AGENDA

Board of Commissioners Meeting
98880 Overseas Highway
Key Largo, FL 33037

CALL TO ORDER
PLEDGE OF ALLEGIANCE
ROLL CALL

BOARD MEMBERS:
Stephen Gibbs       Chairman
Andrew Tobin        Vice Chairman
Robert Majeska      Commissioner
Norman Higgins      Commissioner
David Asdourian      Commissioner

DISTRICT STAFF:
Paul Christian      General Manager
Margaret Blank      General Counsel
Ray Giglio          Deputy Clerk
Melissa Cornelison

MISSION STATEMENT:
"The Mission of the Key Largo Wastewater Treatment District is to preserve and protect the delicate ecosystem of the Florida Keys while providing exceptional customer service."
APPROVAL OF AGENDA

PUBLIC COMMENT

BULK ITEMS

1. Approval of Bulk Items
   • Minutes of October 7, 2014

GENERAL MANAGER’S REPORT

CUSTOMER SERVICE

2. Miami University Beach Management Presentation

FINANCIAL REPORT

3. Health Insurance Renewal with Florida League of Cities

LEGAL COUNSEL REPORT

4. Interlocal Agreement for Distribution of FKWQIP Funding

COMMISSIONER’S ITEMS / ROUNDTABLE

ADJOURNMENT

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.
Key Largo Wastewater Treatment District
Board of Commissioners Meeting
Agenda Item Summary

Meeting Date:
October 14, 2014

Agenda Item Type: Bulk
Department: Legal
Agenda Item Scope: Bulk
Sponsor:

Subject:
Minutes of October 7, 2014

Summary of Discussion:

Reviewed / Approved
Operations: 
Administration: 
Finance: 
District Counsel: 
District Clerk: 
Engineering: 

Financial Impact
Operations: $ 
Finance: Funding Source: 
District Counsel: 
District Clerk: Budgeted: 
Engineering: N/A

Attachments
Minutes of October 7, 2014

Approved By: General Manager
Date: 

Approved by:

Actions:
Action: Approval
The Key Largo Wastewater Treatment District Board of Commissioners met for a Commission Meeting at 4:00 PM. Present were Chairman Stephen Gibbs, Commissioners Norman Higgins, Robert Majeska, and David Asdourian. Also present were General Manager Paul Christian, Chief Information Officer Rob Bulkiewicz, General Counsel Ray Giglio, Deputy Clerk Melissa Cornelison, Ed Castle with Weiler Engineering, Peter Rosasco with Bishop Rosasco & Co., and other appropriate District Staff. Commissioner Tobin arrived at 4:12PM.

Mr. Richard Barreto led the Pledge of Allegiance.

Recognize District Staff

Paul Christian recognized Ryan Dempsey as the District’s Employee of the Month.

APPROVAL OF AGENDA

Chairman Gibbs added a discussion on a change in direction and an update on Cross Key/Manatee Bay. Commissioner Majeska added an update on the meeting he attended in Tallahassee on September 30, 2014, and a discussion of the postcard that Hibiscus Marketing has prepared.

Motion: Commissioner Asdourian made a motion to approve the agenda as amended. Commissioner Higgins seconded the motion and the motion passed 5 to 0.

PUBLIC COMMENT

Name & Address Subject
Richard Barreto, Tavernier Revenue Disparity
Burke Cannon, Tavernier Revenue Disparity

BULK ITEMS

Minutes of September 9 and September 16, 2014
Weiler Liability Insurance Requirement Update

Motion: Commissioner Tobin made a motion to approve the Minutes of September 9, 2014, September 16, 2014 and to lower Weiler’s Liability Insurance requirements to $1 million per event and $1 million aggregate. Commissioner Asdourian seconded the motion and the motion passed 5 to 0.
COMMISSIONER'S ITEMS/ROUNDTABLE

Change in Direction

Chairman Gibbs requested Paul Christian update the Board on his strategy going forward regarding the wastewater funding disparity. Mr. Christian explained that he and Ray Giglio have had several meetings with County Staff and are making progress toward an agreement. Commissioner Tobin requested Peter Rosasco prepare a funding analysis and indicated that he would like to suspend the education campaign for 60-90 days. Mr. Christian suggested suspending the wastewater funding campaign just until November 4, 2014, while an agreement is being negotiated.

Additionally, Chairman Gibbs requested Mr. Christian prepare a list of goals he has for the District as General Manager.

Motion: Commissioner Higgins made a motion to suspend all public advertising, including additional blogging, regarding wastewater funding disparity until November 4, 2014. Commissioner Tobin seconded the motion.

Vote on Motion

<table>
<thead>
<tr>
<th>Member</th>
<th>Yes</th>
<th>No</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commissioner Higgins</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commissioner Majeska</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Commissioner Tobin</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Commissioner Asdourian</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Chairman Gibbs</td>
<td>X</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Motion passed 3 to 2

Cross Key Update

Paul Christian reported that Staff is preparing a report with budgetary numbers evaluating assessments and rates for homeowner’s in the Cross Key/Manatee Bay area. Mr. Christian further reported that the Department of Health has mailed out letters to eleven property owners who will be required to install an on-site system if they are not able to connect to a central system. Commissioner Tobin requested Ray Giglio research assessing condominiums and boat slips.

Update on the Tallahassee Meeting

Paul Christian reported on the meetings he, Commissioner Majeska, and Margaret Blank attended on September 30, 2014, with the State House Finance and Taxation subcommittee, Governor’s Budget Director, Governor’s Office of Policy and Budget, and the Florida Department of Environmental Protection.

CUSTOMER SERVICE

RESOLUTION NO. 30-10-14

A RESOLUTION OF THE BOARD OF COMMISSIONERS APPROVING REQUEST OF TDGROUP HOLDINGS I LLC FOR THE REINSTATEMENT OF SERVICE AND ASSESSMENT
OF ONE TAX PARCEL ON THE 2014 NON-AD VALOREM ASSESSMENT; AND PROVIDING FOR APPLICABILITY AND AN EFFECTIVE DATE.

RESOLUTION NO. 31-10-14
A RESOLUTION OF THE BOARD OF COMMISSIONERS APPROVING REQUEST OF TDGROUP HOLDINGS I LLC FOR THE REINSTATMENT OF SERVICE AND ASSESSMENT OF ONE TAX PARCEL ON THE 2014 NON-AD VALOREM ASSESSMENT; AND PROVIDING FOR APPLICABILITY AND AN EFFECTIVE DATE.

Motion: Commissioner Asdourian made a motion to approve Resolution No. 30-10-14 and Resolution No. 31-10-14. Commissioner Tobin seconded the motion.

Vote on Motion

<table>
<thead>
<tr>
<th>Member</th>
<th>Yes</th>
<th>No</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commissioner Higgins</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commissioner Majeska</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commissioner Tobin</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commissioner Asdourian</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chairman Gibbs</td>
<td>X</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Motion passed 5 to 0

Letters to Vacant Unique Parcels

Paul Christian presented the Official Thirty-Day Notification that has been sent to vacant unique parcels after the central sewer system is available to the property. Commissioner Tobin suggested that staff add language to paragraph 4 indicating that homeowners will be responsible for the cost of installing their own grinder pumps.

MEETING EXTENSION

Motion: Commissioner Asdourian made a motion to extend the meeting until 6:30pm. Chairman Gibbs seconded the motion.

Update on Base Charge Billing Discounts for Low Income Customers

Diane Bockelman, the District’s Assessment Coordinator, reported that the base charge billing discount for low income customers would begin on the October 1, 2014 billing cycle. Mrs. Bockelman presented a copy of Florida Keys Aqueduct Authority (FKAA) Press Release and Senior Citizens/Disabled American Veterans Certificate Affidavit Application that must be completed and submitted annually to FKAA for eligibility. She further noted there are currently 271 eligible customers in the District’s service area. The Board directed Staff to send out a press release describing the base charge billing discount that the District has implemented.

FINANCIAL REPORT
Bishop Rosasco & Co – Extension of Consultant

Peter Rosasco presented the Amendment to Consultant Agreement for FY2014-15 for approval.

Motion: Commissioner Asdourian made a motion to approve the contract extension as submitted for FY2014-15. Commissioner Higgins seconded the motion.

Connie Fazio, the District’s Finance Manager, presented the Monthly Financial Report for August 2014 to the Board and answered questions.

OPERATION’S REPORT

Keys Contracting Change Order

MEETING EXTENSION

Motion: Commissioner Asdourian made a motion to extend the meeting until 7:00pm Chairman Gibbs seconded the motion.

Motion: Commissioner Majeska made a motion to approve the Keys Contracting Change Order as submitted. Commissioner Higgins seconded the motion.

Commissioner Tobin requested Staff prepare a grinder pump maintenance letter or fact sheet with a list of “do’s” and “don’ts” to homeowners.

On-Site Treatment and Disposal Systems for Remote Residential Properties

Ed Castle reported that 2015-compliant On-Site Treatment and Disposal Systems would cost the District between $25,000 and $35,000 per single family home, plus $4,000 to $6,000 per home for design, permitting, and abandonment. Mr. Castle further reported a concern that the systems recommended would not meet the current Department of Health regulatory performance requirements. Commissioner Asdourian suggested placing the program on hold until the government requirements are clear. Paul Christian stated he would follow up with the Department of Health.
ADJOURNMENT
The KLWTD Board adjourned the Board Meeting at 6:51 PM.

The KLWTD meeting minutes of October 7, 2014 were approved on October 14, 2014.

______________________________
Chairman Gibbs

______________________________
Melissa Cornelison Deputy Clerk
Key Largo Wastewater Treatment District
Board of Commissioners Meeting
Agenda Item Summary

Meeting Date: October 14, 2014
Agenda Item Number:

Agenda Item Type: Information / Presentation
Agenda Item Scope: Review / Discussion
Recommended Action: Discussion

Department: Customer Service
Sponsor:

Subject: Miami University Beach Management Presentation

Summary of Discussion:
Presentation on the results from the beach management survey received from Monroe County beach managers and water quality data compiled from Florida Healthy Beaches Program.

Reviewed / Approved
Operations: 
Administration: 
Finance: 
District Counsel: 
District Clerk: 
Engineering: 

Financial Impact
Operations: $
Finance: Funding Source:
District Counsel: 
District Clerk: Budgeted: N/A
Engineering: 

Approved By: General Manager Date: 10/9/2014
KLWTD Employee Health Insurance Coverage Renewal

Summary of Discussion:

Connie Fazio will present the Fiscal Year 2015 health insurance renewal information through Florida League of Cities/United Healthcare.

The District recommends approval of the health insurance renewal.

Reviewed / Approved | Financial Impact | Attachments
---|---|---
Operations: | $ 297,046.80 Expense | KLWTD Health Insurance
Administration: | | Premium and Coverage
Finance: CF | Funding Source: Rate Revenue | Summary, and Group Health
District Counsel: | | Detail Sheet
District Clerk: | | 
Engineering: | | 

Approved By: General Manager  
Date: 10/9/14
October 14, 2014

MEMORANDUM FOR: The KLWTD Board of Commissioners.

SUBJECT: KLWTD Health Insurance Coverage and Premium Summary

Dear Chairman Gibbs and Honorable Commissioners,

Attached please find the updated health insurance premiums and coverages which shall take effect January 1, 2015. The rates shown show an increase in premiums paid by KLWTD of approximately 8% as well as an increase in several co-pays (as paid by the members / staff).

Changes include:

<table>
<thead>
<tr>
<th>Service</th>
<th>2014</th>
<th>2015</th>
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</thead>
<tbody>
<tr>
<td>Primary Office Visits</td>
<td>$20 Co-Pay</td>
<td>$25 Co-Pay</td>
</tr>
<tr>
<td>Specialist Office Visit</td>
<td>$40 Co-Pay</td>
<td>$50 Co-Pay</td>
</tr>
<tr>
<td>Emergency Room Facilities</td>
<td>$125 Co-Pay</td>
<td>$150 Co-Pay</td>
</tr>
<tr>
<td>Urgent Care Center</td>
<td>$35 Co-Pay</td>
<td>$50 Co-Pay</td>
</tr>
<tr>
<td>Tier 2 Prescriptions</td>
<td>$30 Co-Pay</td>
<td>$35 Co-Pay</td>
</tr>
<tr>
<td>Tier 3 Prescriptions</td>
<td>$50 Co-Pay</td>
<td>$60 Co-Pay</td>
</tr>
<tr>
<td>Out-of-Pocket Max</td>
<td>$7,500 Max (Single)</td>
<td>$6,000 Max (Single)</td>
</tr>
<tr>
<td></td>
<td>$15,000 Max (Fam)</td>
<td>$12,000 Max (Fam)</td>
</tr>
<tr>
<td>Premium for Single</td>
<td>$758.58</td>
<td>$825.13</td>
</tr>
<tr>
<td>Premium for Spouse</td>
<td>$872.37</td>
<td>$948.90</td>
</tr>
<tr>
<td>Premium for Children</td>
<td>$644.79</td>
<td>$701.36</td>
</tr>
<tr>
<td>Premium for Family</td>
<td>$1,517.16</td>
<td>$1,650.26</td>
</tr>
</tbody>
</table>

The Florida League of Cities has provided health insurance coverage for the District for the past 2 years. Prior to this, the District had received annual premium increase proposals that ranged from 20% to 100% with our previous carriers. This year, staff budgeted a 10 percent increase of total health insurance premiums.

Respectfully submitted,

Connie Fazio
Sr Finance Director
## Key Largo Wastewater Treatment District
### United Health Care Insurance through FL League of Cities
#### Group Health Details  Effective Date: 1/1/2015

### In Network Benefits:

<table>
<thead>
<tr>
<th>Benefit</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Calendar Year Deductible</td>
<td>$500.00</td>
</tr>
<tr>
<td>Per Family</td>
<td>$1,000.00</td>
</tr>
<tr>
<td>Co-insurance Percentage</td>
<td>20%</td>
</tr>
<tr>
<td>Out-of-Pocket Maximum</td>
<td>$3,000.00</td>
</tr>
<tr>
<td>Per Family</td>
<td>$6,000.00</td>
</tr>
<tr>
<td>Lifetime Maximum Benefits</td>
<td>Unlimited</td>
</tr>
<tr>
<td>Primary Office Visit</td>
<td>$25.00 Copay</td>
</tr>
<tr>
<td>Preventative Care</td>
<td>100%</td>
</tr>
<tr>
<td>Specialist Office Visit</td>
<td>$50.00 Copay</td>
</tr>
<tr>
<td>Inpatient Hospital</td>
<td>Calendar Year Deductible/Coinsurance 20%</td>
</tr>
<tr>
<td>Outpatient Surgical</td>
<td>Calendar Year Deductible/Coinsurance 20%</td>
</tr>
</tbody>
</table>

### Emergency Medical Services:

<table>
<thead>
<tr>
<th>Service</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emergency Room Facilities</td>
<td>$150.00</td>
</tr>
<tr>
<td>Urgent Care Centers</td>
<td>$50.00 Copay</td>
</tr>
</tbody>
</table>

### Prescription Drug Program:

<table>
<thead>
<tr>
<th>Tier</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tier 1</td>
<td>$10.00</td>
</tr>
<tr>
<td>Tier 2</td>
<td>$35.00</td>
</tr>
<tr>
<td>Tier 3</td>
<td>$60.00</td>
</tr>
<tr>
<td>Tier 4 (Mail Order)</td>
<td>$25/$87.50/$150</td>
</tr>
</tbody>
</table>

### Out of Network Benefits:

<table>
<thead>
<tr>
<th>Benefit</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Calendar Year Deductible</td>
<td>$1,000.00</td>
</tr>
<tr>
<td>Per Family</td>
<td>$2,000.00</td>
</tr>
<tr>
<td>Co-insurance Percentage</td>
<td>30%</td>
</tr>
<tr>
<td>Out-of-Pocket Maximum</td>
<td>$6,000.00</td>
</tr>
<tr>
<td>Per Family</td>
<td>$12,000.00</td>
</tr>
<tr>
<td>Lifetime Maximum Benefits</td>
<td>N/A</td>
</tr>
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</table>

### Health Insurance Monthly Premiums:

<table>
<thead>
<tr>
<th>Coverage</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Only</td>
<td>$825.13 (premium paid by KLWTD)</td>
</tr>
<tr>
<td>Spouse</td>
<td>$948.90 (premium paid by employee)</td>
</tr>
<tr>
<td>Children</td>
<td>$701.36 (premium paid by employee)</td>
</tr>
<tr>
<td>Family</td>
<td>$1,650.26 (premium paid by employee)</td>
</tr>
</tbody>
</table>

### OTHER OPTIONAL INSURANCE COVERAGES:

<table>
<thead>
<tr>
<th>Coverage</th>
<th>Monthly Premiums:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dental: Employee</td>
<td>$35.37 (PPO) $12.76 (DMO)</td>
</tr>
<tr>
<td>Dental: Employee + Spouse</td>
<td>$70.74 (PPO) $22.20 (DMO)</td>
</tr>
<tr>
<td>Dental: Employee + Children</td>
<td>$72.20 (PPO) $27.30 (DMO)</td>
</tr>
<tr>
<td>Dental: Employee + Family</td>
<td>$111.37 (PPO) $34.95 (DMO)</td>
</tr>
<tr>
<td>Vision: Employee</td>
<td>$6.57</td>
</tr>
<tr>
<td>Vision: Employee + Family</td>
<td>$17.65</td>
</tr>
</tbody>
</table>
Interlocal Agreement for Distribution of FKWQIP Funding

Summary of Discussion:

This is an Interlocal Agreement ("ILA") between the KLWTD, Islamorada, and Marathon. The purpose of the ILA is to provide for the fair and equitable distribution of future Florida Keys Water Quality Improvement Program ("FKWQIP") funding from the US Army Corps of Engineers. Congress has authorized $100,000,000.00 of FKWQIP funding, and has distributed $44,722,336.35 to the Parties to date.

According to this ILA, 50% of the future FKWQIP funding will go to Islamorada, 25% will go to the KLWTD, and 25% will go to Marathon UNTIL Islamorada is reimbursed for the ARRA ("Stimulus") distribution that it gave up in 2010 ($5.3 million), AFTER WHICH TIME, the Parties will each receive one-third (33.3%/ 33.3%/ 33.3%) of the remainder of the $100 million in FKWQIP funds.

This ILA takes effect on the date it is fully executed by all of the Parties, and it will remain in effect until all of the allocated FKWQIP funding has been distributed to the Parties and there are no additional FKWQIP funds available.
INTERLOCAL AGREEMENT BETWEEN THE
LOCAL SPONSORS OF PROJECTS FUNDED UNDER THE
FLORIDA KEYS WATER QUALITY IMPROVEMENT PROGRAM

THIS INTERLOCAL AGREEMENT ("Agreement"), made and entered into effective
this _____ day of October, 2014, by and between the following Parties (collectively, the
"Parties"), for the distribution of funding authorized and appropriated by the Congress of the
United States ("Congress"), and made available to the Parties through the United States Army
Corps of Engineers ("ACOE") for water quality improvement projects under the Florida Keys
Water Quality Improvement Program ("FKWQIP")

PARTIES:

CITY OF MARATHON ("Marathon"), a municipal corporation of the State of Florida,
whose address is 9805 Overseas Highway, Marathon, FL 33050; and

KEY LARGO WASTEWATER TREATMENT DISTRICT ("KLWTD"), an
independent special district established under the Laws of Florida, whose address is P.O.
Box 491, Key Largo, FL 33037; and

ISLAMORADA, VILLAGE OF ISLANDS ("Islamorada"), a municipal corporation of
the State of Florida, whose address is 86800 Overseas Highway, Islamorada, FL 33036.

WITNESSETH:
WHEREAS, the Florida Keys National Marine Sanctuary includes 2,800 square miles of nearshore waters that are a part of a complex ecosystem that includes seagrass meadows, mangrove islands and the only living barrier coral reef in North America; and

WHEREAS, Congress has directed the ACOE to assist with implementation of infrastructure improvements in the Florida Keys to improve nearshore water quality within the Florida Keys National Marine Sanctuary; and

WHEREAS, Congress has authorized the ACOE to provide technical and financial assistance to carry out projects for the planning, design and construction of treatment facilities to improve water quality in the Florida Keys National Marine Sanctuary; and

WHEREAS, the primary purpose of this effort is to improve water quality in the Florida Keys by implementation of several wastewater and stormwater master plans previously prepared for Monroe County and various municipalities within Monroe County; and

WHEREAS, this assistance program is known as the Florida Keys Water Quality Improvement Program ("FKWQIP"); and

WHEREAS, the three Parties named above comprise all of the Local Sponsors of water quality improvement projects in Monroe County under the FKWQIP; and

WHEREAS, the Parties are all engaged in efforts to provide centralized wastewater treatment plants and collection systems and/or to operate, upgrade, and improve existing wastewater treatment systems, to protect the fragile ecosystem of the Florida Keys and to improve water quality in the Florida Keys National Marine Sanctuary; and

WHEREAS, as shown in the "FKWQIP-Reimbursement summary as of October 2014," attached hereto as Exhibit "A," Congress has authorized $100,000,000.00 and to date allocated $44,722,336.35 ("Allocated Amount") for distribution to the Parties for water quality improvements under FKWQIP; and

WHEREAS, the Parties have agreed that any and all FKWQIP funding received from ACOE shall be distributed to the Parties as provided in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, representations and promises set forth in this Agreement, and for other good and valuable consideration, the sufficiency and receipt of which is acknowledged by the Parties, the Parties hereby agree as follows:

ILA for Distribution of ACOE FKWQIP Funding
Page 2 of 15
1. **DEFINITIONS.**

As used herein, the following terms shall have the following meanings, unless the context clearly otherwise requires:

a. **ACOE** shall mean the United States Army Corps of Engineers, a U.S. federal agency under the Department of Defense, responsible for investigating, developing, and maintaining the nation's water and related environmental resources.

b. **Agreement** shall mean this Interlocal Agreement and any amendments or supplements hereto.

c. **Allocated Amount or Allocations** shall mean the amount of money provided by Congress and distributed to the Parties for water quality improvements under the FKWQIP.

d. **Appropriated Funds** shall mean the funds for FKWQIP that Congress has appropriated and made available through the ACOE to be spent by the parties on water quality improvement projects.

e. **ARRA** shall mean the American Recovery and Reinvestment Act of 2009.

f. **Authorized Officer** shall mean the Mayors of Islamorada and Marathon, and the Chairperson of the Board of the KLWTD.

g. **Effective Date** shall mean the date upon which the last signature has been affixed to this Agreement.

h. **FKWQIP** shall mean the Florida Keys Water Quality Improvement Program.

i. **Local Sponsors** shall mean individually or collectively: KLWTD, Islamorada, and Marathon.

j. **Party or Parties** shall mean the signatories to this Agreement, individually or collectively: KLWTD, Islamorada, and Marathon.

2. **RECATIALS.**

The recitals set forth above are true and correct and are hereby incorporated in this Agreement.
3. **CORRELATIVE WORDS.**

Words of the masculine gender shall be understood to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, the singular shall include the plural, the plural shall include the singular, and the word "person" shall include corporations and associations, including public bodies, as well as natural persons.

4. **PURPOSE AND INTENT OF INTERLOCAL AGREEMENT**

The purpose of this Agreement is to provide for the fair and equitable distribution of future FKWQIP funding to the Parties/Local Sponsors.

5. **EFFECTIVE DATE AND TERM.**

a. This Agreement shall take effect on the date it is fully executed by the Authorized Officer of all of the Parties.

b. This Agreement shall continue in full force and effect until:

1) All of the Allocated Amount has been appropriated by Congress and distributed to the Parties in accordance with this Agreement and there are no additional Appropriated FKWQIP funds available to be distributed by the ACOE to the Parties; or

2) This Agreement is terminated by the mutual consent of all of the Parties, in writing.

c. Any provision of this Agreement that is continuing in nature or imposes an obligation that extends beyond the expiration or termination of this Agreement shall survive its expiration or termination.

6. **DISTRIBUTION SCHEDULE.**

a. The Parties acknowledge that the amounts distributed to the Parties by ACOE as of October 2014 are as follows:
Table 6.a.

<table>
<thead>
<tr>
<th>Local Sponsor/Party</th>
<th>Allocation</th>
<th>Net Allocation</th>
<th>Reimbursed</th>
<th>Remaining</th>
</tr>
</thead>
<tbody>
<tr>
<td>City of Marathon</td>
<td>29,560,000</td>
<td>28,291,193</td>
<td>15,952,489.49</td>
<td>12,338,703</td>
</tr>
<tr>
<td>K LWTD</td>
<td>29,560,000</td>
<td>28,291,194</td>
<td>15,906,470.16</td>
<td>12,384,724</td>
</tr>
<tr>
<td>Islamorada, Village of Islands</td>
<td>29,560,000</td>
<td>28,291,194</td>
<td>2,008,219.70</td>
<td>26,282,974</td>
</tr>
<tr>
<td>City of Key West</td>
<td>10,320,000</td>
<td>9,875,923</td>
<td>9,875,923.00</td>
<td>0</td>
</tr>
<tr>
<td>City of Layton</td>
<td>800,000</td>
<td>782,238</td>
<td>782,238.00</td>
<td>0</td>
</tr>
<tr>
<td>City of Key Colony Beach</td>
<td>200,000</td>
<td>196,996</td>
<td>196,996.00</td>
<td>0</td>
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<tr>
<td>Total</td>
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<td>95,728,738</td>
<td>44,722,336.35</td>
<td>51,006,401</td>
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</tbody>
</table>

b. The Parties agree that the remaining Allocations of FKWQIP funding, over and above the Allocations shown in table 6.a., shall be distributed to the Parties in accordance with table 6.b., subject to the provisions of paragraph 6.c, 6.d, and 6.e.

Table 6.b.

<table>
<thead>
<tr>
<th>Local Sponsor/Party</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>City of Marathon</td>
<td>25%</td>
</tr>
<tr>
<td>Key Largo Wastewater Treatment District</td>
<td>25%</td>
</tr>
<tr>
<td>Islamorada, Village of Islands</td>
<td>50%</td>
</tr>
</tbody>
</table>

c. The remaining Allocations of FKWQIP funding, over and above the Allocations shown in table 6.a., shall be distributed among the Parties in accordance with table 6.b., until Islamorada is reimbursed for and made whole from the ARRA distribution that it gave up in 2010, after which time, the Parties will each receive one-third (33.3% / 33.3% / 33.3%) of the remainder of the $100 million in FKWQIP funds.
d. The Parties acknowledge and agree that Islamorada gave up a $6.6 million ARRA distribution in 2010; and that Islamorada received $1.3 million in Fiscal Year 2014, which, when deducted from the $6.6 million shortfall, leaves Islamorada with $5.3 million due from ARRA.

e. Once Islamorada is reimbursed for and made whole from the ARRA distribution that it gave up in 2010, each party shall receive one-third (33.3% / 33.3% / 33.3%) of the remainder of the $100 million in FKWQIP funds.

f. In the event that a Party is unable to utilize its allocation of FKWQIP funding in a given fiscal year and that inability to utilize funding endangers retention of the Appropriated Funds, the Parties agree to convene and collaborate on an amendment to this Agreement that is intended to ensure that those Appropriated Funds are not forfeited from the FKWQIP for that fiscal year. Any such amendment shall provide that the other Parties may request of and receive from ACOE the share of the Party that is unable to utilize its allocation, and that subsequent distributions of FKWQIP funding shall be adjusted such that each of the Parties receives the FKWQIP funding to which it is entitled to pursuant to this Agreement.

7. ADDITIONAL FKWQIP FUNDING.

a. In the event and to the extent that that Congress appropriates additional FKWQIP funding for use by the Parties, any Party may request and receive additional funds from the ACOE, over and above the shares of the Appropriated Funds currently allocated to them in accordance with this Agreement.

b. In the event that a Party requests and receives additional funds from the ACOE, over and above the shares of the Appropriated Funds currently allocated to them, the Allocated Amount to which that Party is entitled shall not be changed, reduced, or otherwise affected by the receipt of those additional funds.

c. By entering into this Agreement and/or by requesting and/or receiving additional funds from the ACOE, none of the Parties is giving up its right to receive its full Allocated Amount hereunder.
8. COMMUNICATION WITH ACOE.

The parties shall transmit this Agreement to the ACOE, and shall request allocation of current and future funding in accordance herewith.

9. COMMUNICATION TO FEDERAL LEGISLATORS.

The parties shall communicate to federal legislators their intent to maximize available funding of local water quality improvement project in accordance with this Agreement, and shall support federal legislation aimed at providing additional funding.

10. RECORDS AND AUDITS.

a. The Parties agree to maintain all books, records, and documents directly pertinent to performance under this Agreement during the term of this Agreement and for a period of four (4) years after the term of this Agreement.

b. Each Party shall have access to the books, records, and documents of the other Parties, related to this Agreement. The access to, and inspection of, such books, records, and documents by the Parties shall occur at a reasonable time and upon proper and reasonable notice.

c. Any of the Parties may, at its own expense, provide for an audit of the records relating to the FKWQIP funding received by the Parties in accordance herewith.

d. The Parties shall allow and permit members of the public reasonable access to, and inspection of, all documents, papers, letters, or other materials subject to the provisions of Chapter 119, Florida Statutes, and made or received by Parties in conjunction with this Agreement.

11. JOINT COOPERATION

(a) The Parties agree to cooperate and to take any and all necessary and appropriate actions relating to the implementation of this Agreement.
(b) Each Party shall, in a timely fashion, keep the other Parties informed of all meetings, trips, telephone calls, and developments related to this Agreement. Each Party shall provide such information with enough notice to enable the other Parties to participate in and/or attend such meetings, trips, or telephone calls, if appropriate.

12. **SUBORDINATION.**

This Agreement is subordinate to the laws and regulations of the United States, and the State of Florida, whether in effect on commencement of this agreement or adopted after that date.

13. **INCONSISTENCY.**

If any item, condition or obligation of this Agreement is in conflict with other items in this Agreement, the inconsistencies shall be construed so as to give meaning to those terms which limit the responsibility and liability of each Party.

14. **NON-RELIANCE BY NON-PARTIES.**

No Non-Party entity shall be entitled to rely upon the terms, or any of them, of this Agreement to enforce or attempt to enforce any third-party claim or entitlement or benefit of any service or program contemplated hereunder, and each Party agrees that neither the Party nor any officer, agent, or employee of the Party shall have the authority to inform, counsel or otherwise indicate that any particular individual or groups of individuals, entity or entities, have entitlements or benefits under this Agreement separate and apart, inferior to or superior to the community in general or for the purposes contemplated under this Agreement.

15. **DISPUTE RESOLUTION.**

With respect to any dispute, claim, or controversy arising out of or relating to this Agreement, or any Party's performance thereof, or the breach, termination, enforcement, interpretation or validity thereof, the Parties shall utilize the process for dispute resolution set forth in Chapter 164, known as the “Florida Governmental Conflict Resolution Act”. 
16. **Attorneys' Fees and Costs.**

In the event there is litigation arising under or related to Agreement, each Party shall pay its own attorneys' fees and costs and expenses incurred in enforcing the Agreement including any appellate attorney's fees.

17. **Governing Law; Venue.**

This Agreement shall be governed by and construed according to the laws of the State of Florida and venue shall be proper exclusively in Monroe County.

18. **Hold Harmless.**

To the extent provided by law and without waiving Sovereign Immunity, each Party agrees to fully hold harmless, indemnify, defend, discharge and release the other Parties, their officers, employees, agents, contractors and subcontractors from and against any and all causes of action, claims, costs, demands, expenses and losses of whatever type that arise out of or are attributable to this Agreement; except for any causes of action, claims, costs, demands, expenses and losses that are the result of the sole negligence or malfeasance of the respective Party.

19. **No Personal Liability.**

No covenant or agreement contained herein shall be deemed to be a covenant or agreement of any member, officer, agent or employee of any of the Parties in his or her individual capacity, and no member, officer, agent or employee of any Party shall be liable personally on this Agreement or be subject to any personal liability or accountability by reason of the execution of this Agreement.

20. **Headings.**

The headings and other captions contained in this Agreement are provided for reference
and convenience purposes only and are in no way intended to describe, interpret, define, expand, or limit the scope, extent, or intent of this Agreement, or any provision hereto.

21. COUNTERPARTS.

This Agreement may be executed in any number of counterparts and by each Party on separate counterparts, each of which, when so executed and delivered, shall be an original and all of which shall together constitute one and the same agreement. Signature pages may be detached from the various counterparts and attached to a single copy of this document to physically form one document. A facsimile version of any signature shall be deemed an original for all purposes.

22. JOINT PREPARATION.

The preparation of this Agreement has been a joint effort of the Parties, and this Agreement has been carefully reviewed by the Parties. Therefore this Agreement shall not, solely as a matter of judicial interpretation, be construed more severely against one of the Parties than the other.

23. SUPERCEDES OTHER AGREEMENTS.

This Agreement replaces and supersedes any and all prior and contemporaneous negotiations, discussions, and representations of the Parties. This Agreement, together with any Exhibits, is the final agreement of the Parties with respect to its subject matter. This Agreement may be modified and amended only by written instrument executed by the Parties hereto.

24. WARRANTIES, REPRESENTATIONS AND COVENANTS

The Parties and each of them warrants, represents and covenants that:

a) It has full power and authority to enter into this Agreement and to comply with the provisions hereof.

b) It is not currently the subject of bankruptcy, insolvency, or reorganization proceedings and is not in default of, or otherwise subject to, any agreement or any law, administrative
regulation, judgment, decree, note, resolution, charter or ordinance which would currently restrain or enjoin it from entering into, or complying with, this Agreement.

c) There is no material action, suit, proceeding, inquiry or investigation, at law or in equity, before any court or public body, pending or, to the best of its knowledge, threatened, which seeks to restrain or enjoin it from entering into or complying with this Agreement.

d) That upon signing this Agreement, its legal counsel hereby expresses the opinion, generally, that this Agreement has been duly authorized by it and shall constitute a valid and binding legal obligation enforceable in accordance with its terms upon execution by the parties, provided, however, the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally and subject, as to enforceability, to general principles of equity and the exercise of judicial discretion.

25. **SEVERABILITY.**

If any term, covenant, condition or provision of this Agreement (or the application thereof to any circumstance or person) shall be declared invalid or unenforceable to any extent by a court of competent jurisdiction, the remaining terms, covenants, conditions and provisions of this Agreement shall not be affected thereby; and each remaining term, covenant, condition and provision of this Agreement shall be valid and shall be enforceable to the fullest extent permitted by law unless the enforcement of the remaining terms, covenants, conditions and provisions of this Agreement would prevent the accomplishment of the original intent of this Agreement. The Parties agree to reform the Agreement to replace any stricken provision with a valid provision that comes as close as possible to the intent of the stricken provision.

26. **NOTICE.**

All notices, requests, and other communications which are required or permitted pursuant to this Agreement shall be in writing and shall be deemed to have been duly given or delivered personally when sent by registered or certified mail, postage pre-paid, as set forth below:
CITY OF MARATHON:
City Manager
9805 Overseas Highway
Marathon, Florida 33050

KEY LARGO WASTEWATER TREATMENT DISTRICT:
General Manager
PO Box 491
Key Largo, Florida 33037

ISLAMORADA, VILLAGE OF ISLANDS:
Village Manager
868000 Overseas Highway
Islamorada, Florida 33036

27. INTERLOCAL AGREEMENT.
This Agreement shall constitute an inter-local agreement pursuant to Section 163.01, Florida Statutes.

IN WITNESS WHEREOF, the Parties hereto have caused these presents to be executed on their behalf by their proper officers, duly authorized so to do, and have affixed their corporate seals on the day and year first above written.

[SIGNATURES ON FOLLOWING PAGES]
CITY OF MARATHON, FLORIDA

_______________________________
Dick Ramsay, Mayor

(SEAL)

ATTEST:

_______________________________
Diane Clavier, City Clerk

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:

_______________________________
Lynn Dannheisser, City Attorney
ATTEST:

Melissa Cornelison, Deputy Clerk

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:

Ray Giglio, General Counsel
ISLAMORADA,
VILLAGE OF ISLANDS, FLORIDA

______________________________
Ted Blackburn, Mayor

(SEAL)

ATTEST:

______________________________
Kelly Toth, Village Clerk

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:

______________________________
Roget V. Bryan, Village Attorney