agency shall consider such factors as the ability of professional personnel; whether a firm is a certified minority business enterprise; past performance; willingness to meet time and budget requirements; location; recent, current, and projected workloads of the firms; and the volume of work previously awarded to each firm by the agency, with the object of effecting an equitable distribution of contracts among qualified firms, provided such distribution does not violate the principle of selection of the most highly qualified firms. *The agency may request, accept, and consider proposals for the compensation to be paid under the contract only during competitive negotiations under subsection (5).*

Id. Emphasis added.

The agency must negotiate first with the most highly qualified design firm in an effort to negotiate a contract that is "fair, competitive, and reasonable." (Fla. Stat. § 287.055(5)).

¹ \$250,000 plus inflation adjustments.

² \$25,000 plus inflation adjustments.

If the negotiation is unsuccessful, the agency must attempt to negotiate a contract with the next highly qualified firm, and so on.

CCNA requirements for design/build projects

I have discussed these requirements in an earlier memorandum, dated December 7, 2004, but will summarize them here, as well.

Except as provided in Subsection (9), CCNA does not apply to design/build projects. (Fla. Stat. § 287.055(9)(a)).

For these projects, the agency must first procure the services of a design criteria professional, to prepare a design criteria package. The selection of the design criteria professional must follow Subsections (4) and (5) of CCNA, as described above.

Following are the minimum procedures for selection of a design/builder:

1. The preparation of a design criteria package for the design and construction of the public construction project.
2. The qualification and selection of no fewer than three design-build firms as the most qualified, based on the qualifications, availability, and past work of the firms, including the partners or members thereof.
3. The criteria, procedures, and standards for the evaluation of design-build contract proposals or bids, *based on price*, technical, and design aspects of the public construction project, weighted for the project.
4. The solicitation of competitive proposals, pursuant to a design criteria package, from those qualified design-build firms and the evaluation of the responses or bids submitted by those firms based on the evaluation criteria and procedures established prior to the solicitation of competitive proposals.
5. For consultation with the employed or retained design criteria professional concerning the evaluation of the responses or bids submitted by the design-build firms, the supervision or approval by the agency of the detailed working drawings of the project; and for evaluation of the compliance of the project construction with the design criteria package by the design criteria professional.

Fla. Stat. § 287.055(9)(c). Emphasis added.

Review of April 2003 procurement

I have reviewed the procurement documents used by the District in April 2003. This was the procurement that resulted in the current list of design firms with which the District has entered into continuing contracts.

The procurement documents meet the standards in CCNA for selection of a design firm either to design a project or to undertake non-project-related planning activities. The documents are not suitable for selection of a design/builder, because they do not incorporate any of the particulars required under the design/build part of CCNA.

Memo

To: Key Largo Wastewater Treatment District

From: Thomas M. Dillon

CC: N/A

Date: December 7, 2004

Re: Project Delivery Methods

Introduction

As requested by the Board at its meeting of November 17, 2004, this memorandum will discuss available project delivery methods that might be used by the District for future projects. The term "Project Delivery" is a term that describes how the principal parties in the construction project relate to one another. The owner can select any method of project delivery, based on the owner's perception of the costs and benefits inherent in each.

Please note that these comments and descriptions are general in nature. Although the design/bid/build process is fairly well established and predictable, the other delivery methods are subject to wide variations according to the perceived needs of the parties. This discussion will describe commonly-used delivery methods and their usual attributes.

Elements common to all construction projects

Regardless of the method of project delivery used, certain tasks must be accomplished in order to result in a delivered project:

1. The owner must determine the function that the project will serve. The function of the project includes the size of the project, the production or throughput capacity of the project, project operating costs, and other similar considerations. These considerations are referred to as "program."
2. The owner must obtain a project design in sufficient detail to allow it to be permitted and constructed. The design, including plans and specifications, serves as the standard by which construction sufficiency and progress are judged. The design is also the basis for as-built drawings, which allow the owner to modify, maintain, and operate the facility after it is constructed and many of the project components are no longer visible.

The design process is often divided into several phases. The conclusion of each phase is often a formal approval of the documents produced, and notice to proceed with the next phase of design, as follows:

Pre-Design Phase: Although the owner usually begins with a general idea of the program, this phase is intended to refine the overall program parameters. In this phase, the project acquires site geotechnical information and environmental site review, topographical information concerning the site and adjacent lands, and verifies that the program will meet the needs of the owner and any user groups.

Schematic Design Phase: In this phase, the project acquires a conceptual design illustrating the general scope, scale, and relationship of project components needed to satisfy the owner's program requirements. This phase may include investigation of a number of alternate conceptual designs, including basic architectural, mechanical, structural, and electrical components; development of a project design approval schedule, and budget-level cost estimating. At this time, the excavation, landscaping, and drainage plans should be developed conceptually.

Design Development Phase: In this phase, the project acquires drawings and other documents to fix and describe the size and character of the entire project for owner approval. This phase includes design recommendations as to the availability of materials, equipment and labor, construction sequencing and scheduling, economic analysis of construction and operations, user safety and maintenance requirements, and energy conservation. By the conclusion of this phase, the owner should understand critical permitting requirements, and have a more developed design, including architectural, mechanical, structural, electrical elements, and cost elements. The general and special conditions for the construction contract are developed in this phase. If needed, this phase will include exploration of alternatives that may be used to align the cost of the project with budgeted funds.

Construction Document Phase: In this phase, the project acquires construction plans and specifications based on the approved design, bidding documents, and the engineer's cost estimate for the work.

3. The owner must procure construction services to procure and install various construction components, schedule the work, and coordinate the various contractors involved.
4. The owner must procure contract administration services to ensure that the construction is performed to applicable standards, including the plans and specifications, and applicable codes. Generally, the contract administrator also provides advice to the owner regarding construction progress, interim payments, completion, and final payment.

As a general rule, owners procure the goods and services needed for the project in a competitive market, and expect to obtain them at competitive prices. The costs of construction materials and their incorporation into the project are likely to be roughly equal regardless of the project delivery method selected.

Various project delivery methods have been developed in order to address other factors, such the time within which the project must be complete, the owner's resources available to design the project, oversee construction, and conduct other, related activities. The cost and

other implications of these factors are often more critical to owners than the costs of the actual construction.

An owner with extensive experience in constructing multiple similar projects may be more confident of its ability to implement a particular method of project delivery than a novice owner or one constructing its first project of a particular nature.

Summary of principal project delivery methods

There are four principle project delivery methods used in construction:

- **Design/Bid/Build** – this is the most common method of construction project delivery. It follows a sequential process of project design, followed by competitive bidding based on the project design, and then construction by the successful bidder. In this method of project delivery, the owner contracts with design professionals to develop the project design. The design professionals may assist the owner in determining the program, estimating the construction costs, and conducting the procurement of a construction contractor. The owner then contracts separately with the construction contractor to build the project. The owner also retains the services of professionals to administer the construction contract, including determining the adequacy of contractor performance, providing advice regarding construction claims, estimating construction progress for purposes of progress payments, and providing final inspection services. The design/bid/build process is sometimes analogized to a three-legged stool, in which the owner, the design professionals, and the contractor each represent one leg.

The design/bid/build method has been the most common method of project delivery, but other methods are becoming more common than in the past. According to the Design-Build Institute of America, design/build delivery will overtake design/bid/build contracting in this decade.

Legal requirements in design/bid/build

The District must follow the Consultants' Competitive Negotiation Act¹ ("CCNA") in procuring the services of design professionals, i.e., architects and engineers. The CCNA applies when the cost of construction is expected to exceed \$250,000 and the cost of the professional services is expected to exceed \$25,000². The CCNA requires that the services of design professionals must be procured competitively based on statements of qualifications solicited by the District.³ After reviewing the qualifications, the District selects no fewer than three firms in order of preference based on qualifications, and attempts to negotiate a contract with the highest-ranked firm. If the District is unable to reach agreement with that firm at fair, competitive, and reasonable rates of compensation, as determined by the District, the District may terminate negotiations with that firm, and move on to the second-rated firm, and so on.⁴

¹ Fla. Stat. § 287.055.

² Fla. Stat. § 287.055(4)(c); § 287.017(1).

³ Fla. Stat. § 287.055(4)(a).

⁴ Fla. Stat. § 287.055(4)(b).

With regard to construction, Florida law requires competitive procurement when the project is expected to cost more than \$200,000⁵ (in 1994 dollars).⁶ The term "competitively award" means to award contracts based on the submission of sealed bids, proposals submitted in response to a request for proposal, proposals submitted in response to a request for qualifications, or proposals submitted for competitive negotiation."⁷

Note that the District can "competitively award" a construction contract on a basis other than price.⁸ It is not easy to overcome the presumption in Florida law that the public interest justifies an award to a bidder on a basis other than price, and a statement that the contract will be awarded in the best interests of the District will be construed to be a decision to award on the basis of price.⁹ Where the contract is to be awarded on the basis of price, the District must award to the lowest responsive and qualified bidder, or the District may reject all bids and rebid or decide not to proceed with the project.¹⁰

The District is expressly authorized by statute to use alternative project delivery methods, including design/build, and "any other contract arrangement with a private sector contractor permitted by ... district resolution, or by state law."¹¹

There are many exceptions to the requirement to competitively award construction contracts. The most important exception is found in the Florida statutes creating special districts:

Contracts for the construction of projects and for any other purpose of the authority may be awarded by the authority in a manner that will best promote free and open competition, including advertisement for competitive bids; however, if the authority determines that the purposes of this act will be more effectively served thereby, the authority may award or cause to be awarded contracts for the construction of any project, including design-build contracts, or any part thereof, or for any other purpose of the authority upon a negotiated basis as determined by the authority.¹²

Other exceptions include:

1. emergency procurements,¹³
2. procurements in which no bids are received,¹⁴

⁵ Fla. Stat. § 255.20(1).

⁶ Fla. Stat. § 255.20(2).

⁷ Fla. Stat. § 255.20(1).

⁸ "In Florida,... a public body has wide discretion in soliciting and accepting bids for public improvements and its decision, when based on an honest exercise of this discretion, will not be overturned by a court even if it may appear erroneous and even if reasonable persons may disagree. *Liberty County v. Baxter's Asphalt & Concrete, Inc.*, 421 So. 2d 505, 507 (Fla. 1982), cited in *Engineering Contractors Ass'n. of So. Fla. V. Broward County*, 745 So. 2d 445, 450 (Fla. 4th DCA 2001)

⁹ *City of Sweetwater v. Solo Construction Co.*, 823 So.2d 798, 803-804 (Fla. 3d DCA 2002).

¹⁰ Fla. Stat. § 255.20(1)(d).

¹¹ Fla. Stat. § 189.441; § 255.20(1).

¹² Fla. Stat. § 189.441.

¹³ Fla. Stat. § 255.20(1)(c)(1).

¹⁴ Fla. Stat. § 255.20(1)(c)(2).

3. repair or maintenance of an existing facility,¹⁵
 4. cases in which the funding will be diminished or lost as a result of the delays inherent in competitive procurement,¹⁶
 5. cases in which the local government has competitively awarded a project but the contractor has abandoned the project or the local government has terminated the contract,¹⁷
 6. cases in which the local government, after special public notice, elects to perform the construction with its own resources.¹⁸
- Design/Build – this method is used most often where the owner lacks the resources to perform a complete design prior to procuring the construction services. As noted above, special districts are expressly authorized to use the design/build method of project delivery.

In the design/build process, the owner first retains the services of a Design Criteria Professional ("DCP"). The DCP may be an employee of the owner, or, if the DCP is procured through a professional services contract, the owner must follow the CCNA procedures described above.¹⁹ The DCP prepares the design criteria package, which establishes the project program.²⁰

The owner then contracts with a design/builder to develop the plans and specifications and provide the construction services. The owner is supposed to adopt rules for the award of design/build contracts.²¹ The minimum components of the procedures are:

1. The preparation of a design criteria package for the design and construction of the public construction project.
2. The qualification and selection of no fewer than three design/build firms as the most qualified, based on the qualifications, availability, and past work of the firms, including partners or members thereof.
3. The criteria, procedures, and standards for the evaluation of design/build contract proposals or bids, based on price, technical, and design aspects of the public construction project, weighted for the project.
4. The solicitation of competitive proposals, pursuant to a design criteria package, from those qualified design/build firms and evaluation of the responses or bids submitted by those firms based on the evaluation criteria and procedures established prior to the solicitation of competitive proposals.
5. For consultation with the DCP concerning the evaluation of the responses or bids submitted by the design/build firms, the supervision or approval by the agency of

¹⁵ Fla. Stat. § 255.20(1)(c)(5).

¹⁶ Fla. Stat. § 255.20(1)(c)(7).

¹⁷ Fla. Stat. § 255.20(1)(c)(8).

¹⁸ Fla. Stat. § 255.20(1)(c)(9).

¹⁹ Fla. Stat. § 287.055(9)(b).

²⁰ Fla. Stat. § 287.055(9)(c).

²¹ *Id.* The author is not aware of any such rules having been adopted by the District, to date. Prior to any further design/build procurements, the District should adopt such rules.

the detailed working drawings of the project; and for evaluation of the compliance of the project construction with the design criteria package by the DCP.²²

A design/builder may be a single company with in-house construction and design capabilities. Most often, a design/builder is a joint venture or partnership comprised of a general contractor and a design firm. The contracts between contractors and their designers are almost always considered to be proprietary, and are not open to voluntary review by the owner. The relationship between the contractor and the design firm places the design firm in a conflict of interest. Although design professionals have a statutory obligation to consider the public interest in performing design services, they are often placed under strong pressure to cut construction costs, sometimes at the expense of increased operating and life cycle costs.

As noted above, the design/bid/build method is often analogized to a three-legged stool. The design/build method has been analogized in private projects to a "two-legged" stool, because there is only the owner and the design/builder to support the project. The design professionals in a design/build project are not independent of the contractor, and the ability of the design professionals to protect the owner's interests is limited. Under CCNA, the addition of the DCP is supposed to remedy that deficiency.

It is estimated that 90% of construction costs are identified in the first 20% of the design phase. Because the design details are left to the design/builder, it is essential that the owner develop the design criteria package in sufficient detail to ensure that the owner will receive a project that functions as desired. If the package is not sufficiently detailed, the design/builder will have more latitude in the design process. The design/builder's financial incentive is to minimize construction costs, so failure to develop a sufficiently detailed package can lead to a project in which project characteristics desired by the owner are left out in order to reduce construction costs. It would be very difficult, if not counterproductive, to develop a design criteria package detailed enough to forestall cost-cutting by the design/builder at the owner's expense.

In the author's opinion, the DCP's ability to support the project is limited from the start. Although the DCP establishes the program, the DCP can participate meaningfully in the other stages of design development only with the consent of the design/builder. The DCP is not part of the process of pre-design through construction documents, except to the extent of the DCP's opportunities to comment on submittals. Although the CCNA provides that the owner must adopt rules for the supervision or approval by the agency of "the detailed working drawings of the project," the agency has little opportunity to participate in the actual design, has little or no knowledge of the design decisions made in the formulation of the working drawings, and is subject to severe pressure to approve the working drawings, accompanied by threats of delay claims. In a project of even moderate complexity, the most diligent DCP can miss changes in drawings and specifications that are made by the design/builder but not called out in the next submittal.

One of the major benefits claimed for the design/build method of project delivery is the fact that the owner does not have to deal with conflicts between the designer and the contractor. In theory, the designer and the contractor work together on the design, and there are no issues of defective plans or specifications. However, the relationship

²² *Id.*

between the contractor and the designer is often such that the contractor has much more control over the design than in the design/bid/build case, and the contractor might easily force design compromises that favor construction cost savings over operational cost and life-cycle savings. In other words, the price of eliminating conflicts between the design firm and the contractor may be the elimination of the design firm as a force that protects the owner's interests.

In a typical design/build arrangement, the design/builder will provide a guaranteed maximum price as part of the price proposal, and the project price will be recalculated when the design is complete and before the notice to proceed with construction.

- **Construction Manager** – this method of project delivery is characterized by retention of a construction manager to manage the project. The construction manager fulfills the responsibilities of architect, engineer, and general contractor, assuming responsibility for project supervision, design review, cost estimating, bid reviews, project scheduling, contract negotiation, coordination of trade contractors, and safety.

A construction manager "at risk" is one who enters into contracts with the firms who will do the construction. The at-risk construction manager does not act as an agent for the owner, but as a general contractor, but with a function limited to project coordination. The contractors who perform the construction work are subcontractors to the construction manager. Obviously, a construction manager at-risk has some of the same financial incentives as the builder in a design/build project. In fact, however, in the typical construction-manager-at-risk project, the design is done before the construction price is set, and the owner has more opportunities to affect the design of the project.

Sometimes, the construction manager acts as the agent of the owner. In those cases, the construction manager oversees the design, negotiates contracts with builders, and coordinates the work, all on behalf of the owner. In those cases, the construction manager is not at-risk. Although this model is sometimes used by public agencies, the author believes that the construction-manager-at-risk method is much more common.

The distinction between a construction manager and a design/builder is sometimes difficult to see. The most obvious difference is that the construction manager works for the owner, and manages the project for the benefit of the owner, subject, of course, to the owner's obligation of good faith and fair dealing with the contractor. The construction manager has no inherent financial incentive inconsistent with the owner's interest. This is especially true if the construction manager is not "at risk."

- **Multiple primes** – this method of project delivery is one in which the owner contracts directly with different contractors to provide specific portions of the work. This gives the owner more control over the various contractors, but also forces the owner to coordinate all of the contractors. In a design/bid/build contract, the coordination function would have been the general contractor's responsibility. Multi-prime contracting sometimes works for large, sophisticated owners who control enough business to press the multiple prime contractors to perform within their allotted times.

Design/build/operate

This is not a common method of project delivery. In this method, the design/builder will design and build a project, and then operate it for some period of time. The financial

) incentive of the design/build/operator is thus to give more consideration to operating and life cycle costs, at least during the operational term.

Fast-track

Another term that is commonly used, but does not actually describe a project delivery method, is "fast-track." This term describes a case where the construction commences before the design is complete. Once the design is advanced to the stage where construction can begin, i.e., excavation and foundation design, construction commences. Design of subsequent stages proceeds concurrently with construction of the completed portions of the design.

This process is one in which the latter stages of design are limited by the fact that construction of earlier stages are already complete. Any of the project delivery methods described above can apply the fast-track process, but design/build, construction manager, and multiple prime projects are the methods that most commonly involve fast-track.

Summary

) The discussion above shows that there are a wide number of common methods of project delivery. Each method, with the exception of design/bid/build, can be customized to reflect the desires of the owner to result in a satisfactory project. Of the methods discussed, the author believes that design/build and construction-manager-at-risk pose the greatest inherent challenges, because they involve parties whose financial interests are the most directly opposed.

SOQ update request

Name *(See attached list of eight firms)*

Address

Address

Re: Updated Statement of Qualifications for expansion and development of District facilities
Date due: January 17, 2005, (Response is optional; see below)
Send to: Charles F. Fishburn, General Manager

The Key Largo Wastewater Treatment District ("District") intends to expand and further develop its sewage processing capacity by constructing the following improvements:

- Design of a new 2.25 MGD sewage treatment plant on the District's treatment site located at MM 100.5, US 1, Key Largo.
- Feasibility Study and Design of Deep Injection Wells and/or reuse for wastewater effluent discharge.
- Design of a wastewater force main system to include approximately 5.5 miles of force main piping north along US 1 from MM 100.5, together with highway crossings and associated pumping and other facilities.
- Design of collection systems to serve the residential and commercial properties on Key Largo, north of US 1 MM 100.5.

These improvements are described in more detail in the attached Task Document.

Your firm already has an engineering services contract with the District. At this time, the District is seeking updates, only, to your statement of qualifications, focusing on your firm's qualifications to perform design of any one or all of the tasks outlined above. In particular, the District is interested in the following:

- NEW information showing that your firm is capable of addressing wastewater and construction design issues in Monroe County, as well as proficiency in the types of tasks described in the Task Document;
- Names and project-specific qualifications of key managers and design professionals whom you would assign to the project enumerated above.
- Provide a summary of up to five projects of similar scope to the task of interest. The summary should include a brief project description, cost information (Firm's fees, estimated construction cost, actual construction cost, change order costs, etc.), Firm's employees and consultants who worked on the project and their assignment, client contact person and their telephone number and email address. Include examples of value engineering and use of alternative or innovative technology to achieve cost savings.
- Review the current workload of your staff.

PLEASE LIMIT YOUR RESPONSE TO NO MORE THAN 20 SINGLE-SIDED, 8½ X 11 PAGES. THE DISTRICT MAY ELECT TO DISREGARD ALL PAGES IN EXCESS OF 20. (PLEASE PROVIDE TEN (10) COPIES OF YOUR RESPONSE.)

YOU ARE NOT REQUIRED TO RESPOND TO THIS REQUEST UNLESS YOU WANT TO UPDATE YOUR EXISTING STATEMENT OF QUALIFICATIONS ("SOQ").

If you do not update the existing SOQ, the District will use the SOQ currently on file. If you do not want to be considered for this work, please advise the District in writing by the due date above.

The District reserves the right to select among one or more firms to perform the design services. Further, the District may reject all SOQ's and commence a new procurement. At present, the District plans to use the design/bid/build method of project delivery. However, the District may elect at a later date to use another delivery method.

Yours,

Charles F. Fishburn
General Manager

Attachment: Task Document

TASK DOCUMENT

General Description of Scope of Work

The scope of work includes the design of a wastewater collection, treatment and disposal system as described further in this document. The intent of the District is to solicit qualifications from interested firms to prepare detailed design of the wastewater treatment system components, to obtain appropriate permitting through the Florida Department of Environmental Protection, and to prepare bid solicitation and construction contract documents. The selected firm(s) will work closely with the District's General Manager and Engineer throughout design development.

Task A, Wastewater Treatment Plant Expansion Design

The wastewater treatment plant must be capable of meeting the following effluent quality limits: 5 mg/l CBOD, 5 mg/l TSS, 3 mg/l TN and 1 mg/l TP on an annual average basis. Monthly average, weekly average and single sample limits also apply.

The wastewater treatment plant will be designed to treat the anticipated flow for the entire KLWTD service area through the 20-year planning horizon. At this time, that flow is estimated to be 2.25 MGD AADF. The influent will be comprised mainly of domestic wastewater, but due to water conservation efforts and the relatively high density of food preparation facilities in the Florida Keys, it is anticipated that the concentrations of the wastewater constituents will be above average levels. The design of the wastewater treatment system will include verification of anticipated flows and concentrations. The design will also take into consideration seasonal variations in wastewater flows and will apply appropriate peaking factors.

Preliminary investigation has considered pre-engineered Sequencing Batch Reactor (SBR) technology for the biological treatment train. The Treatment Plant selected must be designed such that the phased connection of collection basins in the service area is possible. In this initial phase, the flow from the existing Key Largo Village and Key Largo Park service areas will be combined with residential flows from the Lake Surprise basin and a portion of the Largo Gardens basin. Flow from commercial properties located to the north of the wastewater treatment plant site will also contribute. It is estimated that at start-up, the AADF will be 0.5 MGD. When configuring the wastewater treatment system, consideration must be given to maintaining Class I reliability. Consideration must also be given to maintaining treatment for the Key Largo Park and Key Largo Village service areas while construction of the new treatment facilities occurs.

Effluent filtration and disinfection will be required. Ultraviolet disinfection is desirable both to avoid the hazards of chlorine gas and to reduce the treatment system footprint.

The residuals treatment system will be designed, at a minimum, to produce Class B residuals suitable for land application. A sludge dewatering system will be designed to provide the most cost-efficient means of disposal. It is anticipated that the residuals will be land-applied as fertilizer in an area north of Lake Okeechobee. The District may elect to have the design engineers perform a cost-benefit analysis comparing the various available means of sludge disposal. Consideration should be given to production of both Class A and Class B residuals, as well as exploration of alternative means of dewatering, such as mobile centrifuges or belt presses.

Task B, Reuse and/or Deep Injection Wells Study and Design

For wastewater effluent discharges of 1.0 MGD or greater, disposal through deep injection wells is required. In the Florida Keys, effluent is discharged into the boulder zone, approximately 3000 feet below the surface. The effluent must be disposed of in this manner. Class I reliability requirements dictate that two disposal wells be installed. A monitoring well is also required. The cost of construction should be given high priority in design of the disposal well system. Consideration should be given to the use of alternative casing materials and other means to reduce the cost of construction.

An effluent reuse feasibility study is required as part of the wastewater treatment plant permitting process. If it is found that reuse of 100% of effluent is feasible, then only one deep injection well will be required. Since there is no local golf course or other area suitable for irrigation with reclaimed water the District is interested in innovative reuse options.

Task C, Raw Wastewater Transmission System Design

A force main of approximately 5.5 miles will be designed to transport the collected wastewater to the wastewater treatment plant site at mile marker 100.5. The force main will be sized to accept the anticipated flows for the 20-year planning horizon. This will include all residential and commercial properties in the KLWTD north of the wastewater treatment plant except for those areas served by the vacuum collection system associated with the Key Largo Park and Key Largo Village projects.

The force main will be routed in the most economical manner and will include branch mains intended to serve the collection basins identified on the attached drawing and the larger commercial properties along US 1. The branch force mains will be positioned such that access to the properties to be served is adequate while minimizing the capital construction costs. Special consideration should be given to the cost of US 1 crossings.

Alternative technologies for construction of the force main and branch mains should be examined. These technologies include, but are not limited to, directional boring and pipe bursting. Abandoned water lines, as small as two inches, can serve as conduits for pipe bursting, provided that the consequent heaving of the fill upward will not cause problems.

Task D, Wastewater Collection System Design

Two wastewater collection basins from the "Monroe County Sanctuary Wastewater Master Plan" have been identified to be included in this phase of the KLWTD project design. These are identified as Collection Basin VII and Collection Basin III on the attached drawings. In addition, many of the commercial properties along US 1 will be connected into the force main as part of this project.

Collection Basin 1 includes the Lake Surprise, Sexton Cove and Ocean Isle Estates residential subdivisions as outlined on the drawings. The commercial properties along US 1 within the boundaries of Collection Basin 1 are also to be included in the design. It is anticipated that all of the properties in this basin will be connected as part of this phase.

Collection Basin 2 includes the Largo Gardens residential subdivision and other areas as outlined on the drawings. It is anticipated that only the Largo Gardens subdivision will

be constructed at this time. However, the entire basin is to be designed at this time in a manner that will provide for the eventual connection of all properties.

Connections of the larger commercial properties along US 1 will be included in this phase. Many of these properties have existing wastewater treatment plants and wastewater pump stations. In certain areas, a short run of gravity main to collect wastewater from adjacent properties may provide the most cost-effective means of connection. In these cases, design of the gravity main and the associated pump station would be included in the scope

Both vacuum and gravity wastewater collection technologies will be considered when designing the collection systems for Basins 1 and 2. The use of a hybrid system will also be considered. The selection of one or the other technology will be based on construction cost, operation and maintenance cost, reliability and susceptibility to I&I. The local geology, topography, ground water elevation and weather conditions will affect the costs and reliability. Special consideration should be given to the potential effects of tropical storms, hurricanes and power outages. A cost-benefit analysis of the alternatives for each service area will be prepared as part of the preliminary design phase.

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*** THIS DOCUMENT IS CURRENT THROUGH THE 2004 REGULAR SESSION ***
*** ANNOTATIONS CURRENT THROUGH NOVEMBER 30, 2004 ***

TITLE 19. PUBLIC BUSINESS
CHAPTER 287. PROCUREMENT OF PERSONAL PROPERTY AND SERVICES
PART I. COMMODITIES, INSURANCE, AND CONTRACTUAL SERVICES

GO TO FLORIDA STATUTES ARCHIVE DIRECTORY

Fla. Stat. § 287.055 (2004)

§ 287.055. Acquisition of professional architectural, engineering, landscape architectural, or surveying and mapping services; definitions; procedures; contingent fees prohibited; penalties

(1) *SHORT TITLE.* --This section shall be known as the "Consultants' Competitive Negotiation Act."

(2) *DEFINITIONS.* --For purposes of this section:

(a) "Professional services" means those services within the scope of the practice of architecture, professional engineering, landscape architecture, or registered surveying and mapping, as defined by the laws of the state, or those performed by any architect, professional engineer, landscape architect, or registered surveyor and mapper in connection with his or her professional employment or practice.

(b) "Agency" means the state, a state agency, a municipality, a political subdivision, a school district, or a school board. The term "agency" does not extend to a nongovernmental developer that contributes public facilities to a political subdivision under s. 380.06 or ss. 163.3220-163.3243.

(c) "Firm" means any individual, firm, partnership, corporation, association, or other legal entity permitted by law to practice architecture, engineering, or surveying and mapping in the state.

(d) "Compensation" means the total amount paid by the agency for professional services.

(e) "Agency official" means any elected or appointed officeholder, employee, consultant, person in the category of other personal service or any other person receiving compensation from the state, a state agency, municipality, or political subdivision, a school district or a school board.

(f) "Project" means that fixed capital outlay study or planning activity described in the public notice of the state or a state agency under paragraph (3)(a). A project may include:

1. A grouping of minor construction, rehabilitation, or renovation activities.
2. A grouping of substantially similar construction, rehabilitation, or renovation activities.

(g) A "continuing contract" is a contract for professional services entered into in accordance with all the procedures of this act between an agency and a firm whereby the firm provides professional services to the agency for projects in which construction costs do not exceed \$ 1 million, for study activity when the fee for such professional service does not exceed \$ 50,000, or for work of a specified nature as outlined in the contract required by the agency, with no time limitation except that the contract must provide a termination clause.

(h) A "design-build firm" means a partnership, corporation, or other legal entity that:

1. Is certified under *s. 489.119* to engage in contracting through a certified or registered general contractor or a certified or registered building contractor as the qualifying agent; or

2. Is certified under *s. 471.023* to practice or to offer to practice engineering; certified under *s. 481.219* to practice or to offer to practice architecture; or certified under *s. 481.319* to practice or to offer to practice landscape architecture.

(i) A "design-build contract" means a single contract with a design-build firm for the design and construction of a public construction project.

(j) A "design criteria package" means concise, performance-oriented drawings or specifications of the public construction project. The purpose of the design criteria package is to furnish sufficient information to permit design-build firms to prepare a bid or a response to an agency's request for proposal, or to permit an agency to enter into a negotiated design-build contract. The design criteria package must specify performance-based criteria for the public construction project, including the legal description of the site, survey information concerning the site, interior space requirements, material quality standards, schematic layouts and conceptual design criteria of the project, cost or budget estimates, design and construction schedules, site development requirements, provisions for utilities, stormwater retention and disposal, and parking requirements applicable to the project.

(k) A "design criteria professional" means a firm who holds a current certificate of registration under chapter 481 to practice architecture or landscape architecture or a firm who holds a current certificate as a registered engineer under chapter 471 to practice engineering and who is employed by or under contract to the agency for the providing of professional architect services, landscape architect services, or engineering services in connection with the preparation of the design criteria package.

(3) *PUBLIC ANNOUNCEMENT AND QUALIFICATION PROCEDURES.*

(a) Each agency shall publicly announce, in a uniform and consistent manner, each occasion when professional services must be purchased for a project the basic construction cost of which is estimated by the agency to exceed the threshold amount provided in *s. 287.017* for CATEGORY FIVE or for a planning or study activity when the fee for professional services exceeds the threshold amount provided in *s. 287.017* for CATEGORY TWO, except in cases of valid public emergencies certified by the agency head. The public notice must include a general description of the project and must indicate how interested consultants may apply for consideration.

(b) Each agency shall encourage firms engaged in the lawful practice of their professions that desire to provide professional services to the agency to submit annually statements of qualifications and performance data.

(c) Any firm or individual desiring to provide professional services to the agency must first be certified by the agency as qualified pursuant to law and the regulations of the agency. The agency must find that the firm or individual to be employed is fully qualified to render the required service. Among the factors to be considered in making this finding are the capabilities, adequacy of personnel, past record, and experience of the firm or individual.

(d) Each agency shall evaluate professional services, including capabilities, adequacy of personnel, past record, experience, whether the firm is a certified minority business enterprise as defined by the Florida Small and Minority Business Assistance Act of 1985, and other factors determined by the agency to be applicable to its particular requirements. When securing professional services, an agency must endeavor to meet the minority business enterprise procurement goals under *s. 287.09451*.

(e) The public must not be excluded from the proceedings under this section.

(4) *COMPETITIVE SELECTION.*

(a) For each proposed project, the agency shall evaluate current statements of qualifications and performance data on file with the agency, together with those that may be submitted by other firms regarding the proposed project, and shall conduct discussions with, and may require public presentations by, no fewer than three firms regarding their qualifications, approach to the project, and ability to furnish the required services.

(b) The agency shall select in order of preference no fewer than three firms deemed to be the most highly qualified to perform the required services. In determining whether a firm is qualified, the agency shall consider such factors as the ability of professional personnel; whether a firm is a certified minority business enterprise; past performance; willingness to meet time and budget requirements; location; recent, current, and projected workloads of

the firms; and the volume of work previously awarded to each firm by the agency, with the object of effecting an equitable distribution of contracts among qualified firms, provided such distribution does not violate the principle of selection of the most highly qualified firms. The agency may request, accept, and consider proposals for the compensation to be paid under the contract only during competitive negotiations under subsection (5).

(c) This subsection does not apply to a professional service contract for a project the basic construction cost of which is estimated by the agency to be not in excess of the threshold amount provided in s. 287.017 for CATEGORY FIVE or for a planning or study activity when the fee for professional services is not in excess of the threshold amount provided in s. 287.017 for CATEGORY TWO.

(d) Nothing in this act shall be construed to prohibit a continuing contract between a firm and an agency.

(5) *COMPETITIVE NEGOTIATION.*

(a) The agency shall negotiate a contract with the most qualified firm for professional services at compensation which the agency determines is fair, competitive, and reasonable. In making such determination, the agency shall conduct a detailed analysis of the cost of the professional services required in addition to considering their scope and complexity. For any lump-sum or cost-plus-a-fixed-fee professional service contract over the threshold amount provided in s. 287.017 for CATEGORY FOUR, the agency shall require the firm receiving the award to execute a truth-in-negotiation certificate stating that wage rates and other factual unit costs supporting the compensation are accurate, complete, and current at the time of contracting. Any professional service contract under which such a certificate is required must contain a provision that the original contract price and any additions thereto will be adjusted to exclude any significant sums by which the agency determines the contract price was increased due to inaccurate, incomplete, or noncurrent wage rates and other factual unit costs. All such contract adjustments must be made within 1 year following the end of the contract.

(b) Should the agency be unable to negotiate a satisfactory contract with the firm considered to be the most qualified at a price the agency determines to be fair, competitive, and reasonable, negotiations with that firm must be formally terminated. The agency shall then undertake negotiations with the second most qualified firm. Failing accord with the second most qualified firm, the agency must terminate negotiations. The agency shall then undertake negotiations with the third most qualified firm.

(c) Should the agency be unable to negotiate a satisfactory contract with any of the selected firms, the agency shall select additional firms in the order of their competence and qualification and continue negotiations in accordance with this subsection until an agreement is reached.

(6) *PROHIBITION AGAINST CONTINGENT FEES.*

(a) Each contract entered into by the agency for professional services must contain a prohibition against contingent fees as follows: "The architect (or registered surveyor and mapper or professional engineer, as applicable) warrants that he or she has not employed or retained any company or person, other than a bona fide employee working solely for the architect (or registered surveyor and mapper, or professional engineer, as applicable) to solicit or secure this agreement and that he or she has not paid or agreed to pay any person, company, corporation, individual, or firm, other than a bona fide employee working solely for the architect (or registered surveyor and mapper or professional engineer, as applicable) any fee, commission, percentage, gift, or other consideration contingent upon or resulting from the award or making of this agreement." For the breach or violation of this provision, the agency shall have the right to terminate the agreement without liability and, at its discretion, to deduct from the contract price, or otherwise recover, the full amount of such fee, commission, percentage, gift, or consideration.

(b) Any individual, corporation, partnership, firm, or company, other than a bona fide employee working solely for an architect, professional engineer, or registered land surveyor and mapper, who offers, agrees, or contracts to solicit or secure agency contracts for professional services for any other individual, company, corporation, partnership, or firm and to be paid, or is paid, any fee, commission, percentage, gift, or other consideration contingent upon, or resulting from, the award or the making of a contract for professional services shall, upon conviction in a competent court of this state, be found guilty of a first degree misdemeanor, punishable as provided in s. 775.082 or s. 775.083.

(c) Any architect, professional engineer, or registered surveyor and mapper, or any group, association, company, corporation, firm, or partnership thereof, who offers to pay, or pays, any fee, commission, percentage, gift, or other consideration contingent upon, or resulting from, the award or making of any agency contract for professional services

shall, upon conviction in a state court of competent authority, be found guilty of a first degree misdemeanor, punishable as provided in s. 775.082 or s. 775.083.

(d) Any agency official who offers to solicit or secure, or solicits or secures, a contract for professional services and to be paid, or is paid, any fee, commission, percentage, gift, or other consideration contingent upon the award or making of such a contract for professional services between the agency and any individual person, company, firm, partnership, or corporation shall, upon conviction by a court of competent authority, be found guilty of a first degree misdemeanor, punishable as provided in s. 775.082 or s. 775.083.

(7) *AUTHORITY OF DEPARTMENT OF MANAGEMENT SERVICES.* --Notwithstanding any other provision of this section, the Department of Management Services shall be the agency of state government which is solely and exclusively authorized and empowered to administer and perform the functions described in subsections (3), (4), and (5) respecting all projects for which the funds necessary to complete same are appropriated to the Department of Management Services, irrespective of whether such projects are intended for the use and benefit of the Department of Management Services or any other agency of government. However, nothing herein shall be construed to be in derogation of any authority conferred on the Department of Management Services by other express provisions of law. Additionally, any agency of government may, with the approval of the Department of Management Services, delegate to the Department of Management Services authority to administer and perform the functions described in subsections (3), (4), and (5). Under the terms of the delegation, the agency may reserve its right to accept or reject a proposed contract.

(8) *STATE ASSISTANCE TO LOCAL AGENCIES.* --On any professional service contract for which the fee is over \$ 25,000, the Department of Transportation or the Department of Management Services shall provide, upon request by a municipality, political subdivision, school board, or school district, and upon reimbursement of the costs involved, assistance in selecting consultants and in negotiating consultant contracts.

(9) *APPLICABILITY TO DESIGN-BUILD CONTRACTS.*

(a) Except as provided in this subsection, this section is not applicable to the procurement of design-build contracts by any agency, and the agency must award design-build contracts in accordance with the procurement laws, rules, and ordinances applicable to the agency.

(b) The design criteria package must be prepared and sealed by a design criteria professional employed by or retained by the agency. If the agency elects to enter into a professional services contract for the preparation of the design criteria package, then the design criteria professional must be selected and contracted with under the requirements of subsections (4) and (5). A design criteria professional who has been selected to prepare the design criteria package is not eligible to render services under a design-build contract executed pursuant to the design criteria package.

(c) Except as otherwise provided in s. 337.11(7), the Department of Management Services shall adopt rules for the award of design-build contracts to be followed by state agencies. Each other agency must adopt rules or ordinances for the award of design-build contracts. Municipalities, political subdivisions, school districts, and school boards shall award design-build contracts by the use of a competitive proposal selection process as described in this subsection, or by the use of a qualifications-based selection process pursuant to subsections (3), (4), and (5) for entering into a contract whereby the selected firm will subsequently establish a guaranteed maximum price and guaranteed completion date. If the procuring agency elects the option of qualifications-based selection, during the selection of the design-build firm the procuring agency shall employ or retain a licensed design professional appropriate to the project to serve as the agency's representative. Procedures for the use of a competitive proposal selection process must include as a minimum the following:

1. The preparation of a design criteria package for the design and construction of the public construction project.
2. The qualification and selection of no fewer than three design-build firms as the most qualified, based on the qualifications, availability, and past work of the firms, including the partners or members thereof.
3. The criteria, procedures, and standards for the evaluation of design-build contract proposals or bids, based on price, technical, and design aspects of the public construction project, weighted for the project.
4. The solicitation of competitive proposals, pursuant to a design criteria package, from those qualified design-build firms and the evaluation of the responses or bids submitted by those firms based on the evaluation criteria and procedures established prior to the solicitation of competitive proposals.

5. For consultation with the employed or retained design criteria professional concerning the evaluation of the responses or bids submitted by the design-build firms, the supervision or approval by the agency of the detailed working drawings of the project; and for evaluation of the compliance of the project construction with the design criteria package by the design criteria professional.

6. In the case of public emergencies, for the agency head to declare an emergency and authorize negotiations with the best qualified design-build firm available at that time.

(10) *REUSE OF EXISTING PLANS.* --Notwithstanding any other provision of this section, there shall be no public notice requirement or utilization of the selection process as provided in this section for projects in which the agency is able to reuse existing plans from a prior project of the agency, or, in the case of a board as defined in s. 1013.01, a prior project of that or any other board. Except for plans of a board as defined in s. 1013.01, public notice for any plans that are intended to be reused at some future time must contain a statement that provides that the plans are subject to reuse in accordance with the provisions of this subsection.

(11) *CONSTRUCTION OF LAW.* --Nothing in the amendment of this section by chapter 75-281, Laws of Florida, is intended to supersede the provisions of ss. 1013.45 and 1013.46.

HISTORY: ss. 1, 2, 3, 4, 5, 6, 7, 8, ch. 73-19; ss. 1, 2, 3, ch. 75-281; s. 1, ch. 77-174; s. 1, ch. 77-199; s. 10, ch. 84-321; ss. 23, 32, ch. 85-104; s. 57, ch. 85-349; s. 6, ch. 86-204; s. 1, ch. 88-108; s. 1, ch. 89-158; s. 16, ch. 90-268; s. 15, ch. 91-137; s. 7, ch. 91-162; s. 250, ch. 92-279; s. 55, ch. 92-326; s. 1, ch. 93-95; s. 114, ch. 94-119; s. 10, ch. 94-322; s. 868, ch. 95-148; s. 2, ch. 95-410; s. 45, ch. 96-399; s. 38, ch. 97-100; s. 1, ch. 97-296; s. 80, ch. 98-279; s. 55, ch. 2001-61; s. 63, ch. 2002-20; s. 944, ch. 2002-387.

LexisNexis (R) Notes:

CASE NOTES

1. Trial court erred in dismissing taxpayer's suit to enjoin city from contracting for architectural and engineering services without competitive bidding in violation of Fla. Stat. ch. 287.055 and Fla. Const. art. 8, § 2(b); taxpayer had standing to sue to prevent illegal expenditure of public funds that would increase taxpayer's tax burden. *Bull v. Atlantic Beach*, 463 So. 2d 336, 1985 Fla. App. LEXIS 11850, 10 Fla. L. Weekly 142 (Fla. Dist. Ct. App. 1st Dist. 1985), quashed by 476 So. 2d 158, 1985 Fla. LEXIS 3742, 10 Fla. L. Weekly 488 (Fla. 1985).

2. Florida explicitly recognized the danger of contingent fee contracts in the Consultants' Competitive Negotiation Act, wherein, anyone rendering a "professional service", e.g., architects, engineers or land surveyors, entering into a contract with a municipality must warrant that he has not retained a consultant to secure the contract and that he has not agreed to pay the consultant a fee contingent upon or resulting from the award pursuant to the contract. *Hialeah Gardens v. John L. Adams & Co.*, 599 So. 2d 1322, 1992 Fla. App. LEXIS 5135, 17 Fla. L. Weekly D 1154 (Fla. Dist. Ct. App. 3d Dist. 1992), review denied by 613 So. 2d 5, 1992 Fla. LEXIS 2383 (Fla. 1992).

3. Florida explicitly recognized the danger of contingent fee contracts in the Consultants' Competitive Negotiation Act, wherein, anyone rendering a "professional service", e.g., architects, engineers or land surveyors, entering into a contract with a municipality must warrant that he has not retained a consultant to secure the contract and that he has not agreed to pay the consultant a fee contingent upon or resulting from the award pursuant to the contract. *Hialeah Gardens v.*

John L. Adams & Co., 599 So. 2d 1322, 1992 Fla. App. LEXIS 5135, 17 Fla. L. Weekly D 1154 (Fla. Dist. Ct. App. 3d Dist. 1992), review denied by 613 So. 2d 5, 1992 Fla. LEXIS 2383 (Fla. 1992).

4. Trial court erred in dismissing taxpayer's suit to enjoin city from contracting for architectural and engineering services without competitive bidding in violation of Fla. Stat. ch. 287.055 and Fla. Const. art. 8, § 2(b); taxpayer had standing to sue to prevent illegal expenditure of public funds that would increase taxpayer's tax burden. *Bull v. Atlantic Beach*, 463 So. 2d 336, 1985 Fla. App. LEXIS 11850, 10 Fla. L. Weekly 142 (Fla. Dist. Ct. App. 1st Dist. 1985), quashed by 476 So. 2d 158, 1985 Fla. LEXIS 3742, 10 Fla. L. Weekly 488 (Fla. 1985).

5. City's procedures contravened legislative intent and undermined the effectiveness of the Consultant's Competitive Negotiation Act because the bidding procedure did not effectuate an equitable distribution of contracts pursuant to Fla. Stat. ch. 287.055(4), or assure that the architectural fees paid by the city indirectly were fair, competitive, or reasonable pursuant to Fla. Stat. ch. 287.055(5). *Lynn Haven v. Bay County Council of Registered Archts.*, 528 So. 2d 1244, 1988 Fla. App. LEXIS 3395, 13 Fla. L. Weekly 1683 (Fla. Dist. Ct. App. 1st Dist. 1988).

6. City ordinance, which required professional firms to submit a quotation of fees in bidding on city contracts, was not inconsistent with the Consultants' Competitive Negotiations Act, Fla. Stat. ch. 287.055, which made budget considerations a factor in the selection of professional firms. *Jacksonville v. Reynolds, Smith & Hills*, 424 So. 2d 63, 1982 Fla. App. LEXIS 21768 (Fla. Dist. Ct. App. 1st Dist. 1982).

TREATISES AND ANALYTICAL MATERIALS

1. 74 Fla. Bar J. 38, FEATURE: PUBLIC-PRIVATE PARTNERSHIPS IN PROVIDING WATER AND WASTEWATER UTILITY SERVICE: THE TREND TOWARD PRIVATIZATION IN FLORIDA, by Kathryn G.W. Cowdery, October, 2000.

LAW REVIEWS

1. 48 Fla. L. Rev. 1, FLORIDA APA SYMPOSIUM: AN OVERVIEW OF THE 1996 ADMINISTRATIVE PROCEDURE ACT, January, 1996

2. 27 Stetson L. Rev. 1127, RECENT DEVELOPMENT: PUBLIC EDUCATION Boards: Branch of Government, Winter, 1998

3. 30 Stetson L. Rev. 837, ARTICLE: Florida's Law of Storms: Emergency Management, Local Government, and the Police Power, Winter, 2001

4. 13 Fla. St. U.L. Rev. 681, REVIEW OF FLORIDA LEGISLATION; ARTICLE: THE SMALL AND MINORITY BUSINESS ASSISTANCE ACT OF 1985: A UNIFIED APPROACH TO FLORIDA BUSINESS, FALL, 1985

Memo

To: KLWTD Board of Commissioners
From: Carol Simpkins, CMC
CC: KLWTD Staff
Date: January 19, 2005
Re: Tab 9

Attached is the backup for TAB 9 on your agenda.



Public Resources Management Group, Inc.
Utility, Rate, Financial and Management Consultants

January 14, 2005

Mr. Thomas M. Dillon
Attorney at Law
Key Largo Wastewater Treatment District
P.O. Box 491
Key Largo, FL 33037

Subject: Agreement to Provide Utility Rate Consulting Services

Dear Mr. Dillon:

Public Resources Management Group, Inc. (PRMG) is pleased to submit this letter agreement (the "Agreement") to provide wastewater utility consulting services on behalf of the Key Largo Wastewater Treatment District (the "District"). It is our understanding that PRMG's responsibilities will be to provide utility consulting services as it relates to developing a system development charge and wastewater monthly service charge on behalf of the District. The project is planned to be conducted in two parts or tasks which will result in two separate reports. The first part includes preparation of a preliminary wastewater system development charge for the entire District service area in support of certain financing activities currently being undertaken by the District. The second part includes the preparation of a study to develop the wastewater rates for the initial service areas within the District as described herein. Based on our understanding of the District's needs, we propose the following:

PROJECT TEAM AND BILLING RATES

With respect to the performance of this engagement, Mr. Robert J. Ori, principal-in-charge, and Mr. Tony Hairston, project manager, will be the primary contacts between the District and PRMG. PRMG may utilize other employees or associates during the course of the engagement as needed. The services covered by this Agreement shall be provided based on the direct labor rates set out in Attachment A which is made a part of this Agreement.

SCOPE OF SERVICES

A scope of services to be performed by PRMG relative to this Agreement is included herein as Attachment B, which is made part of this Agreement.

COMPENSATION AND BILLING

For the purposes of this Agreement, the maximum not-to-exceed contract relative to providing the consulting services to the District for the period beginning with the authorization of this Agreement will be \$25,000. This not-to-exceed contract amount includes the existing general utility consulting services contract between PRMG and the District dated July 22, 2004 which included a not-to-exceed contract price of \$5,000. Therefore, this Agreement represents an additional \$20,000 to the ultimate cost to provide the utility consulting services as requested by the District. The billings for the services provided pursuant to this Agreement and in accordance with the project budget will include the direct cost of personnel anticipated to be assigned to the project as well as any other direct costs such as travel, telephone, and copying, printing and shipping charges and subconsulting expenses. The costs incurred by PRMG for such other direct costs, if any, will be billed to the District based on the reimbursement schedule as reflected in Attachment A.

It is proposed that PRMG will bill monthly for services relative to this Agreement based on the hourly amount of time spent by the project team members, the other direct costs incurred and the pass-through of any sub-consulting costs that may be required for the engagement. PRMG does not anticipate the need for sub-consultant services during the course of the engagement. To the extent that PRMG determines a need for subconsultant services, PRMG will notify the District of such need and will not employ or use any sub-consultant without the approval of authorized District personnel. No additional services above the cost estimate will be performed without the prior written authorization of the District.

TERMS AND CONDITIONS

Standard terms and conditions, that are made part of this Agreement, are set forth in Attachment C.

Mr. Thomas M. Dillon
Key Largo Wastewater Treatment District
January 14, 2005
Page 3

We appreciate the opportunity to submit this Agreement to the District to provide utility consulting services. We have enclosed two (2) copies of this Agreement for your consideration. If this Agreement is acceptable, please execute both documents and return one (1) copy to our offices; the other copy is for the District's files. Again, we appreciate this opportunity to submit this Agreement and look forward to working with both you and the District in the near future.

Very truly yours,

Public Resources Management Group, Inc.

ACCEPTED BY:

Key Largo Wastewater Treatment District

Robert J. Ori
President

Name

Title

Date

WITNESS:

Name

Title

Date

Attachments

ATTACHMENT A

KEY LARGO WASTEWATER TREATMENT DISTRICT UTILITY RATE CONSULTING SERVICES

SCHEDULE OF DIRECT LABOR HOURLY RATES AND STANDARD COSTS

DIRECT HOURLY RATES

Project Team Title	Direct Labor Hourly Rate [*]
Principal	\$140.00
Associate	\$120.00
Executive Consultant	\$105.00
Supervising Consultant	\$ 95.00
Senior Consultant	\$ 85.00
Rate Consultant	\$ 75.00
Senior Rate Analyst	\$ 65.00
Rate Analyst	\$ 55.00
Assistant Analyst	\$ 45.00
Administration	\$ 45.00

[*] Direct labor hourly rates effective through December 31, 2005; rates will be adjusted by five percent (5%) annually for invoices rendered after January 1st of each year thereafter until project completion or as mutually agreed between parties.

OTHER DIRECT COST STANDARD RATES

	Standard Other Direct Cost Rates
Mileage Allowance – Use of Personal Vehicle	\$0.29 per Mile
Copy Charges (Black and White) (In house)	\$0.010 per page
Copy Charges (Color) (In house)	\$0.50 per page
Copy Charges (contracted)	Actual Cost
Computer Charges	No Charge
Use of Subconsultant	5% of Subconsultant Invoices to PRMG
Telephone Charges	Actual Cost
Delivery and Shipping Charges	Actual Cost
Lodging/Other Incidental Costs	Actual Cost
Meals Incurred during Travel [*]	
Breakfast	\$3.00
Lunch	\$6.00
Dinner	\$12.00
Other Direct Project Costs	Actual Cost

[*] Amounts pursuant to Florida Statutes, Section 112.061, which will be adjusted if statute modified, for the duration of this Agreement.

ATTACHMENT B

KEY LARGO WASTEWATER TREATMENT DISTRICT UTILITY RATE CONSULTING SERVICES

SCOPE OF SERVICES

The scope of services to be performed by Public Resources Management Group, Inc. (PRMG) as it relates to the implementation of a wastewater utility system is summarized below by major task. The Project will be performed in two (2) parts or tasks. The parts include i) the development of a System Development Charge and ii) the development of initial wastewater rates for services. The following represents the tasks to complete both parts of the project.

Task 1. Data Acquisition and Review – In order to initiate the project, PRMG will work with the District and its consultants to obtain information, statistical and demographic data, reports, and other information relative to the implementation of the wastewater utility system. PRMG will prepare a data request to obtain information prepared by or on behalf of the District as part of its ongoing wastewater implementation process as well as obtain information from other utilities or sources as considered necessary (e.g. Florida Keys Aqueduct Authority) in order to finance the utility and establish initial rates for service.

Task 2. Develop Preliminary Wastewater System Development Charges – PRMG will develop initial system development charges for the District's entire wastewater service area. It is anticipated that the preliminary system development charges will include a wastewater treatment/disposal component, a transmission component, and a collection component. However, it is envisioned that the preliminary system development charges will not vary according to service area location (e.g. – northern service area versus southern service area). This task will include the cost of design, construction, and project administration, identification of any interest cost incurred during construction, recognition of contributed capital to offset customer capital costs, and the identification of the equivalent dwelling units to design the charge. The result of our analysis will be presented in a letter report format to support Monroe County's use of sales tax financing for funding a portion of the District's project cost. PRMG will attend one (1) public hearing associated with this task.

Task 3. Customer Forecast – In order to develop the rates for service and revenue, it will be necessary to develop a customer and usage forecast of the wastewater system. PRMG, working with the District's consulting engineers and data derived from other sources, including possibly information from the Florida Keys Aqueduct Authority (i.e. water billing data); PRMG will prepare a forecast of the customer accounts, Equivalent Dwelling Units (EDU) and, based on available information, wastewater sales for the utility system. PRMG will rely on the wastewater master planning documents associated with the development of the EDU process for rate design purposes. A five-year customer forecast will be developed to identify trends in financial needs and the ability of rates to meet the overall revenue requirements of the utility system. This task is limited to the service areas currently under development in the northern area of the District.

Task 4. Financial Forecast – PRMG will develop a five-year financial forecast of the anticipated wastewater utility system for consideration by the District for financial planning and

initial monthly rate design purposes. The financial forecast will recognize changes in operating expenses due to inflation, system growth, and additional funding requirements as identified by the District and its consulting engineers; ii) the cost of financing the utility system; and iii) the projection of other revenue requirements based on the overall needs of the utility system and its financial and funding policies identified during the development of the overall budgets. It is anticipated that this financial forecast will serve as the basis for the design of rates such that rates will be sufficient in all years to meet the overall revenue requirements and financial needs of the utility system. The financial forecast will be prepared such that to the extent external financing activities are required the financial forecast can be used to help secure external funds (e.g. utility revenue bonds or State Revolving Loan Fund program loans).

Task 5. Develop Initial Wastewater System Development Charges – PRMG will develop estimated wastewater rates for the District sufficient to meet the estimated wastewater revenue requirements during the five-year projection period. This will involve the allocation of the projected revenue requirements between the various rate attributes (i.e., base charge and volume charge) and the development of the estimated billing determinants (equivalent units) for rate design purposes. An annual rate index will be considered in order for the monthly rates to keep pace with the effects of inflation on the cost of providing service.

Task 6. Rate Comparisons – PRMG will prepare a comparison of the preliminary wastewater rates and system development charges for the District with the adopted rates and fees of other neighboring or similar utility systems throughout the Florida Keys.

Task 7. Report and Presentation – PRMG will prepare a report documenting the assumptions, analyses, and recommendations or conclusions for consideration by the District. PRMG will prepare the necessary information to present the financial plan, the estimated financial impact to the customer receiving service, and any other information made available to or by PRMG for consideration by the District. PRMG will attend one (1) public hearing associated with this task.

Task 8. Meetings – It is anticipated that during the course of this engagement, that PRMG will need to attend meetings with staff, its consulting engineers, and legal counsel in order to prepare the financial plan and associated customer impact analysis for consideration by the District. For the purposes of this scope of services and the cost estimate included herein in the Agreement, PRMG has assumed the attendance of two (2) onsite/teleconference meetings with its staff. A summary of meetings, including presentation of results, is included below:

Description	Number of Meetings
Review Financial Forecast/Utility Rates	2
Presentation to District	2
Total Meetings	4

ADDITIONAL SERVICES

During the course of the engagement, the District may request additional services from PRMG. Although no additional services are anticipated at this time, PRMG will perform such services only as mutually agreed between the District and PRMG in writing. Examples of utility rate consulting services, which would be considered as an additional service, include, but are not limited to, the following activities:

1. Attendance of meetings in addition to what is contemplated in the scope of services reference above. For the purposes of this Agreement, it is estimated that the cost of each additional meeting (assuming an 8-hour day) would approximate \$1,500, which would include travel, time and materials associated with attendance of such meetings.
2. Preparation of a bond feasibility report and/or loan documents to obtain financing for the construction of the wastewater utility system.
3. Preparation of a public information program and attendance at any meetings with affected customers, interested third parties, or other public agencies relative to the implementation of the wastewater utility system.
4. The development of a detailed utility ordinance and rate resolution for adoption by the District.
5. The preparation of additional capital and financial scenarios beyond what is generally contemplated in this scope of services; including the preparation of additional financial scenarios after substantial completion of the financial forecast and its delivery to the District for consideration.

DELIVERY SCHEDULE

The preparation of the letter report in support of the preliminary system development charges will be prepared within 30 days of execution of this Agreement. The preparation of the utility rate study will be prepared by August 31, 2005. This schedule is dependent on data availability and the information provided by the District's consultants and others and the overall financial needs of the District.

I. SCOPE

Public Resources Management Group, Inc. (PRMG) agrees to perform the utility consulting services described in the agreement that incorporates these standard terms and conditions. Unless modified in writing by the parties hereto, the duties of PRMG shall not be construed to exceed those services specifically set forth in the agreement.

II. COMPENSATION

The Client, as defined in the agreement, agrees to pay for the services as billed within thirty (30) days of receiving the invoice. Amounts paid after thirty (30) days may be subject to interest charges.

Time-related charges will be made in accordance with the billing rate referenced in the agreement. Other indirect expenses and subcontractor services, if any, will be billed in accordance with the standard unit cost rates as referenced in the agreement or if no reference is provided, at cost.

III. RESPONSIBILITY

PRMG is employed to render a professional service only, and any payments made by Client are compensation solely for such services rendered and recommendations made in carrying out the work. PRMG shall perform analyses, provide opinions, make factual presentations, and provide professional advice and recommendations.

IV. INDEMNIFICATION

PRMG agrees to indemnify, defend, and hold Client harmless from and against any liability arising out of the negligent errors or negligent omissions of PRMG, its agents, employees, or representatives, in the performance of duties set forth in Article I.

V. INSURANCE

PRMG shall maintain during the life of the agreement the following minimum insurance:

1. Comprehensive general liability insurance, including personal injury liability, blanket contractual liability, and broad form property damage liability. The combined single limit for bodily injury and property damage shall be not less than \$1,000,000.
2. Automobile bodily injury and property damage liability insurance covering owned, non-owned, rented, and hired cars. The combined single limit for bodily injury and property damage shall be not less than \$1,000,000.
3. Statutory worker's compensation and employers' liability insurance as required by state law.
4. Professional liability insurance.

VI. ASSIGNMENT

These terms and conditions and the agreement to which they are attached are binding on the heirs, successors, and assigns of the parties hereto. This agreement may not be assigned by Client or PRMG without prior, written consent of the other.

VII. INTEGRATION

These terms and conditions and the agreement to which they are attached represent the entire understanding of Client and PRMG as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered herein. The agreement may not be modified or altered except in writing signed by both parties.

VIII. JURISDICTION

This agreement shall be administered and interpreted under the laws of the State of Florida. Jurisdiction of litigation arising from the agreement shall be in that state. If any part of the agreement is found to be in conflict with applicable laws, such part shall be inoperative, null and void insofar as it is in conflict with said laws, but the remainder of the agreement shall be in full force and effect.

IX. SUSPENSION OF WORK

Client may suspend, in writing, all or a portion of the work under the agreement in the event unforeseen circumstances beyond Client's control make normal progress of the work impossible. PRMG may request that the work be suspended by notifying Client, in writing, of circumstances that are interfering with the normal progress of work. PRMG may suspend work on the project in the event Client does not pay invoices when due. The time for completion of the work shall be extended by the number of days work is suspended. In the event that the period of suspension exceeds 90 days, the terms of the agreement are subject to renegotiation and both parties are granted the option to terminate work on the suspended portion of the project, in accordance with Article VIII.

X. TERMINATION OF WORK

Client may terminate all or a portion of the work covered by the agreement for its convenience. Either party may terminate work if the other party fails to perform in accordance with the provisions of the agreement. Termination of the agreement is accomplished by 15 days prior written notice from the party initiating termination to the other. Notice of termination shall be delivered by certified mail with receipt for delivery returned to the sender.

In the event of termination, PRMG shall perform such additional work as is necessary for the orderly filing of documents and closing of the project. The time spent on such additional work shall not exceed 5 percent of the time expended on the terminated portion of the project prior to the effective date of termination. PRMG shall be compensated for work actually performed prior to the effective date of termination plus the work required for filing and closing as described in this Article.

XI. ARBITRATION

All claims, disputes and other matters in question between the parties to this agreement arising out of or relating to this agreement or the breach

thereof, which are not disposed by mutual agreement of the parties, shall be decided by arbitration in accordance with the Florida Arbitration Code. No arbitration arising out of or relating to this agreement shall include any person not a party to this agreement except by written consent containing a specific reference to this agreement and signed by the parties hereto and persons to be joined. This agreement to arbitrate shall be specifically enforceable under prevailing arbitration law.

Notice of demand for arbitration shall be filed in writing with the other parties to this agreement. The demand shall be made within a reasonable time after the claim, dispute or other matter in question has arisen, but in no event after the date when the institution of legal or equitable proceedings would be barred by the applicable statute of limitations. The award rendered by the arbitrators shall be final and judgment may be entered in accordance with applicable law in any court having jurisdiction.

PRMG

Attachment
Key Largo Wastewater Treatment District

Project Cost Estimate for Wastewater Utility Consulting Services

Line No.	Activity	Principal	Supervising Consultant	Senior Consultant	Rate Consultant	Senior Rate Analyst	Rate Analyst	Admin	Totals
Project Billing Rates (\$/Hr.)									
1	Data Acquisition and Review	2	4	0	0	2	2	1	11
2	Preliminary Identification of EDUs by Phase	2	4	0	0	4	4	0	14
3	Analysis of Capital Expenditure and Funding by Phase	2	4	0	0	4	4	0	14
4	Develop Preliminary System Dev. Charges	4	8	0	0	4	4	0	20
5	System Development Charge Letter Report	6	12	0	0	0	0	8	26
6	Develop of Five-Year Customer Forecast	1	6	0	0	6	6	0	19
7	Develop of Five-Year Financial Forecast	2	16	0	0	24	24	0	66
8	Develop Initial Wastewater Rates and Comparisons	1	4	0	0	4	4	0	13
9	Preparation of Wastewater Rate Study Report	6	24	0	0	4	4	16	54
10	Meetings and Meeting Preparation (4 Total)	16	16	0	0	2	2	4	40
11	Total Phase I Activities Hours	42	98	0	0	54	54	29	277
12	Direct Labor Cost	\$5,670	\$9,310	\$0	\$0	\$3,510	\$2,970	\$1,305	\$22,765
13	Average Hourly Billing Rate								\$82.18
Allowance for Indirect Costs									
14	Miscellaneous (Phone/Postage/Copies/Etc.)								\$250
15	Travel Expenses (4 Round Trips, Airfare, Hotel, Car Rental, Parking, etc.)								2,000
16	Total Allowance for Indirect Costs								2,250
17	Total								\$25,015
18	Total Project Cost (Rounded)								\$25,000

**JANUARY 19, 2005
KLWTD BOARD MEETING
AGENDA PACKAGE**

**Key Largo Wastewater Treatment District
Board of Commissioner's Meeting**

AGENDA PACKAGE

**Charles Brooks
Gary Bauman
Andrew Tobin
Claude Bullock
Glenn Patton**

**Chairman
Vice Chairman
Secretary
Commissioner
Commissioner**

.....
**Charles F. Fishburn
Thomas Dillon
Carol Simpkins**

**General Manager
District Counsel
Board Clerk**

CAROL SIMPKINS

Send Tom Polley

**KEY LARGO WASTEWATER TREATMENT DISTRICT BOARD OF
COMMISSIONERS MEETING**

AGENDA

Info Pak - no report

Wednesday, January 19, 2005 at 5:00 PM

Key Largo Civic Club, 209 Ocean Bay Drive

Key Largo, FL

Charles Brooks

Gary Bauman

Andrew Tobin

Glenn Patton

Claude Bullock

Chairman

Vice Chairman

Secretary-Treasure

Commissioner

Commissioner

.....
Charles F. Fishburn

Thomas Dillon

Carol Simpkins

General Manager

District Counsel

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.

A. CALL TO ORDER

B. PLEDGE OF ALLEGIANCE

C. ROLL CALL

D. APPROVAL OF AGENDA WITH ANY ADDITIONS OR DELETIONS

E. APPROVAL OF MINUTES

1. January 5, 2005

(Action)

TAB 1

F. PUBLIC COMMENT

*Check
last meeting minutes
for Robert's Rules*

G. FINANCIAL OFFICER'S REPORT

- | | | |
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K. COMMISSIONER ITEMS

- | | |
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ITEMS OF ONGOING CONCERN

- a. Procedures
- b. Website Development
- c. Agency Coordination

L. ADJOURNMENT

January 19, 2005

Call to order 505 pm

Pledge: Brooks

Roll Call

Member	Yes	No	Other	Present
Commissioner Andrew Tobin	<input checked="" type="checkbox"/>			
Commissioner Gary Bauman	<input checked="" type="checkbox"/>			
Commissioner Glenn Patton	<input checked="" type="checkbox"/>			
Commissioner Claude Bullock	<input checked="" type="checkbox"/>			
Chairman Charles Brooks	<input checked="" type="checkbox"/>			

Approval of Agenda

at 6:30 to 7 PM - item 9 - Rate Study

13- Website update - Blatter-

14 Federal funding update

15 Paper

16 BOCC

} Brooks

Motion

G/Can

Second

C/Audge

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

Approval of Minutes 1.5.05

Motion *Glenn*

Second *Claude*

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

Public Comment

NONE

FINANCIAL OFFICER'S REPORT

Pending Payments List

Andy - Progress Audit Payment - MAY 14 - Can Mac says Progress Billing
Andy no itemized time
Andy no bills
Claude - inter - MAY 14

Motion: *Glenn*

Second *GARY*

NO SUPPORTING DOCUMENTATION

Member	Yes	No	Other	Present
Commissioner Andrew Tobin		<input checked="" type="checkbox"/>		
Commissioner Gary Bauman	<input checked="" type="checkbox"/>			
Commissioner Glenn Patton	<input checked="" type="checkbox"/>			
Commissioner Claude Bullock	<input checked="" type="checkbox"/>			
Chairman Charles Brooks	<input checked="" type="checkbox"/>			

2004 CAFR

VACANT 2 wks
NOT BACK until 2 pay after next meeting
BRICK BACK 2nd meeting Feb. w/Auditor

Motion

Second

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

Operating Budget Report

Motion

Second

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

Discussion of DCA Cesspits Grant Funds

*Tom identify - count
or ?
definition -*

Motion

Second

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

Legal Counsel Report

Loan Agreement Approved sent for re-execution

Motion

Second

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

Engineer's Report

Key Largo Trailer Village progress report

12-20
900

switched to AIRVAC

Phat working on VACAMPOT
Del ferret - 100 Redwood
class 1 ment

AIRVAC
Claude - Rediger 3 yr warranty AIRVAC 2 yr warranty
Glen - meet dates - Chuck yes
GARY Projected END DATE
on monthly

Motion

Second

Member	Yes	No	Other
Commissioner Tobin			
Commissioner Bauman			
Commissioner Bullock			
Commissioner Patton			
Chairman Brooks			

Engineers Report
Lake Surprise Sexton Cove RFQ

Motion

Second

Member	Yes	No	Other
Commissioner Tobin			
Commissioner Brooks			
Commissioner Bullock			
Commissioner Patton			
Chairman Bauman			

Mangers Report

Key Largo Park Update

Chuck intent galret A
MUTAL TERMINATION Then go out w/ sealed bids on
PARK (Request prices same scope of additional contractors)
SEAL FIRM FOR 60 DAYS NO NEGOTIATIONS

TOM - Higgins in De Facto no revised prices

~~Steen~~

2-B" Authority to term. Higgins under term most VARIABLE
TO DISTRICT.

Andy Declare default

TOM - 1 TAKE over work
2 Assign to surety at bid price

Motion GARY

Second ANDY

Send DEFALT
Letter out

Member	Yes	No	Other
Commissioner Tobin	yes ✓		
Commissioner Bauman	yes ✓		
Commissioner Bullock	✓		
Commissioner Patton	✓		
Chairman Brooks	✓		

5/0

Rate Study

Aug DATE To Long - Claude
CAN WORK w/A project schedule issue

Andy - ADD TO CONTRACT
Economy of scale & detailed invoice

NOT TO EXCEED CONTRACT - yes
Provide spread sheet

Chuck Bond Report -
COST

21 Preliminary Policy
WASTE WATER Rules
COMMITTEE - Glenn/Chuck
When need TONDED

1.
Motion TO APPROVE w/ Following
Gary
Second Andy

Member	Yes	No	Other
Commissioner Tobin	✓		
Commissioner Bauman	✓		
Commissioner Bullock	✓		
Commissioner Patton	✓		
Chairman Brooks	✓		

9/0

Commissioner's Items

Sexton Cove RFQ cost for County Reimbursements.

Joe Patenauro
Blown + Caldwell - Hoping to Submit - NO (no contract)

Motion ANDY Sent out SOR - ~~start~~ ~~process~~
START Recommendation Process.
Second GARY

Member	Yes	No	Other
Commissioner Tobin	1 ✓		
Commissioner Bauman	2 ✓		
Commissioner Bullock	✓		
Commissioner Patton	✓		
Chairman Brooks	✓		

5/0

Commissioner's Item

BOCC
Amy Brek

Discussion on Policy and Rules for Commissioners participating by phone at meetings.

GARY - TALKED TO COM NELSON / WILL REVIEW WAS PRESIDENT
TO PAY FIRST TAKE TO BOCC IN KEYHARGO ^{CHIEF} Bd SENT FORMAL
REQUEST TO TAKE TO BOARD

STAFF DRAW UP DRAFT RESO FOR WELLER CONTRACT
#84,000

Motion

Second

Member	Yes	No	Other
Commissioner Tobin			
Commissioner Bauman			
Commissioner Bullock			
Commissioner Patton			
Chairman Brooks			

Phone Meeting

Commissioner's Items

Discussion on a policy for Board approval on ~~all public notices before they are released.~~

Andy- Absent COM- EXTRAORDINARY CIRCUMSTANCES
TO PARTICIPATE BY PHONE

1. Need oversight (2-2 vote)

2. or leave up to com.

TOM- have to have oversight

Specify what qualifies

Can PARTICIPATE in EXP or CIRCUMSTANCES

Motion

Second

Member	Yes	No	Other
Commissioner Tobin			
Commissioner Bauman			
Commissioner Bullock			
Commissioner Patton			
Chairman Brooks			

RATIFY \$500,000 PORTION

Andy, Cary, Glenn - next Agenda

Project Development Team

work on since 1997

Motion Brooks A D J O R N O

Second

Andy

9:21 PM

Member	Yes	No	Other
Commissioner Tobin			
Commissioner Bauman			
Commissioner Bullock			
Commissioner Patton			
Chairman Brooks			

Motion

Second

Member	Yes	No	Other
Commissioner Tobin			
Commissioner Bauman			
Commissioner Bullock			
Commissioner Patton			
Chairman Brooks			

)
Motion to adjourn:

Seconded by:

Adjournment: Time 9:

**KEY LARGO WASTEWATER TREATMENT DISTRICT BOARD OF
COMMISSIONERS MEETING**

AGENDA

Wednesday, January 19, 2005 at 5:00 PM

**Key Largo Civic Club, 209 Ocean Bay Drive
Key Largo, FL**

**Charles Brooks
Gary Bauman
Andrew Tobin
Glenn Patton
Claude Bullock**

**Chairman
Vice Chairman
Secretary-Treasure
Commissioner
Commissioner**

.....
**Charles F. Fishburn
Thomas Dillon
Carol Simpkins**

**General Manager
District Counsel
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.

A. CALL TO ORDER

B. PLEDGE OF ALLEGIANCE

C. ROLL CALL

D. APPROVAL OF AGENDA WITH ANY ADDITIONS OR DELETIONS

E. APPROVAL OF MINUTES

1. January 5, 2005

(Action)

TAB 1

F. PUBLIC COMMENT

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