KEY LARGO WASTEWATER TREATMENT
DISTRICT
BOARD OF COMMISSIONERS
BOARD MEETING AGENDA

Sept. 18, 2012 4:00 PM
98880 Overseas Hwy
Key Largo, FL 33037

Robert Majeska
Andrew Tobin
Charles Brooks
Norman Higgins

Chair
Vice Chair
Secretary-Treasurer
Commissioner

Margaret Blank
Ray Giglio
Carol Walker

General Manager
General Counsel
District 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 District Clerk at 305 451-4019 at least 48 hours in advance to request accommodations.

A. CALL TO ORDER - PLEASE MUTE CELL PHONES
B. PLEDGE OF ALLEGIANCE
C. ROLL CALL
D. APPROVAL OF AGENDA WITH ANY ADDITIONS, DELETIONS, OR CONTINUANCES
E. PUBLIC COMMENT
   Individual comments have a 3 minute limit; Organizations have a 5 minute limit. General comment (non-agenda items) will be heard at this time; Specific agenda items will be heard right before the item. Speaker cards must be turned in before the meeting starts.
F. BULK ITEMS
   1. Sept. 11, 2012 Minutes

G. FINANCIAL REPORT
   2. Report of Cash, Revenues, and Expenditures

H. COMMISSIONER'S ITEMS

I. ENGINEER'S REPORT

J. LEGAL COUNSEL REPORT

K. GENERAL MANAGER'S REPORT
   3. Vacuum Station “A” Report
   4. Insurance Renewal
   5. Bishop, Rosasco & Co. Work Authorization
   6. Auditor

L. COMMISSIONERS ROUNDTABLE

M. ADJOURNMENT
KEY LARGO WASTEWATER TREATMENT DISTRICT

Agenda Request Form

Meeting Date: Sept. 18, 2012

[ ] PUBLIC HEARING
[ ] DISCUSSION
[X] ACTION ITEM
[ ] Other:

SUBJECT: Minutes of Sept. 4, 2012

RECOMMENDED MOTION/ACTION: Approval

Approved by General Manager  
Date: 9/18/2012

<table>
<thead>
<tr>
<th>Originating Department: Clerk</th>
<th>Costs: $</th>
<th>Attachments: Minutes</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Funding Source:</td>
<td></td>
</tr>
</tbody>
</table>

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

[ ] Engineering
[ ] Clerk

Advertised:
Date:
Paper:
[X] Not Required

Summary Explanation/Background:
The Key Largo Wastewater Treatment District Board of Commissioners met for a Transition Meeting at 4:02 PM. Present were Chairman Robert Majeska, Commissioners Andrew Tobin, (arriving at 4:10 pm) Norman Higgins, and Charles Brooks. Also present were the General Manager Margaret Blank, General Counsel, Ray Giglio, District Clerk Carol Walker, and other appropriate District Staff.


Commissioner Higgins led the Pledge of Allegiance.

APPROVAL OF AGENDA
Commissioner Brooks moved the Manager Items to just after the Minutes. The General Manager removed the Auditor Item and added an item on Code Compliance and Connections.

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

Vote on Motion

<table>
<thead>
<tr>
<th>Member</th>
<th>Yes</th>
<th>No</th>
<th>Other</th>
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</thead>
<tbody>
<tr>
<td>Commissioner Higgins</td>
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<tr>
<td>Chairman Majeska</td>
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<tr>
<td>Commissioner Brooks</td>
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<tr>
<td>Commissioner Tobin</td>
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<td>Absent</td>
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</table>

Motion passed 3 to 0

MINUTES
Sept. 4, 2012

Motion: Commissioner Brooks made a motion to approve the Minutes of Sept. 4, 2012. Commissioner Higgins seconded the motion.
Vote on Motion

<table>
<thead>
<tr>
<th>Member</th>
<th>Yes</th>
<th>No</th>
<th>Other</th>
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</thead>
<tbody>
<tr>
<td>Commissioner Higgins</td>
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<tr>
<td>Chairman Majeska</td>
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<td>Commissioner Brooks</td>
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<tr>
<td>Commissioner Tobin</td>
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<td>Absent</td>
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</tbody>
</table>

Motion passed 3 to 0

GENERAL MANAGER REPORT

Odor Update
Margaret Blank, General Manager reviewed the progress being made to control the odor at Vacuum Station “A”. The carbon is being changed out currently. A new replacement program is being put into effect for the carbon medium.

Grinder Pump Update
Margaret Blank reviewed the report on grinder pumps.

Connections
143 properties will be turned over to Monroe County Code Compliance for not connecting to the KLWTD Sewer.

LEGAL COUNSEL REPORT

Compensation
Ray Giglio, District Counsel presented his case for a raise to $90,000 in compensation.

Motion: Commissioner Tobin made a motion to increase Mr. Giglio’s compensation to $7,500 a month for 6 months with a review at the end of 6 months to determine if he will be kept on full time or go to hourly. Commissioner Higgins seconded the motion.

Vote on Motion

<table>
<thead>
<tr>
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<tr>
<td>Commissioner Higgins</td>
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<tr>
<td>Commissioner Tobin</td>
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</tbody>
</table>

Motion passed 3 to 1

Commissioner Brooks would rather see Mr. Giglio’s hours of work be reduced rather than increasing his compensation. He would like staff and the Board to reduce the work load that they are giving to the District Counsel.

Sept. 11, 2012
District Counsel Assignment
Chairman Majeska asked Commissioner Brooks if he should ask the District Counsel if it is legal if the Chairman of the Board were to nominate a sitting Board Member to fill Commissioner Hammaker's remaining term. Commissioner Brooks stated he did not think that the Chairman needed to do that.

ADJOURNMENT
The KLWTD Board adjourned the Board Meeting at 5:44 PM.

The KLWTD meeting minutes of Sept. 11, 2012 were approved on Sept. 18, 2012.

_________________________________________
Chairman Majeska

_________________________________________
Carol Walker, CMC District Clerk

Sept. 11, 2012
Meeting Date: September 18, 2012

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

SUBJECT: Report of Cash, Revenues and Expenditures

RECOMMENDED MOTION/ACTION: Approve Report of Cash, Revenues and Expenditures schedule contingent upon availability of funds.

Approved by General Manager Date: 9/13/2012

Originating Department: Finance

<table>
<thead>
<tr>
<th>Costs:</th>
<th>Acct. #</th>
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<tbody>
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Funding Source:

<table>
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<tr>
<th>Department Review:</th>
<th>Engineering</th>
<th>Clerk</th>
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<tbody>
<tr>
<td>[] District Counsel</td>
<td></td>
<td></td>
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<tr>
<td>[] General Manager</td>
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<tr>
<td>[X] Finance</td>
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</tr>
</tbody>
</table>

Attachments: Report of Cash, Revenue & Expenditures Schedule

Advertised:

Date: ________________
Paper: ________________
[X] Not Required

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

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

Please initial one.

Summary Explanation/Background:

Report of Cash, Revenues and Expenditures for Board review and approval contingent upon availability of funds.

Resulting Board Action:

☐ Approved ☐ Tabled ☐ Disapproved ☐ Recommendation Revised
Key Largo Wastewater Treatment District
Prepared by Connie Fazio - September 13, 2012

Consolidated Cash in Banks at 08/31/2012

<table>
<thead>
<tr>
<th>Account Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Capital Bank Operating Account (reconciled)</td>
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<td>Petty Cash Account - Hurricane Emergency</td>
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<td>BB&amp;T General Operating Account (reconciled)</td>
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<td>BB&amp;T Payroll Account (reconciled)</td>
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<td>Community Bank of Florida Operating Account (reconciled)</td>
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<td><strong>Total Operating Accounts</strong></td>
<td><strong>$1,836,158.20</strong></td>
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Operating Revenues

<table>
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<tr>
<th>Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Wastewater Service Revenue 8/25-8/31/12</td>
<td>$172,611.53</td>
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<tr>
<td>Misc. Deposits</td>
<td>$0.00</td>
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<tr>
<td><strong>Total Current Deposits:</strong></td>
<td><strong>$172,611.53</strong></td>
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</tbody>
</table>

Bank Acct Balances + Deposits: $2,008,769.73

Less Expenditures Sept. 18, 2012 Payments (see next page) $245,487.05

Cash Balance after Sept. 18, 2012 payments $1,763,282.68
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<th>Operations</th>
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<td>SimplexGrinnell: 5 Year Service Agreement- Fire Alarm Test and Inspection, Parts &amp; Labor</td>
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<td>Ted Beighey: Exp. Report: Mileage Reimbursement: 8/7-8/31/12</td>
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<td>The UPS Store: 2012 Assessment Notices, Phase 15 30 Day Notices</td>
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<td>Toshiba Business Solutions: Color Copies at District Office: 5/31-8/30/12</td>
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<td>Verizon Wireless: Wireless Phone Service</td>
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<td>Brad Shank: Mileage Reimburse: Aug. 2012</td>
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<td>Dumont Company: Chemicals</td>
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<td>FKAA: Water - Vac Station JK</td>
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<td>Keys Sanitary Service: Plant &amp; District Office Trash &amp; Recycling</td>
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<td>Michael Dempsey: Workpants &amp; Workboot Reimbursement</td>
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<td>Sunshine State One Call of FL- Utility Location Notification August 2012</td>
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<td>Weiler Engineering: Pay App #11 Biosolids Management Planning &amp; Design</td>
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<td>Zephyrhills Direct: Water</td>
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<td>Joe Kasper: Reimbursement to Homeowner for Plumbing Service Call: 8/10/12</td>
<td>$268.75</td>
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<td>Weiler Engineering: Pay App #10 C905-Grinder Pump Design &amp; Permitting</td>
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<td>2898</td>
<td>August Payroll: Staff Salaries &amp; Taxes</td>
<td>$43,928.80</td>
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</tbody>
</table>

Approved for payment

Chairman Robert Majeska
Charles Brooks, Secretary/Treasurer

Date
KEY LARGO WASTEWATER TREATMENT DISTRICT

Agenda Request Form

Meeting Date: Sept. 18, 2012

[] PUBLIC HEARING
[X] DISCUSSION
[ ] ACTION ITEM
[ ] Other:

SUBJECT: Odor Report

RECOMMENDED MOTION/ACTION:

Approved by General Manager

Date: 9/18/2012

Table:

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<tr>
<td>[ ] District Counsel</td>
<td>[ ] Engineering</td>
<td></td>
</tr>
<tr>
<td>[X] General Manager</td>
<td>[X] Clerk</td>
<td></td>
</tr>
<tr>
<td>[ ] Finance</td>
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</tr>
</tbody>
</table>

Summary Explanation/Background: The General Manager will give a verbal report.
Commissioners;

So far so good on Vac A. We’ve gotten some positive feedback from the neighbors and no new complaints since the carbon was changed. However, staff did notice that very little air was not moving through the carbon media vessel. Staff corrected that problem and the system seems to be working correctly.

We received a complaint on Vac D yesterday. We are testing today to see what we need to do – jet the lines, change the lava rock, change the carbon, all of the above.

We are ordering spare carbon, which must be kept in a climate controlled environment. We plan to store it at the office building at the White Rhino. That space is unoccupied for the time being.

Chris is teaching the collections crew how to perform testing on the system so that anyone on the crew can troubleshoot the odor control units at any time.

We are also searching for a longer-lasting, more effective carbon or possibly a different odor control solution altogether. But our immediate focus is on eliminating the odor so that our customers are not affected while we go through this process.

Margaret
Meeting Date: September 18, 2012

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

[ ] Other:

SUBJECT: TR Jones Insurance Policy Renewal for FY2013

RECOMMENDED MOTION/ACTION: Review and approve insurance policy renewal documents

Approved by General Manager Date: 9/13/2012

<table>
<thead>
<tr>
<th>Originating Department:</th>
<th>Costs:</th>
<th>Attachments: Applicant status spreadsheet</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finance</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Department Review:</th>
<th>Engineering</th>
<th>Clerk</th>
</tr>
</thead>
<tbody>
<tr>
<td>[ ] District Counsel</td>
<td>[ ] General Manager</td>
<td>Finance</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Acct. #</th>
<th>Advertised:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Date:</td>
</tr>
<tr>
<td></td>
<td>Paper:</td>
</tr>
</tbody>
</table>
[ ] Not Required  
[X] Not Required

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

Yes I have notified everyone or Not applicable in this case. Please initial one.
General Member Information

Name: Key Largo Wastewater Treatment District
Mailing: P. O. Box 491
City/State/Zip: Key Largo, FL 33037
Physical: 19880 Overseas Highway

City/State/Zip: Key Largo, FL 33037
Phone #: 305-453-5804 Fax #: 305-453-5807

Member Contact Information
Contact: Connie Fazio
Title: Financial Dept
Phone #: 305-451-4019 Ext. 214 Fax #:
Email: connie@klwtd.com

Additional Member Information
FEIN: 830344274 NCCI Risk ID: 091613816
Population: 35000
County: Monroe
Member Type: Water and/or Sewer Treatment District

Agency Information
Agency: T. R. Jones - Homestead
Address: P. O. Box 1505
City/State/Zip: Homestead, FL 33030
Phone #: 305-247-5121 Fax #: 305-248-8543

Agency Contact Information
Contact: Patti Spires
Phone #: 305-453-4333 Fax #:
Email: pspires@trjones.com

CERTIFICATION
The undersigned being authorized by, and acting on behalf of the applicant and all persons/concerns seeking insurance, has read and understands this application, including any appendices and/or supplements, and declares that all statements set forth herein are true, complete and accurate. The undersigned acknowledges and agrees that the submission and the Trust's receipt of such written report, prior to the inception of the coverage agreement applied for, is a condition precedent to coverage.

The signing of this Application does not bind the undersigned to purchase the coverage, nor does the review of same bind The Trust to issue a coverage agreement. This application shall be the basis of the contract, should one be issued.

This Application must be signed by the "Ranking Elected / Appointed Official" of the Entity making the application (e.g. Mayor / Manager / equivalent Officer) or the Risk Manager (or ranking official) assigned this function.

SIGNATURE:
TITLE:
DATE:

NOTICE TO APPLICANT
For your protection, the following Fraud Warning is required to appear on this application:

FLORIDA FRAUD STATEMENT
Any person who knowingly and with intent to injure, defraud or deceive any insurer, files a statement of claim or an application containing any false, incomplete or misleading information is guilty of a felony of the third degree.

"I hereby authorize the release of claims information from any Prior Insurer/Carrier/Trust to PRU &/or PGIT."
Preferred
GOVERNMENTAL INSURANCE TRUST

PUBLIC ENTITY
SIGNATURE PAGE

Covered Party: Key Largo Wastewater Treatment District
Agreement Number: PK FL1 0444006 12-05
Coverage Period: From 10/01/2012 to 10/01/2013

I hereby confirm that limits/coverages as shown hereunder, corresponding with the Coverage Agreement, are correct:

- Property TIV: $17,038,811 Buildings & Contents Combined
  - Inland Marine: $115,999 Contractor's / Mobile Equipment
  - $50,000 Electronic Data Processing Equipment
  - Not Included Communication Equipment
  - Not Included Emergency Services Portable Equipment
  - Not Included Fine Arts
  - Not Included Other Inland Marine
  - Not Included Rented, Borrowed, Leased Equipment
  - $50,000 Valuable Papers
  - Not Included Watercraft

- I reject property TRIA (Terrorism Risk Insurance Act) coverage

- Automobile: 16 # of Units - Auto Liability
  - 9 # of Units - Comprehensive
  - 9 # of Units - Collision

I hereby confirm that I have received a copy of PGIT's Current Interlocal Agreement (which was last amended October 1, 2004)

I confirm having read and agreed to the terms as laid out in the attached PGIT Participation Agreement (which also requires a signature)

Please remember that a signed copy of the following are also required:
- First Page of PGIT application
- Uninsured Motorist Rejection / Election form, if applicable
- Professional Liability (POL / EPLI or ELL / EPLI) application, if applicable.

Signature 
Title 
Date 

Name 

Please note: Failure to return this signature page could result in cancellation of coverage.

The brief description of coverage contained in this document is being provided as an accommodation only and is not intended to cover or describe all Coverage Agreement terms. For more complete and detailed information relating to the scope and limits of coverage, please refer directly to the Coverage Agreement documents. Specimen forms are available upon request.
<table>
<thead>
<tr>
<th>Line of Coverage</th>
<th>Expiring Limits</th>
<th>Renewal Limits</th>
<th>Expiring Premium</th>
<th>Renewal Premium</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property - schedule attached</td>
<td>$18,459,144</td>
<td>$17,038,811</td>
<td>$197,888</td>
<td>$161,697</td>
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<td></td>
<td>Total $1,000</td>
<td>Total $25,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Deductible 5%</td>
<td>Deductible 5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Windstorm</td>
<td>Windstorm</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Deductible</td>
<td>Deductible</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loss of Income</td>
<td>$150,000</td>
<td>$150,000</td>
<td>$1,463</td>
<td>$1,225</td>
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<td>Equipment Breakdown</td>
<td>$27,661,464</td>
<td>$27,661,464</td>
<td>$8,328</td>
<td>$7,200</td>
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<tr>
<td></td>
<td>$5,000</td>
<td>$5,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Deductible</td>
<td>Deductible</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>5% Windstorm</td>
<td>5% Windstorm</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Deductible</td>
<td>Deductible</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inland Marine - schedule attached</td>
<td>$396,338</td>
<td>$215,999</td>
<td>$2,576</td>
<td>$1,264</td>
</tr>
<tr>
<td></td>
<td>$5,000 AOP</td>
<td>$5,000 AOP</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Deductible</td>
<td>Deductible</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>5% Windstorm</td>
<td>5% Windstorm</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Deductible</td>
<td>Deductible</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Crime</td>
<td>N/A</td>
<td>$100,000</td>
<td>N/A</td>
<td>$1,221</td>
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<tr>
<td></td>
<td>Employee</td>
<td>$100,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Dishonesty</td>
<td>$100,000</td>
<td></td>
<td></td>
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<tr>
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<td>Forgery</td>
<td>$100,000</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>Computer Fraud</td>
<td>$1,221</td>
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</tr>
<tr>
<td>General Liability/ Professional</td>
<td>$5,000,000</td>
<td>$1,000,000</td>
<td>$37,963</td>
<td>$21,468</td>
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<tr>
<td>Liability</td>
<td>w/ 0 Deductible</td>
<td>w/ $25,000</td>
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<td></td>
</tr>
<tr>
<td>Public Officials and Employment</td>
<td>$5,000,000</td>
<td>$1,000,000</td>
<td>$21,882</td>
<td>$16,354</td>
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<tr>
<td>Practices Liability</td>
<td>w/ 0 Deductible</td>
<td>w/ $25,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Automobile - schedule attached</td>
<td>$5,000,000</td>
<td>$5,000,000</td>
<td>$10,302</td>
<td>$7,300</td>
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<tr>
<td></td>
<td>Estimated payrolls</td>
<td>Estimated payroll</td>
<td>$34,089</td>
<td>$ 23,649</td>
</tr>
<tr>
<td>----------------------</td>
<td>--------------------</td>
<td>-------------------</td>
<td>---------</td>
<td>----------</td>
</tr>
<tr>
<td>Workers Compensation</td>
<td>$1,762,219</td>
<td>$1,544,044</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SUB-TOTAL</td>
<td>$316,719</td>
<td>$241,378</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agency Service Fee</td>
<td>N/A</td>
<td>$ 23,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>$316,719</td>
<td>$264,378</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Renewal Application Muni [PK FL1 044406 12-05]

Coverage Term: 10/01/2012 - 10/01/2013
Member Name: Key Largo Wastewater Treatment District
Agency: T. R. Jones - Homestead

**COVERAGE INFORMATION - PROFESSIONAL LIABILITY - PUBLIC OFFICIALS & EMPLOYMENT PRACTICES**

THIS IS AN APPLICATION FOR "CLAIMS MADE AND REPORTED" COVERAGE

<table>
<thead>
<tr>
<th>POL/EPLI</th>
<th>New Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Indicate total employment turnover during the last 3 years for # Full-time employees terminated (vol/invol)</td>
<td>20</td>
</tr>
<tr>
<td>2 Indicate current number of employees employed less than 2 years:</td>
<td>21</td>
</tr>
<tr>
<td>3 What is the requested POL Limit?</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>4 What is the requested POL Deductible?</td>
<td>$25,000</td>
</tr>
<tr>
<td>5 What is the requested EPLI Limit?</td>
<td>1,000,000</td>
</tr>
<tr>
<td>6 What is the requested EPLI Deductible</td>
<td>$25,000</td>
</tr>
<tr>
<td>7 Total Number of Board Members</td>
<td>5</td>
</tr>
<tr>
<td>8 Are Board Members Elected? Y/N</td>
<td>Yes</td>
</tr>
<tr>
<td>9 If Board Members are appointed, by whom?</td>
<td></td>
</tr>
<tr>
<td>10 How many employees hold professional designations i.e. Attorneys, architects, engineers, accountants etc.</td>
<td>5</td>
</tr>
<tr>
<td>11 Has any bond issue been defeated within the past three years?</td>
<td></td>
</tr>
<tr>
<td>12 If yes, has the proposal been resubmitted, or is it expected to be resubmitted?</td>
<td></td>
</tr>
<tr>
<td>13 Has your public entity been in default on the principal or interest on any bond?</td>
<td></td>
</tr>
<tr>
<td>14 If yes to any of these questions, please give details:</td>
<td></td>
</tr>
<tr>
<td>15 Prior Carrier Information - Answer the following for New Business Quotes only. If renewal skip to next section.</td>
<td></td>
</tr>
<tr>
<td>16 New Business - Who is your current POL/EPLI carrier?</td>
<td></td>
</tr>
<tr>
<td>17 New Business - What is your current POL/EPLI Limit?</td>
<td></td>
</tr>
<tr>
<td>18 New Business - What is your current POL/EPLI Deductible?</td>
<td></td>
</tr>
<tr>
<td>19 New Business - Does your current POL/EPLI coverage have a Retroactive Date? If so, what is it?</td>
<td></td>
</tr>
<tr>
<td>20 Has your POL/EPLI coverage ever been cancelled or non-renewed?</td>
<td>No</td>
</tr>
<tr>
<td>21 If so, please explain</td>
<td></td>
</tr>
<tr>
<td>22 Do you have a zoning commission?</td>
<td>Yes</td>
</tr>
<tr>
<td>23 Does your legal counsel attend all meetings of the planning and zoning board?</td>
<td></td>
</tr>
<tr>
<td>24 Do officials receive training with respect to &quot;open meetings&quot; and hearing regulations?</td>
<td>Yes</td>
</tr>
<tr>
<td>25 Do you have a written master plan for economic development?</td>
<td>No</td>
</tr>
<tr>
<td>26 If so, date last updated?</td>
<td></td>
</tr>
<tr>
<td>27 Do you have formally approved land use ordinances that have been reviewed by legal counsel?</td>
<td></td>
</tr>
<tr>
<td>28 Do you have a formal procedure to file for a variance to land use statutes?</td>
<td></td>
</tr>
<tr>
<td>29 Do you have a formal process for application and approval of permits and licenses?</td>
<td></td>
</tr>
<tr>
<td>30 Do you have a formal written policy prohibiting elected officials and/or board members from sitting on decisions in which they may have a conflict of interest?</td>
<td>Yes</td>
</tr>
</tbody>
</table>
**Coverage Term:** 10/01/2012 - 10/01/2013

**Member Name:** Key Largo Wastewater Treatment District

**Agency:** T. R. Jones - Homestead

### COVERAGE INFORMATION - PROFESSIONAL LIABILITY - PUBLIC OFFICIALS & EMPLOYMENT PRACTICES

**THIS IS AN APPLICATION FOR "CLAIMS MADE AND REPORTED" COVERAGE**

#### POL/ELL/EPLI

<table>
<thead>
<tr>
<th>Question</th>
<th>Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>31 In the past 5 years have you had any disputes or claims involving a wrongful &quot;taking&quot;, zoning variance or land use right? If yes, provide details within loss summary.</td>
<td>No</td>
</tr>
<tr>
<td>32 In the past 5 years have you any disputes or claims involving the approval of building permits, design, or code enforcement? If yes, provide details within loss summary.</td>
<td>No</td>
</tr>
<tr>
<td>33 In the past 5 years have you had any disputes, claims or complaints involving open or closed landfills? If yes, provide details within loss summary.</td>
<td>No</td>
</tr>
<tr>
<td>34 What is the requested EPLI Retro Date?</td>
<td></td>
</tr>
<tr>
<td>35 For how many individuals (no FEIN) does applicant report earnings on IRS Form 1099?</td>
<td>0</td>
</tr>
<tr>
<td>36 Has there been a layoff of employees or reduction in service in the last three years?</td>
<td>Yes</td>
</tr>
<tr>
<td>37 Indicate total employment turnover during the last 3 years for # Full-time employees hired</td>
<td>12</td>
</tr>
<tr>
<td>38 Indicate total employment turnover during the last 3 years for # Part-time employees hired</td>
<td>0</td>
</tr>
<tr>
<td>39 Indicate total employment turnover during the last 3 years for # Part-time employees terminated (vol/invol)</td>
<td>0</td>
</tr>
<tr>
<td>40 Indicate current number of employees employed more than 10 years:</td>
<td>0</td>
</tr>
<tr>
<td>41 Indicate current number of employees employed between 2 -10 years:</td>
<td>11</td>
</tr>
<tr>
<td>42 Over the last 5 years has any person made a claim alleging unfair or improper treatment regarding employee hiring, remuneration, advancement, treatment or termination of employment? (If yes, provide details under separate cover):</td>
<td>See Below</td>
</tr>
<tr>
<td>43 Provide names &amp; positions of persons with whom any insured has written employment agreement(s)</td>
<td>All employees</td>
</tr>
<tr>
<td>44 In the past 5 years, has any claim been made or is now pending against the Entity or any person in his/her capacity as an official or employee of the entity? If yes, provide details within loss summary.</td>
<td>Yes</td>
</tr>
<tr>
<td>45 Within the past 5 years, has/does any official or employee have any knowledge of any fact, circumstance or situation which might reasonably be expected to give rise to a claim against them or against the entity? If so, please provide details.</td>
<td>No</td>
</tr>
<tr>
<td>46 Do supervisors receive training in the proper implementation of your policies and procedures?</td>
<td>Yes</td>
</tr>
<tr>
<td>47 Do you have a written employment manual including all personnel policies and procedures?</td>
<td>Yes</td>
</tr>
<tr>
<td>48 When was this manual last updated, date?</td>
<td>08/11/2011</td>
</tr>
<tr>
<td>49 Is this manual reviewed by counsel experienced and qualified in employment law?</td>
<td>Yes</td>
</tr>
<tr>
<td>50 Is this manual distributed to all employees upon hiring?</td>
<td>Yes</td>
</tr>
<tr>
<td>51 If no, please explain why not:</td>
<td></td>
</tr>
<tr>
<td>52 Do you have a written policy with respect to both sexual and non-sexual harassment?</td>
<td>Yes</td>
</tr>
</tbody>
</table>

**Initial** ____________  **Date** ____________
Renewal Application Muni [PK FL1 0444006 12-05]  
Coverage Term: 10/01/2012 - 10/01/2013  
Member Name: Key Largo Wastewater Treatment District  
Agency: T. R. Jones - Homestead

COVERAGE INFORMATION - PROFESSIONAL LIABILITY - PUBLIC OFFICIALS & EMPLOYMENT PRACTICES

THIS IS AN APPLICATION FOR "CLAIMS MADE AND REPORTED" COVERAGE

POL/EPLI

53 Do you follow a formal written procedure for employee disputes/complaints? Yes

54 Are all actions to dismiss or demote employees reviewed in advance by legal counsel? No

55 Do you require that due process be served and documented for all proceedings involving dismissal, demotion or suspension? Yes

56 Are all probationary or disciplinary actions recorded in writing and signed by the employee? Yes

57 Are you an Equal Opportunity Employer? Yes

58 Have job descriptions been drafted for regular full-time positions? Yes

PROFESSIONAL LIABILITY

IT IS AGREED THAT IF ANY SUCH FACT, CIRCUMSTANCE OR SITUATION NOT LISTED/DISCLOSED HEREIN, THEN ANY CLAIM BASED UPON, ARISING OUT OF, OR ATTRIBUTABLE THERETO, IS EXCLUDED FROM THE COVERAGE BEING APPLIED FOR.

The undersigned being authorized by, and acting on behalf of the applicant and all persons or concerns seeking coverage, has read and understands this Application, and declares all statements set forth herein are true, complete and accurate. The undersigned further declares and represents that any occurrence or event taking place prior to the inception of the coverage agreement applied for, which may render inaccurate, untrue or incomplete any statement made herein will immediately be reported in writing to the Trust. The undersigned acknowledges and agrees that the submission and the Trust's receipt of such written report, prior to the inception of the coverage agreement applied for, is a condition precedent to coverage.

The signing of this Application does not bind the undersigned to purchase coverage, nor does the review of this Application bind Preferred to issue a coverage agreement. This Application shall, however, be the basis of the contract, should a coverage agreement be issued.

Signed __________________________________ Title ______________________ Date ______________

This Application must be signed by the "Ranking Elected / Appointed Official" of the Entity making the application (e.g. Mayor /Manager / equivalent Officer) or the Risk Manager (or ranking official) assigned this function.

SIGNATORY ABOVE IS ALSO TO INITIAL EACH AND EVERY PAGE OF THIS APPLICATION.

IMPORTANT NOTICE: SHOULD THE SIGNED APPLICATION DIFFER IN ANY WAY FROM THE APPLICATION SUBMITTED FOR UNDERWRITING/RATING PURPOSES, THE TERMS, CONDITIONS AND PREMIUM AS REFLECTED ON QUOTE/BINDER/COVERAGE AGREEMENT MAY BE SUBJECT TO CHANGE.
General Member Information

Name: Key Largo Wastewater Treatment District
Mailing: P. O. Box 491

City/State/Zip: Key Largo, FL 33037
Physical: 98880 Overseas Highway

Phone #: 305-453-5804 Fax #: 305-453-5807

Contact: Connie Fazio
Title: Financial Dept
FEIN: 830344274 NCCI Risk ID:091613816
Populatation 25000
County: Monroe
Member Type: Water and/or Sewer Treatment District

Agency Information
Agency: T. R. Jones - Homestead
Address: P. O. Box 1505
City/State/Zip: Homestead, FL 33030
Phone #: 305-247-5121 Fax #: 305-248-8543

CERTIFICATION
The undersigned being authorized by, and acting on behalf of the applicant and all persons/concerns seeking insurance, has read and understands this application, including any appendices and/or supplements, and declares that all statements set forth herein are true, complete and accurate. The undersigned acknowledges and agrees that the submission and the Trust's receipt of such written report, prior to the inception of the coverage agreement applied for, is a condition precedent to coverage.

The signing of this Application does not bind the undersigned to purchase the coverage, nor does the review of same bind The Trust to issue a coverage agreement. This application shall be the basis of the contract, should one be issued.

This Application must be signed by the "Ranking Elected / Appointed Official" of the Entity making the application (e.g. Mayor / Manager / equivalent Officer) or the Risk Manager (or ranking official) assigned this function.

SIGNATURE: [Signature]
TITLE: [Title]
DATE: [Date]

NOTICE TO APPLICANT
For your protection, the following Fraud Warning is required to appear on this application:

FLORIDA FRAUD STATEMENT
Any person who knowingly and with intent to injure, defraud or deceive any insurer, files a statement of claim or an application containing any false, incomplete or misleading information is guilty of a felony of the third degree.

"I hereby authorize the release of claims information from any Prior Insurer/Carrier/Trust to PRU &/or PGIT."
YOU ARE ELECTING NOT TO PURCHASE CERTAIN VALUABLE COVERAGE WHICH PROTECTS YOU AND YOUR FAMILY OR YOU ARE PURCHASING UNINSURED MOTORISTS LIMITS LESS THAN YOUR BODILY INJURY LIABILITY LIMITS WHEN YOU SIGN THIS FORM. PLEASE READ CAREFULLY.

Uninsured Motorist coverage provides for payment of certain benefits for damages caused by owners or operators of uninsured motor vehicles because of bodily injury or death resulting there from. Such benefits may include payments for certain medical expenses, lost wages, and pain and suffering, subject to limitations and conditions contained in the Coverage Agreement. For the purpose of this coverage, an uninsured motor vehicle may include a motor vehicle as to which the bodily injury limits are less than your damages.

Florida law requires that automobile liability coverage agreements include Uninsured Motorist coverage at limits equal to the Bodily Injury limits in your coverage agreement unless you select a lower limit offered by the Trust, or reject Uninsured Motorist entirely. Please indicate whether you desire to entirely reject Uninsured Motorist coverage, or, whether you desire this coverage at limits lower than the Bodily Injury Liability limits of your Coverage Agreement:

☐.  a. I hereby reject Uninsured Motorist coverage.
☐.  b. I hereby select the following Uninsured Motorist limits which are lower than my Bodily Injury Liability Limits: each person (enter limit if applicable):
$100,000 each accident.
☐.  c. I hereby select Uninsured Motorist coverage limits equal to my Bodily Injury Liability limits. (If you select this option disregard the bold face statement above.)

ELECTION OF NON-STACKED COVERAGE
(Do not complete if you have rejected Uninsured Motorist)

You have the option to purchase, at a reduced rate, non-stacked (limited) type of Uninsured Motorists coverage. Under this form if injury occurs in a vehicle owned or leased by you or any family member who resides with you, this Coverage Agreement will apply only to the extent of coverage (if any) which applies to that vehicle in this Coverage Agreement. If an injury occurs while occupying someone else's vehicle, or you are struck as a pedestrian, you are entitled to select the highest limits of Uninsured Motorist coverage available on any one vehicle for which you are a Named Covered Party, covered family member, or covered resident of the Named Covered Party's household. This Coverage Agreement will not apply if you select the coverage available under any other Coverage Agreement issued to you or the Coverage Agreement of any other family member who resides with you.

If you do not elect to purchase the non-stacked form, your Coverage Agreement limit(s) for each motor vehicle are added together (stacked) for all covered injuries. Thus, your Coverage Agreement limits would automatically change during the Coverage Agreement term if you increase or decrease the number of autos covered under the Coverage Agreement.

☐.  I hereby elect the non-stacked form of Uninsured Motorist coverage.

I understand and agree that selection of any of the above options applies to my liability Coverage Agreement and future renewals or replacements of such Coverage Agreement which are issued at the same Bodily Injury Liability limits. If I decide to select another option at some future time, I must let the Trust or my agent know in writing.

Signed ________________________________
(Covered Party)

Signed ________________________________ Date: ________________________________
(Covered Party)

The brief description of coverage contained in this document is being provided as an accommodation only and is not intended to cover or describe all Coverage Agreement terms. For more complete and detailed information relating to the scope and limits of coverage, please refer directly to the Coverage Agreement documents. Specimen forms are available upon request.
THIS BROKER SERVICES AGREEMENT (this “Agreement”), effective October 1, 2012 (the “Effective Date”), is made by and between KEY LARGO WASTEWATER TREATMENT DISTRICT (“Company”), and the Homestead office of BROWN & BROWN OF FLORIDA, INC. DBA T.R. JONES & COMPANY (“Broker”).

Background

Broker is a licensed insurance agency in the State of Florida. Company has selected Broker to provide certain risk management and insurance program administration services relating to the Lines of Insurance (as hereinafter defined) and, for good and adequate consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Term. The term of this Agreement shall commence on the Effective Date and continue for a period of one (1) year, unless sooner terminated as herein provided.

2. Relationship of Parties. Broker is an independent contractor and nothing in this Agreement is intended to nor shall be construed to create an employer/employee relationship, a joint venture relationship or partnership relationship. In consideration of the compensation from the Company to the Broker, Broker is providing services to the Company as an insurance broker. However, Broker, or its parent company, Brown & Brown, Inc., and related or affiliated companies, may provide services as an insurance agent on behalf of certain insurance carriers or risk-bearing entities, for which services Broker may receive commission payments. Company acknowledges and expressly consents to such relationship, if applicable, in the rendition of services by Broker under this Agreement. Broker agrees that any such commissions payments received by Broker shall be handled in accordance with paragraph 5.(a) below.

3. Broker Services. Broker, subject to the terms of this Agreement, shall provide certain services set forth in the attached Schedule A (the “Services”), but only in relation to the following lines of insurance (collectively referred to as “Lines of Insurance”): (a) Property; (b) Inland Marine; (c) Crime; (d) Public Official Liability; (e) EPLI; (f) General Liability; (g) Commercial Automobile; (h) Equipment Breakdown; and (i) Workers’ Compensation.

Nothing in this Agreement shall be construed to impose any obligations on Broker, or limitations on Broker’s compensation, relative to any lines of insurance or coverages other than those specifically included in the Lines of Insurance delineated above.

4. Company Responsibilities. In consideration of the Services provided by Broker, Company agrees as follows:

(a) Company shall cooperate fully with Broker and the insurance companies with whom Broker solicits in the performance of Broker’s obligations in this Agreement.

(b) Company shall timely produce complete and accurate information including, but not limited to, current financial information, statements of values, loss information and any other information, necessary for the effectuation of insurance coverage at the request of Broker. Company further agrees to provide Broker with notice of any material changes in Company’s business operations, risk exposures or in any other material information provided under this Agreement. In addition, Company shall confirm the accuracy and recommend any changes to insurance policies issued to Company.
(c) This Agreement shall in no way obligate Company to procure any insurance or to use Broker for any insurance it wishes to procure. If, however, Company nonetheless chooses to procure its insurance through Broker:

5. **Compensation.** In consideration of the Services, Company shall compensate Broker through a “Broker Services Fee” in the amount of TWENTY THREE THOUSAND DOLLARS AND 00/100 ($23,000.00). The Broker Services Fee shall be fully earned and payable upon Company’s execution and delivery of this Agreement. If Company chooses to procure insurance through Broker, with regard to the Broker Services Fee, Company and Broker acknowledge and agree as follows:

(a) In the event that Broker receives commission payments in connection with the placement procurement of the Lines of Insurance for Company, the amount of such payments will be credited against the balance of the Broker Services Fee owed to Broker pursuant to this Agreement, and any commission amount in excess of such balance shall be promptly paid to Company within 30 days after receipt of such commission by Broker.

(b) In addition it is understood and agreed that Broker, or Broker’s corporate parent, subsidiaries or affiliated entities, may receive contingent payments or allowances from insurers based on factors which are not client-specific, such as the performance and/or size of an overall book of business produced with an insurer. Such contingent payments or allowances are not subject to this Agreement, and will not be credited against the balance of the Broker Services Fee owed to Broker pursuant to this Agreement or paid to Company. To the extent that any such contingent payments or allowances are the result of or pertain to the Services provided by Broker to Company, Broker shall, in a timely fashion, disclose to Company, the nature and extent of such contingent payments or allowances attributable to the Services provided herein.

(c) Broker may utilize insurance intermediaries (such as a wholesale insurance broker, managing general agent (MGA), managing general underwriter or reinsurance broker) for the placement of Company’s insurance. In addition to providing access to the insurance company, the intermediary may provide the following services: (i) risk placement; (ii) coverage review; (iii) claims liaison services with the insurance company; (iv) policy review; and (v) current market intelligence. The compensation received by the insurance intermediary for placements and, if applicable, the services above is typically in the range of 5% to 15% of policy premium. There may be an intermediary utilized in the placement of your insurance, which may or may not be a company owned by Brown & Brown Inc., the parent company of Broker. Any payments or allowances paid to the intermediary are not subject to this Agreement, and will not be credited against the balance of the fee owed to Broker pursuant to this Agreement or paid to Company. Any such payments or allowances paid to intermediaries on account of the Services provided by Broker to Company shall be disclosed to Company in a timely fashion.

(d) If Company chooses to finance its premiums, Broker may assist Company in the arrangement of such financing. Any payments or allowances paid to Broker for arranging premium financing are not subject to this section, and will not be credited against the balance of the fee owed to Broker pursuant to this Agreement or paid to Company.

(e) Broker may, in the ordinary course of its business, receive and retain interest on premiums paid by the Company from the date received by Broker until the date the premiums are remitted to the insurance company or intermediary. Any interest income retained by Broker on these premiums are not subject to this section, and will not be credited against the balance of the fee owed to Broker pursuant to this Agreement or paid to Company.
(f) Compensation for the Services specified under this Agreement are exclusive of all federal, state and local sales, use, excise, receipts, gross income and other similar taxes and governmental charges and fees. Any such taxes, charges or fees for the Services under this Agreement, now imposed or hereafter imposed during the term of this Agreement, shall be in addition to the compensation, premiums and charges set forth in this Agreement and shall be paid by Company upon request.

(g) Company acknowledges and agrees that the Broker Services Fee is reasonable in relation to the Services to be provided by Broker hereunder.

(h) The following Mandatory Florida Fee Agreement Disclosure language is required in any written fee agreement between Broker and its customer. However, the language and the specific terms and conditions contained in the paragraphs above shall control regarding any understanding of compensation notwithstanding the following Mandatory Florida Fee Agreement Disclosure language:

If Broker is being compensated based upon a fixed dollar amount or fixed percentage fee, meaning that this agreement specifies compensation and states that additional compensation will not be paid to Broker or any other party, then additional compensation is strictly prohibited. Similarly, if this agreement sets compensation based upon a fixed dollar amount or fixed percentage fee, and this agreement specifies that additional compensation shall be credited to the Company, then any additional compensation to any party must be promptly returned to the Company. If this agreement is not based upon such fixed fee terms, then no owned or affiliated party, including brokers, wholesale brokers or third party intermediaries, may accept any type of compensation without full disclosure by Broker to the Company of the dollar amount or percentage of compensation prior to binding coverage.

6. Termination.

(a) Either party may terminate this Agreement, without cause and for any reason whatsoever, or for no reason, by giving written notice of termination to the other party at least ninety (90) days prior to the effective date of termination, which shall be specified in such written notice.

(b) Notwithstanding the provisions in sub-paragraph (a) above, Company may terminate this Agreement upon the happening of any one of the following causes: (i) Suspension or termination of Broker’s insurance license in the State of Florida is not cured by Broker within sixty (60) days following such suspension or termination; (ii) Broker’s participation in any fraud; or (iii) Broker’s material failure to properly perform its duties and responsibilities hereunder because of Broker’s gross neglect, proven dishonesty, or commission of a felony.

(c) Notwithstanding the provisions in sub-paragraph (a) above, Broker may terminate this Agreement upon the happening of any one of the following causes: (i) Company’s failure to pay any Broker Services Fee more than thirty (30) days after such payment is due; (ii) Company’s material failure to properly perform its duties and responsibilities hereunder because of Company’s fraud, gross neglect, proven dishonesty, or commission of a felony.

Termination for any cause enumerated in sub-paragraphs (b) or (c) shall become effective upon the delivery of written notice of termination to the breaching party or at such later time as may be specified in the written notice.
(d) Termination of this Agreement shall not release Company from any accrued obligation to pay any sum to Broker (whether then or thereafter payable) or operate to discharge any liability incurred prior to the termination date.

(e) Termination of this Agreement shall not release Broker from its obligations hereunder with respect to any Services for which Company has already paid. If Company terminates this Agreement for good cause, pursuant to paragraph 6.(b) supra., Broker shall refund to Company any fees paid by Company to Broker for Services not yet performed.

7. Notices. Any notices required or permitted to be given under this Agreement shall be sufficient if in writing by Certified Mail to:

If to Company
Key Large Wastewater Treatment District
PO Box 491
Key Largo, FL 33037
Attn: Raymond Giglio, District Counsel
Email: rayg@klwtd

If to Broker:
Brown & Brown of Florida, Inc.
dba T.R. Jones & Company
1780 N. Krome Ave.
Homestead, FL 33030
Attn: Thomas R. Jones, Jr.
Email: trjones@bbhomestead.com

With a copy to:
Brown & Brown, Inc.
655 N. Franklin Street, Suite 1900
Tampa, Florida 33602
Attn: Carrie R. Brown, Corporate Counsel
Email: cbrown@bbinslegal.com

or such other address as either shall give to the other in writing for this purpose.

8. Severability. The invalidity or unenforceability of any provision of this Agreement shall in no way affect the validity or enforceability of any other provision.

9. Florida Law Applies; Venue. This Agreement has been made and executed in the State of Florida and shall be governed by and construed and enforced in accordance with the laws of the State of Florida, without regard to its conflicts of laws principles. Exclusive venue is agreed to be in a state or federal court of competent jurisdiction in or for Monroe County, Florida.

10. Waiver of Jury Trial. THE PARTIES WAIVE ANY RIGHT TO A TRIAL BY JURY IN THE EVENT OF LITIGATION ARISING OUT OF THIS AGREEMENT.

11. Assignment. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any of the parties hereto (whether by operation of law or otherwise) without the prior written consent of the other party, which consent shall not be unreasonably withheld, conditioned or delayed. This Agreement will be binding upon, inure to the benefit of, and be enforceable by the parties and their respective successors and permitted assigns.

12. Entire Agreement. This Agreement (including the documents and instruments referred to herein) constitutes the entire agreement and supersedes all prior agreements and understandings, both written and
oral, among the parties with respect to the subject matter hereof. The Agreement shall not be modified except by a written agreement dated subsequent to the date of this Agreement and signed on behalf of Company and Broker by their respective duly authorized representatives.

*********
IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

COMPANY:

Key Largo Wastewater Treatment District,
a Florida independent utility district

By: ____________________________
Name: ____________________________
Title: ____________________________

BROKER:

Brown & Brown of Florida, Inc.
dba T.R. Jones & Company
a Florida corporation

By: ____________________________
Name: Thomas R. Jones, Jr.
Title: Executive Vice President – Homestead office
SCHEDULE A

BROKER SERVICES

a. Evaluate Company’s business practices with regard to risk and possible transfer of risk to third parties and conduct regular, scheduled meetings with Company to review Company’s risk management program.

b. Review and analyze Company’s existing insurance coverage and identify potential lines of coverage or coverage enhancements to improve Company’s insurance program.

c. Analyze current insurance market conditions and advise Company of significant implications for Company’s insurance program.

d. Facilitate, market and procure quotations from carriers, review and analyze quotations and provide proposals for review by Company.

e. Secure and bind all coverages accepted by Company.

f. Coordinate loss prevention services provided by any insurance company with those services provided by Broker.

g. Analyze past and current claim and loss history information and advise Company of significant implications for Company’s insurance program.
BROKER SERVICES AGREEMENT

THIS BROKER SERVICES AGREEMENT (this “Agreement”), effective October 1, 2012 (the “Effective Date”), is made by and between KEY LARGO WASTEWATER TREATMENT DISTRICT (“Company”), and the Homestead office of BROWN & BROWN OF FLORIDA, INC. DBA T.R. JONES & COMPANY (“Broker”).

Background

Broker is a licensed insurance agency in the State of Florida. Company has selected Broker to provide certain risk management and insurance program administration services relating to the Lines of Insurance (as hereinafter defined) and, for good and adequate consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Term. The term of this Agreement shall commence on the Effective Date and continue for a period of one (1) year, unless sooner terminated as herein provided.

2. Relationship of Parties. Broker is an independent contractor and nothing in this Agreement is intended to nor shall be construed to create an employer/employee relationship, a joint venture relationship or partnership relationship. In consideration of the compensation from the Company to the Broker, Broker is providing services to the Company as an insurance broker. However, Broker, or its parent company, Brown & Brown, Inc., and related or affiliated companies, may provide services as an insurance agent on behalf of certain insurance carriers or risk-bearing entities, for which services Broker may receive commission payments. Company acknowledges and expressly consents to such relationship, if applicable, in the rendition of services by Broker under this Agreement. Broker agrees that any such commissions payments received by Broker shall be handled in accordance with paragraph 5.(a) below.

3. Broker Services. Broker, subject to the terms of this Agreement, shall provide certain services set forth in the attached Schedule A (the “Services”), but only in relation to the following lines of insurance (collectively referred to as “Lines of Insurance”): (a) Property; (b) Inland Marine; (c) Crime; (d) Public Official Liability; (e) EPLI; (f) General Liability; (g) Commercial Automobile; (h) Equipment Breakdown; and (i) Workers’ Compensation.

Nothing in this Agreement shall be construed to impose any obligations on Broker, or limitations on Broker’s compensation, relative to any lines of insurance or coverages other than those specifically included in the Lines of Insurance delineated above.

4. Company Responsibilities. In consideration of the Services provided by Broker, Company agrees as follows:

(a) Company shall cooperate fully with Broker and the insurance companies with whom Broker solicits in the performance of Broker’s obligations in this Agreement.

(b) Company shall timely produce complete and accurate information including, but not limited to, current financial information, statements of values, loss information and any other information, necessary for the effectuation of insurance coverage at the request of Broker. Company further agrees to provide Broker with notice of any material changes in Company’s business operations, risk exposures or in any other material information provided under this Agreement. In addition, Company shall confirm the accuracy and recommend any changes to insurance policies issued to Company.
(c) This Agreement shall in no way obligate Company to procure any insurance or to use Broker for any insurance it wishes to procure. If, however, Company nonetheless chooses to procure its insurance through Broker:

5. **Compensation.** In consideration of the Services, Company shall compensate Broker through a “Broker Services Fee” in the amount of TWENTY THREE THOUSAND DOLLARS AND 00/100 ($23,000.00). The Broker Services Fee shall be fully earned and payable upon Company’s execution and delivery of this Agreement. If Company chooses to procure insurance through Broker, with regard to the Broker Services Fee, Company and Broker acknowledge and agree as follows:

(a) In the event that Broker receives commission payments in connection with the placement procurement of the Lines of Insurance for Company, the amount of such payments will be credited against the balance of the Broker Services Fee owed to Broker pursuant to this Agreement, and any commission amount in excess of such balance shall be promptly paid to Company within 30 days after receipt of such commission by Broker.

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(c) Broker may utilize insurance intermediaries (such as a wholesale insurance broker, managing general agent (MGA), managing general underwriter or reinsurance broker) for the placement of Company’s insurance. In addition to providing access to the insurance company, the intermediary may provide the following services: (i) risk placement; (ii) coverage review; (iii) claims liaison services with the insurance company; (iv) policy review; and (v) current market intelligence. The compensation received by the insurance intermediary for placements and, if applicable, the services above is typically in the range of 5% to 15% of policy premium. There may be an intermediary utilized in the placement of your insurance, which may or may not be a company owned by Brown & Brown Inc., the parent company of Broker. Any payments or allowances paid to the intermediary are not subject to this Agreement, and will not be credited against the balance of the fee owed to Broker pursuant to this Agreement or paid to Company. Any such payments or allowances paid to intermediaries on account of the Services provided by Broker to Company shall be disclosed to Company in a timely fashion.

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(e) Broker may, in the ordinary course of its business, receive and retain interest on premiums paid by the Company from the date received by Broker until the date the premiums are remitted to the insurance company or intermediary. Any interest income retained by Broker on these premiums are not subject to this section, and will not be credited against the balance of the fee owed to Broker pursuant to this Agreement or paid to Company.
(f) Compensation for the Services specified under this Agreement are exclusive of all federal, state and local sales, use, excise, receipts, gross income and other similar taxes and governmental charges and fees. Any such taxes, charges or fees for the Services under this Agreement, now imposed or hereafter imposed during the term of this Agreement, shall be in addition to the compensation, premiums and charges set forth in this Agreement and shall be paid by Company upon request.

(g) Company acknowledges and agrees that the Broker Services Fee is reasonable in relation to the Services to be provided by Broker hereunder.

(h) The following Mandatory Florida Fee Agreement Disclosure language is required in any written fee agreement between Broker and its customer. However, the language and the specific terms and conditions contained in the paragraphs above shall control regarding any understanding of compensation notwithstanding the following Mandatory Florida Fee Agreement Disclosure language:

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6. Termination.

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(b) Notwithstanding the provisions in sub-paragraph (a) above, Company may terminate this Agreement upon the happening of any one of the following causes: (i) Suspension or termination of Broker’s insurance license in the State of Florida is not cured by Broker within sixty (60) days following such suspension or termination; (ii) Broker’s participation in any fraud; or (iii) Broker’s material failure to properly perform its duties and responsibilities hereunder because of Broker’s gross neglect, proven dishonesty, or commission of a felony.

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If to Company
Key Large Wastewater Treatment District
PO Box 491
Key Largo, FL 33037
Attn: Raymond Giglio, District Counsel
Email: rayg@klwtd

If to Broker:
Brown & Brown of Florida, Inc.
dba T.R. Jones & Company
1780 N. Krome Ave.
Homestead, FL 33030
Attn: Thomas R. Jones, Jr.
Email: trjones@bbhomestead.com

With a copy to:
Brown & Brown, Inc.
655 N. Franklin Street, Suite 1900
Tampa, Florida 33602
Attn: Carrie R. Brown, Corporate Counsel
Email: cbrown@bbinslegal.com

or such other address as either shall give to the other in writing for this purpose.

8. Severability. The invalidity or unenforceability of any provision of this Agreement shall in no way affect the validity or enforceability of any other provision.

9. Florida Law Applies; Venue. This Agreement has been made and executed in the State of Florida and shall be governed by and construed and enforced in accordance with the laws of the State of Florida, without regard to its conflicts of laws principles. Exclusive venue is agreed to be in a state or federal court of competent jurisdiction in or for Monroe County, Florida.

10. Waiver of Jury Trial. THE PARTIES WAIVE ANY RIGHT TO A TRIAL BY JURY IN THE EVENT OF LITIGATION ARISING OUT OF THIS AGREEMENT.

11. Assignment. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any of the parties hereto (whether by operation of law or otherwise) without the prior written consent of the other party, which consent shall not be unreasonably withheld, conditioned or delayed. This Agreement will be binding upon, inure to the benefit of, and be enforceable by the parties and their respective successors and permitted assigns.

12. Entire Agreement. This Agreement (including the documents and instruments referred to herein) constitutes the entire agreement and supersedes all prior agreements and understandings, both written and
oral, among the parties with respect to the subject matter hereof. The Agreement shall not be modified except by a written agreement dated subsequent to the date of this Agreement and signed on behalf of Company and Broker by their respective duly authorized representatives.

* * * * * * * *
IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

COMPANY:

Key Largo Wastewater Treatment District,
a Florida independent utility district

By: __________________________
Name: _________________________
Title: __________________________

BROKER:

Brown & Brown of Florida, Inc.
dba T.R. Jones & Company
a Florida corporation

By: __________________________
Name: Thomas R. Jones, Jr.
Title: Executive Vice President – Homestead office
SCHEDULE A

BROKER SERVICES

a. Evaluate Company's business practices with regard to risk and possible transfer of risk to third parties and conduct regular, scheduled meetings with Company to review Company's risk management program.

b. Review and analyze Company’s existing insurance coverage and identify potential lines of coverage or coverage enhancements to improve Company’s insurance program.

c. Analyze current insurance market conditions and advise Company of significant implications for Company’s insurance program.

d. Facilitate, market and procure quotations from carriers, review and analyze quotations and provide proposals for review by Company.

e. Secure and bind all coverages accepted by Company.

f. Coordinate loss prevention services provided by any insurance company with those services provided by Broker.

g. Analyze past and current claim and loss history information and advise Company of significant implications for Company’s insurance program.
KEY LARGO WASTEWATER TREATMENT DISTRICT
Agenda Request Form

Meeting Date: September 18, 2012

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

SUBJECT: Renew Rosasco contract

RECOMMENDED MOTION/ACTION: Approval.

Approved by General Manager __________________ Date: 9/13/2012

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| Attachments: Memorandum |

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<td>Paper:</td>
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<td>[X] Not Required</td>
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Summary Explanation/Background:

See attached.

Resulting Board Action:

☐ Approved    ☐ Tabled    ☐ Disapproved    ☐ Recommendation Revised
Memo

To: KLWTD Board
From: Margaret Blank, PE
Date: September 12, 2012
Re: Renewal of Bishop, Rosasco & Co. Contract

Introduction:

The District entered into an agreement with Bishop, Rosasco & Co. (Rosasco) on March 6, 2012. However, Rosasco actually began work in December 2011. At that time, the District was facing a crisis in the finance department.

Rosasco has billed approximately $69,000 of their $75,000 contract. Their work has been excellent and they have proven themselves to be a tremendous asset to the District. Therefore, I ask that the Board renew the contract in the amount of $75,000 for Fiscal Year 2013.

Accomplishments:

Listed below are a few of Rosasco's accomplishments.

1. Cleaned up and closed the books for FY2011. This process had not even begun when Rosasco began work on an emergency basis in December 2011.

2. Helped the District through a difficult audit process and made sure the CAFR was completed in a timely manner.

3. Sorted and classified unreimbursed invoices. In the process, many errors were found and corrected. All unreimbursed invoices that could be submitted for reimbursement were submitted for reimbursement. There are about $10M worth of unreimbursed invoices remaining that are ready to be submitted immediately to the Army Corps should that money come through.

4. Prepared quarterly financial reports for the General Manager and the Board.

5. Streamlined the budget process and coordinated the budget documents with the chart of accounts.

6. Continues to play a large role in securing Federal and State funding.

7. Provided assistance in preparing the 2012 Rate Study.

8. Provides general guidance and advice on financial matters.
**Ongoing Activities:**

Ongoing activities include the following.

1. The audit and the CAFR.
2. Continue preparing quarterly reports.
3. Oversee the budget process.
4. General ledger maintenance.
5. Reconciliations.
6. Prepare Qualified Public Depository reports.

**Look Ahead:**

In addition, to the ongoing activities listed previously, there are still challenges remaining.

1. The District desperately needs to upgrade its accounting software. The software we are using now does not have an adequate purchasing module, among other problems.
2. We need to review and, if necessary, improve our controls.
3. We need to continue our efforts to secure Federal and State funding.
4. We still need assistance with reimbursements, preparing the budget, and year-end activities.
5. We need assistance with restructuring and/or refinancing debt.
6. We need assistance in developing procedure manuals. Rosasco, as an outside CPA firm, is in a good position to monitor compliance.

**Conclusion**

I recommend that the Board approve Rosasco's contract in the amount of $75,000 for FY2013.
CONSULTANT AGREEMENT

THIS AGREEMENT is made and entered into as of the 20th day of December, 2011 between the Key Largo Wastewater Treatment District ("District") and Bishop, Rosasco & Company ("Consultant").

CONSULTANT AND DISTRICT agree as follows:

1. SERVICES. Consultant agrees to perform the services described in the Bishop, Rosasco & Co. letter of January 6, 2012, a copy of which is attached hereto as Attachment A. The express terms of this Consultant Agreement shall control and supersede any inconsistent terms in Attachment A.

2. COMPENSATION. Consultant shall be compensated at the rates of $240 per hour for the Finance Director's time, and $100 per hour for supporting staff's time. The total annual contract amount shall not exceed $75,000, without prior written approval of the District.

3. DISTRICT'S REPRESENTATIVE. The District General Manager or designee named herein shall be the representative who will serve as the primary contact for Consultant. Designee: 

4. TERMINATION. Either party upon thirty (30) days written notice may terminate this Agreement.

5. COMPLIANCE WITH LAW. Consultant agrees to render services in a manner that complies with all applicable laws, rules and regulations, including ethics laws, rules and regulations.

6. INDEPENDENT CONTRACTOR. Consultant agrees that it is an independent contractor. The District is interested only in the results of the Consultant's efforts, and Consultant shall be solely responsible for the method of performance of its duties under this Agreement and for all withholding taxes, including all federal, state and local taxes, and all worker's compensation insurance.

7. INVOICES. Consultant will invoice the District on a monthly basis for services performed in the preceding month. All invoices will be supported by narrative time sheets listing, with respect to each block of time: the name of the person providing the services: a brief description of the services provided; if the services consist of a meeting or phone call, the names of the other participants; the time spent, rounded up to the nearest 0.1 hour.

8. PAYMENT OF INVOICES. Under Sections 218.73 and 218.74, Florida Statutes, payment is due not more than 45 days after receipt of a proper invoice. Under Section 218.74, Florida Statutes, payments not made within the time specified bear interest from 30 days after the due date at the rate of 1 percent per month on the unpaid balance. The
vendor must invoice the local governmental entity for any interest accrued in order to receive the interest payment. Any overdue period of less than 1 month is considered as 1 month in computing interest. Unpaid interest is compounded monthly. For the purposes of this section, the term "1 month" means a period beginning on any day of one month and ending on the same day of the following month.

9. DOCUMENTS. All documents generated by Consultant in the course of providing services to the District are public records. Consultant will provide copies of such records to the District promptly upon request.

10. ASSIGNMENT. Consultant shall not assign its rights or obligations under this Agreement without the prior written consent of the District.

11. NON-WAIVER OF IMMUNITY. Notwithstanding the provisions of Sec. 768.28, Florida Statutes, the participation of the District in this Agreement and the acquisition of any commercial liability insurance coverage, self-insurance coverage, or local government liability insurance pool coverage shall not be deemed a waiver of immunity to the extent of liability coverage, nor shall any contract entered into by the District be required to contain any provision for waiver.

12. GOVERNING LAW. This Agreement shall be governed by the laws of the State of Florida. The parties agree that venue will lie in the appropriate court or before the appropriate administrative body in Monroe County, Florida.

13. ENTIRE AGREEMENT. The foregoing contains the entire Agreement of the parties hereto and supersedes any and all prior written or oral Agreements between the parties relating to the subject matter hereof. No modification of this Agreement shall be binding upon the parties unless the same is in writing signed by the parties.

EXECUTED this 4th day of March, 2012.

KEY LARGO WASTEWATER TREATMENT DISTRICT

By: [Signature]

Its: General Manager

BISHOP, ROSASCO & COMPANY

By: [Signature]

Its:
January 6, 2012

TO: Key Largo Wastewater Treatment District Board
RE: Key Largo Wastewater Treatment District Financial Director Services

The following shall set forth our understanding regarding the captioned matter. Our firm will provide professional accounting and financial services to the Key Largo Wastewater Treatment District on an as needed basis. The scope of these services will include (but not be limited to):

**Accounting System & Finance Staffing**
- Establish and maintain Accounting System in compliance with Governmental Accounting Standards Board (GASB), the Uniform Accounting System prescribed by the Florida Department of Banking, Finance for Government Accounting, the Rules of the Auditor General and any other applicable state and federal regulations.
- Prepare Public Depositor’s Report and distribute to the State Treasurer
- Oversee and train District personnel in the accounting department.
- Assist in the recruitment of finance department personnel
- Be available to respond to inquiries of the finance department staff.

**Revenue Assessment and Collections**
- Coordinate with local, state and federal agencies for collection of Key Largo Wastewater Treatment District revenues, including assessments, fees and charges.
- To assist staff and coordinate with District consultants regarding the assessment and rate structures and policies.

**Capital Program Administration**
- Assist the District in obtaining capital financing if necessary
- Maintain proper asset and fund accounting procedures

**Budget**
- Assist in the preparation of the District’s annual operating and capital budgets

**Financial Reporting**
- Prepare quarterly financial reports showing revenues and expenses to date in comparison with budget predictions.
• Assist the District’s auditors by providing requested documentation and information in support of the annual audit.

**Grant Administration**

• Assist the District with administration, compliance and reimbursement requests for any local, state or federal grants obtained by the District

**Contract Administration**

• Assist District staff in the administration of District Contracts

**Debt Administration**

• Be responsible for the management and administration of the District's financing activities including bank loans, SRF loans, and bonds.
• Maintain debt service sinking fund, and debt covenant requirements.

These services would be provided at our hourly billing rates as follows and invoiced on a monthly basis for services rendered:

<table>
<thead>
<tr>
<th></th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finance Director</td>
<td>$240.00/hr</td>
</tr>
<tr>
<td>Supporting Staff</td>
<td>$100.00/hr</td>
</tr>
</tbody>
</table>

We estimate that the fee for these services will be approximately $75,000 annually. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the work performed. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Our invoices for these fees are payable on presentation.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement.

If you have any questions concerning this letter, please give us a call. Otherwise, please acknowledge our understanding by signing in the space provided below and returning a copy of this letter to me at your convenience.

Sincerely,

Peter Rosasco, CPA
KEY LARGO WASTEWATER TREATMENT DISTRICT
Agenda Request Form

Meeting Date: September 18, 2012

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

SUBJECT: FY2012 Audit

RECOMMENDED MOTION/ACTION: Approval.

Approved by General Manager Date: 9/13/2012

<table>
<thead>
<tr>
<th>Originating Department:</th>
<th>Costs: approx. $26,000</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Funding Source:</td>
</tr>
<tr>
<td>Department Review:</td>
<td></td>
</tr>
<tr>
<td>[ ] District Counsel</td>
<td>[ ] Engineering</td>
</tr>
<tr>
<td>[X] General Manager</td>
<td>[ ] Clerk</td>
</tr>
<tr>
<td>[ ] Finance</td>
<td>[ ] Operations Manager</td>
</tr>
</tbody>
</table>

Advertised:

Date: __________
Paper: __________
[X] Not Required

Summary Explanation/Background:

Staff is seeking approval to extend Grau’s contract one more year as allowed by the original agreement. Rosasco has advised that it is prudent not to change auditors at this time.

A contract will be brought to the board for approval.

Resulting Board Action:

☐ Approved  ☐ Tabled  ☐ Disapproved  ☐ Recommendation Revised
AGREEMENT

By and Between

Key Largo Wastewater Treatment District

And

Grau & Associates

Certified Public Accountants

For

Professional Auditing Services

This is an agreement between the Key largo Wastewater Treatment District, an Independent Special District of the State of Florida (hereinafter the "District"), through its Board of Commissioners, and Grau and Associates, Certified Public Accountants (hereinafter “Firm”).

WITNESSETH, in consideration of the mutual terms and conditions, promises, covenants and payments hereinafter set forth, District and Firm agree as follows:

ARTICLE I

SCOPE OF SERVICES

Firm shall perform the services as specifically stated in the Scope of Services attached hereto as Attachment A, and by this reference made a part hereof and as may be specifically designated and additionally authorized by the District. Such additional authorizations will be in the form of an amendment to this Agreement which will set forth specific Scope of Services, amount of compensation and schedule of completion dates.

ARTICLE II

TERM

The term of this Agreement shall be for one (1) year beginning August 1, 2009 and ending July 31, 2010. At the end of each one (1) year period, this Agreement may, at the District’s sole option, be extended for up to four (4) additional one (1) year terms upon sixty (60) days prior written notice to the Firm.

ARTICLE III

COMPENSATION

The District shall pay Firm in accordance with Exhibit E, Schedule of Fees, contained as part of Attachment A hereto. The Schedule of Fees will be subject to amendment for each extension period. Prices will be adjusted based on the Consumer Price Index, all urban consumers, May to May, for Miami, Florida, cities less than 50,000 population, Bureau of Labor Statistics, Southeastern Regional Office, for succeeding contract years.
ARTICLE IV
STANDARD OF CARE

Firm shall exercise the same degree of care, skill, and diligence in the performance of the Services as is ordinarily provided by a professional auditor under similar circumstances and Firm shall, at no additional cost to the District, re-perform services which fail to satisfy the foregoing standard of care.

ARTICLE V
RECORDS

Firm shall keep such records and accounts, and require any and all agencies and sub-agencies to keep records and accounts as may be necessary in order to record complete and correct entries as to the services rendered hereunder. Such books and records will be available at all reasonable times for inspection and copying by the District and shall be kept for a period of three (3) years after the completion of all work to be performed pursuant to this Agreement. Incomplete and incorrect entries in such books and records will be grounds for District’s disallowance of any fees based upon such entries.

ARTICLE VI
MISCELLANEOUS

6.1 OWNERSHIP OF DOCUMENTS

All documents and other data provided in connection with this Agreement are and shall remain the property of District whether or not the services to be performed hereunder are completed.

6.2 TERMINATION

This Agreement may be terminated by either party for cause, or by District for convenience, upon forty five (45) days written notice from the terminating party to the other party. In the event of such termination, Firm shall be paid its compensation for services performed to termination date. In the event that Firm abandons this Agreement or causes it to be terminated by District, Firm shall indemnify District against any loss pertaining to this termination. All finished and unfinished documents, data and reports prepared by Firm shall become the property of District and shall be delivered to District within five (5) calendar days by Firm to District.

For purposes of this Agreement, termination by District for cause includes, but is not limited to, the following:

6.2.1 Firm’s failure to keep, perform and observe each and every provision of this Agreement and such failure continues for a period of more than seven (7) business days after delivery to Firm of a written notice of such breach or default; or

6.2.2 Firm’s occupational business license terminates for any reason; or
6.2.3 If Firm becomes insolvent, or takes the benefit of any present or future insolvency statute, or makes a general assignment for the benefit of creditors, or files a voluntary petition in bankruptcy or a petition or answer seeking reorganization, or the readjustment of its indebtedness under the Federal Bankruptcy laws, or under any other law or statute of the United States or any state thereof, or consents to the appointment of a receiver, trustee, or liquidator of all or substantially all of its property, or has a petition under any present or future insolvency laws or statute, filed against it, which petition is not dismissed within thirty (30) days after the filing thereof; or

Firm recognizes and agrees that in the event of the termination or expiration of this Agreement, it will be necessary to assist the District and/or a selected successor to Firm with an orderly transition and disposition of all records previously provided by the District to Firm. Firm shall be paid in accordance with Article III for all audit services rendered through the date of termination and for any accounts authorized to continue beyond the date of termination during any transition period.

6.3 EQUAL OPPORTUNITY EMPLOYMENT

Firm agrees that it will not discriminate against any employee or applicant for employment for work under this Agreement, because of race, color, religion, sex, age, national origin, disability and will take affirmative steps to ensure that applicants are employed and employees are treated during employment without regard to race, color, religion, sex, age, national origin, or disability. This provision shall include, but not be limited to, the following: employment upgrading, demotion or transfer; recruitment advertising; layoff or termination; rates of pay, or other forms of compensation; and selection for training, including apprenticeships.

6.4 PUBLIC ENTITY CRIMES ACT

In accordance with Section 287.133, Florida Statutes, Firm hereby certifies that it is not listed on the convicted vendors list maintained by the State of Florida Department of General Services.

6.5 ASSIGNMENT

This Agreement, or any interest herein, shall not be assigned, transferred, or otherwise encumbered by Firm under any circumstances, without the prior written consent of District.

6.6 INDEMNIFICATION OF DISTRICT

6.6.1 Firm shall at all times hereafter, indemnify, hold harmless and defend District, its agents, and employees from and against any claim, demand or cause of action of any kind or nature arising out of error, omission or negligent act of Firm, its agents, or employees in the performance of services under this Agreement.

6.6.2 Firm further agrees, at all times hereafter, to indemnify, hold harmless and defend District, its agents, and employees from and against any claim, demand or cause of action or any kind or nature arising out of any conduct or misconduct of Firm in the performance of services under this Agreement and for which, its agents, or employees are alleged to be liable.

6.6.3 Firm acknowledges and agrees that District would not enter into this Agreement without this promise of indemnification of District by Firm, and that District’s entering into this Agreement shall constitute good and sufficient consideration for this indemnification. These
provisions shall survive the expiration or earlier termination of this Agreement. Nothing in this Agreement shall be construed to affect in any way the District’s rights, privileges, and immunities as set forth in Section 768.28, Florida Statutes.

6.7 INSURANCE

Firm shall provide, pay for and maintain in force at all times during the services to be performed, such insurance, including Workers' Compensation Insurance, Employer's Liability Insurance, Comprehensive General Liability Insurance and Professional Liability Insurance.

Such policy or policies shall be issued by United States Treasury approved companies authorized to do business in the State of Florida and having agents upon whom service of process may be made in the State of Florida. Auditor shall specifically protect District by naming the District as an additional insured under the Comprehensive General Liability Insurance Policy hereinafter described. The Professional liability Insurance Policy or certificate shall reference this Agreement.

Notice of Cancellation and/or Restriction: The policy(ies) must be endorsed to provide District with thirty (30) days notice of cancellation and/or restriction.

6.7.1 Professional Liability Insurance: The limits of liability provided by such policy shall be no less than Five Hundred Thousand Dollars ($500,000.00).

6.7.2 Worker's Compensation Insurance to apply to all employees in compliance with the Workers Compensation law of the State of Florida and all applicable federal laws.

6.7.3 Comprehensive General Liability Insurance with minimum limits of Five Hundred Thousand Dollars ($500,000.00) per occurrence combined single limit for Bodily Injury Liability and Property Damage liability. Coverage must be afforded on a form no more restrictive than the latest edition of the Comprehensive General liability Policy, without restrictive endorsements, as filed by the Insurance Service Office, and must include:

- Premises and/or Operations;
- Independent Contractors;
- Broad Form Property Damage;
- Broad Form Contractual Coverage applicable to this specific Agreement.
- Personal Injury Coverage with Employee and Contractual Exclusions removed with minimum limits of coverage equal to those required for Bodily Injury Liability and Property Damage Liability.

The Key Largo Wastewater Treatment District is to be named as additional insured with respect to liability arising out of operations performed for District by or on behalf of Firm or acts or omissions of Firm in connection with such operation.

6.7.4 Business Automobile Liability Insurance with minimum limits of Five Hundred Thousand Dollars ($500,000.00) per occurrence combined single limit for Bodily Injury Liability and Property Damage Liability. Coverage must be afforded on a form no more restrictive than the latest edition of the Business Automobile Liability Policy, without restrictive endorsements, as filed by the Insurance Services Office and must include:
Owned vehicles;
Hired and non-owned vehicles;
Employer's non-ownership

6.7.5 Firm shall provide to District prior to the effective date of this Agreement a Certificate of Insurance or a copy of all insurance policies required by Section 6.7 including any subsection thereunder. District reserves the right to require a certified copy of such policies upon request. All endorsements and certificates shall state that District shall be given not less than thirty (30) days notice prior to expiration or cancellation of the policy.

6.8 PERFORMANCE OF WORK BY FIRM

It is expressly agreed that Firm is and shall be in the performance of all work, services and activities under this Agreement an independent contractor and not an employee, agent, or servant of the District. All persons engaged in any work, service or activity performed pursuant to this Agreement shall at all times and in all places be subject to Firm's sole direction, supervision, and control. Firm shall exercise control over the means and manner in which it and its employees perform the work, and in all respects Firm's relationship and the relationship of its employees to the District shall be that of an independent contractor and not as employees or agents of the District.

6.9 LAWS AND REGULATIONS

It is further understood by the parties that Firm will, in carrying out its duties and responsibilities under this Agreement, abide by all federal, state, and local laws, rules, regulations, orders, codes, criteria, and standards.

6.10 CONTRACT ADMINISTRATOR

The District's Contractor Administrator during the performance of services pursuant to this Agreement shall be the District's Chief Financial Officer.

6.11 NO CONTINGENT FEE

Auditor warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for Firm, to solicit or secure this Agreement and that it has not paid or agreed to pay any person, company, corporation, individual, or firm, other than a bona fide employee working solely for Firm, any fee, commission, percentage, gift, or other consideration contingent upon or resulting from the award or making of this Agreement.

6.12 GOVERNING LAW AND VENUE

The Agreement shall be governed by the laws of the State of Florida. Any and all legal action necessary to enforce the Agreement will be held in Monroe County and the Agreement will be interpreted according to the laws of Florida. No remedy herein conferred upon any party is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise. No single or partial exercise by any party or any right, power, or remedy hereunder shall preclude any other or further exercise thereof.
6.13 ATTORNEYS' FEES

In action brought by either party for the enforcement of the obligations of the other party, the prevailing party shall be entitled to recover reasonable attorneys’ fees and costs.

6.14 AUTHORITY TO ENGAGE IN BUSINESS

Firm hereby represents and warrants that it has and will continue to maintain all licenses and approvals required to conduct its business, and that it will at all times conduct its business activities in a reputable manner. Proof of such licenses and approvals shall be submitted to the District’s representative upon request.

6.15 ALL PRIOR AGREEMENTS SUPERSEDED

This document incorporates and includes all prior negotiations, correspondence, conversations, agreements, and understandings applicable to the matters contained herein; and the parties agree that there are no commitments, agreements, or understandings concerning the subject matter of this Agreement that are not contained in this document. Accordingly, the parties agree that no deviation from the terms hereof shall be predicated upon any prior representations or agreements whether oral or written.

It is further agreed that no modification, amendment, or alteration in the terms or conditions contained herein shall be effective unless contained in a written document.

6.16 DISTRICT'S RESPONSIBILITIES

The District shall be responsible for providing access to all project sites, and providing information on hand including all accounting records, paid invoices, bank deposit records and reconciliations, and other data that are available in the files of the District.

6.17 NONDISCLOSURE OF PROPRIETARY INFORMATION

Firm shall consider all information provided by District and all reports, studies, calculations, and other documentation resulting from the Firm’s performance of the Services to be proprietary unless such information is available from public sources. Firm shall not publish or disclose proprietary information for any purpose other than the performance of the Services without the prior express or implied authorization of District, or in response to a court ordered subpoena.

6.18 NOTICES

Whenever either party desires to give notice unto the other, such notice must be in writing, sent by registered United States mail, return receipt requested, addressed to the party for whom it is intended at the place last specified; and the place for giving of notice shall remain such until it shall have been changed by written notice in compliance with the provisions of this paragraph. For the present, the parties designate the following as the respective places for giving of notice:

FOR DISTRICT:
CHIEF FINANCIAL OFFICER
KEY LARGO WASTEWATER TREATMENT DISTRICT
98880 OVERSEAS HIGHWAY
KEY LARGO, FL 33037
FOR THE FIRM:
ANTONIO J. GRAU, CPA
GRAU & ASSOCIATES
2700 NORTH MILITARY TRAIL
BOCA RATON, FL 33431

IN WITNESS WHEREOF, the parties hereto have set their hands and official seals the 18th day of Aug, 2009.

ATTEST:
Carol Walker
Clerk to the Board
Carol Walker

ENDORSED AS TO FORM:
Thomas Dillon, District Counsel

DISTRICT:
BY: ____________________________
Susan Hammaker, Chairman

FIRM:
BY: ____________________________
Sendie Rymer, Partner

WITNESS:

SYNTHIA TRAKUL
MY COMMISSION # DD508292
EXPIRES: Jan, 18, 2010
Florida Notary Service.com

My Commission Expires:

Agreement for Audit Services