MINUTES
Key Largo Wastewater Treatment District (KLWTD)
Board of Commisisoners Meeting

July 6, 2005
98880 Overseas Hwy, Key Largo, FL

The KLWTD Board of Commissioners met for a regular meeting on July 6, 2005 at 5:07 PM. Present were Chairman Charles Brooks, Commissioners, Glenn Patton, Gary Bauman, Andrew Tobin and Claude Bullock. Also present were General Manager Charles Fishburn, District Counsel Thomas Dillon, Board Clerk Carol Walker, and all other appropriate District staff.

Chairman Brooks led the Pledge of Allegiance.

ADDITIONS/DELETIONS TO THE AGENDA.

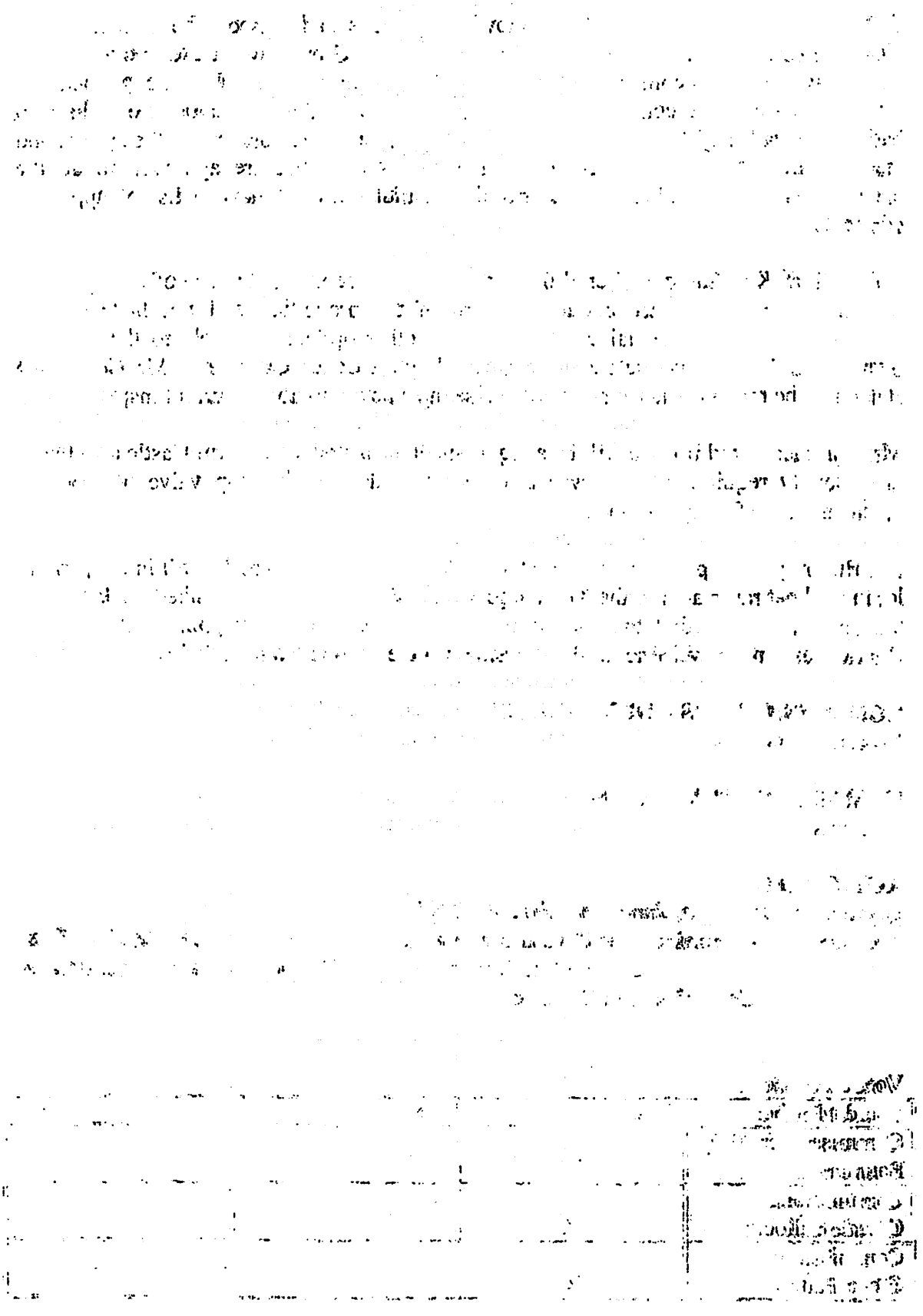
The following changes were made to the agenda: Commissioner Bauman requested that the Commissioner Item on Parliamentary Procedures be removed and placed on the next agenda. General Manager Charles Fishburn requested that the revised and amended Interlocal Agreement be placed on the agenda as an Action Item.

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

Vote on motion:

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

Motion passed 5 to 0



PUBLIC COMMENT: The following persons addressed the Commission: Veronica Cruz, 325 Calusa representing Calusa Camp Ground wanted to know how the District was going to connect Calusa. General Manager Charles Fishburn explained that that the District could come up to the gate and connect to Calusa. Calusa would have to have an upgraded system. Or, the District could come into Calusa install the system and maintain it. Ms. Cruz asked for a list of contractors that are approved to do the connections. Mr. Fishburn stated that the District does not have a list of approved contractors.

Robert Burt, Key Largo Trailer Village, expressed concern over the use of Candy Canes on each property because about one third of the properties will not have enough clearance. Ed Castle explained that there are other options available to the property owners that do not have the clearance required by the Candy Cane vent. Mr. Castle also stated that he recommends that the District set up a policy to do concurrent inspections.

Mr. Burt also asked if there will be a requirement for a stop valve. Mr. Castle said that it is a County requirement. Airvac also recommends that the stop valve be installed upstream of the Candy Cane vent.

Mr. Burt requested permission to use the fill located on Buttonwood to fill in the parking lot in the boat ramp area of the Key Largo Trailer Village. He then thanked the Board for the outstanding job that the contractor is doing. Mr. Burt then pointed out that the District has run a sewer line to a boat business at the entrance to the KLTV.

COMMISSIONER'S ROUNDTABLE
No comments

COMMISSIONER'S ITEMS
No items

ACTION ITEMS
Approval of Minutes of June 8 and June 22, 2005
Motion: **Commissioner Patton made a motion to approve the minutes of the June 8 and June 22, 2005 meetings. The motion was seconded by Commissioner Bullock.**

Vote on motion:

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

Commissioner Andrew Tobin	X		
Chairman Charles Brooks	X		

Motion passed 5 to 0

Pending Payments List

Motion: **Commissioner Tobin made a motion to approve the pending payments list for July 6, 2005. The motion was seconded by Commissioner Bauman.**

Vote on motion:

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

Motion passed 5 to 0

Revised and amended Interlocal Agreement for Twenty Million Dollars.

District Counsel Thomas Dillon explained that the amendment clarifies that the funds that the County will be using to provide KLWTD with $20,000,000 will not be coming from the old County Infrastructure Bond funds but partly from surplus funds and a possible future bond issue. There should not be any past County bonding costs deducted from the funds available to the District. Also, there was a typo on page B3 that says Authority Engineer instead of District Engineer that will be corrected.

Commissioner Patton thanked BOCC Commissioner Murray Nelson for working so well with the KLWTD in supporting the Inter-Local Agreement. He also thanked Chairman Brooks for his work in spear heading the issue.

Commissioner Nelson stated that the agreement with the District was based on the District's performance with the previous $12,000,000 that was received from the County to do wastewater in the Key Largo Trailer Village and the Key Largo Park. It is also a key element of the agreement with the State of Florida that was challenged by the Environmental Groups. There is a high level of cooperation and trust between the District and the BOCC.

Motion: **Commissioner Bullock made a motion to approve the Amendment to the Inter-local for $20,000,000. The motion was seconded by Commissioner Tobin.**

Vote on motion:

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

Motion passed 5 to 0

DISCUSSION ITEMS

System Development Charges

General Manager Charles Fishburn explained that the Staff agrees with the conclusions of PRMG. Mr. Fishburn encouraged the Board to accept the recommendations in the PRMG report that has been summarized in the Rules and Regulations Form found in the agenda package.

Mr. Fishburn explained that the SDC has been broke into three different components: one is $1,700 for the Wastewater Treatment Plant, one is $1,000 for the Transmission Line, and one is 2,070 for the connection cost which totals, $4,770. The real cost of the SDC is between $12,000 and $15,000.

Tony Hairston of PRMG gave an edited presentation of the presentation that he gave the Board at the May 4, 2005 meeting, for the public.

Questions from the public:

Is the rate that is currently being discussed going to be for the entire island of Key Largo or for the Key Largo Trailer Village only?

The District will attempt to kept SDC and the monthly charges at the same level for the entire Island, subject to inflation. However, it is not possible to know what factors may affect the rates in the future.

Why is the rate for the average user higher than most other areas of the Keys?

The rates are comparable to Baypoint. They are not as low as Key West because Key West has an established system already.

Is there any discount for irrigation water?

That is the reason that there is a cap on usage. Normal irrigation was factored into the charges.

Has the Board decided how they are going to do the connections to condominiums that have viable package plants?
District Counsel Thomas Dillon stated that a County Ordinance gives the District two options. One would be to make the connections at the streets in the public right-of-way. The other would be if suitable temporary and permanent easements were made available, then a collection system could be put in and maintained by the District like any other neighborhood. In the absence of agreement between the District and the condominium association, the connection would be in the public right-of-way.

Is the District taking into consideration that more grants may be available in the future.
If there is a surplus of funding because of grants, will it be used for refunds?
Commissioner Patton said that he sees that less grants in the future. But if there is a surplus it would be refunded to the customers.

Is there funding being put in place to replace the equipment in the future.
The financial projections include repair and replacement reserves to maintain and replace the equipment in the future.

Jerry Wilkinson, Tavernier, FL
Mr. Wilkinson stated that stated that the amount the Board is currently considering is far from an affordable wastewater system. He views it as a betrayal of the promise made to the low-income people. Mr. Wilkinson also feels that there will be problem trying to hook up everyone within thirty days. He is disappointed in the System Development charge. The District should be charging less than Conch Key.

Mr. Fishburn pointed out that Conch Key is going to an existing treatment plant which is an advantage.

Mr. Hairston stated that the funding document is based on the conclusion that the District will receive 60% grant funding.

BOCC Commissioner Murray Nelson congratulated the Board on what they have accomplished in the last two years. There probably will not be any more grants coming from the County. He also doubts that there will be much State funding in the next year for wastewater, and the promised Federal monies have not materialized. He stated that the County would like to have equity on County funded projects. Commissioner Nelson explained that any future grant funding will be to support future projects not to refund money to the customers. The County Commission will support the KLWTD Board, which is autonomous and will be making the decisions on rates and connections fees. The County would like to keep the rates similar among various communities, but they realize each one will be different. The agreement with the State is that the local match is 60% and the State match is 40%. Commissioner Nelson stated that the connection fee and monthly rate that the Board is currently considering ($4770 connection fee and $45 a

month usage) is a reasonable amount and meets the intent of the BOCC on future wastewater projects.

Commissioner Patton stated that the District needs public support. The District needs another $50 million in grant monies and the public support is very important.
General Manager Charles Fishburn asked the KLWTD Board if he could have a consensus as to the acceptance of the $4770 connection charge.

Commissioner Patton stated that he supports the $4770 charge and thinks that the cost to commercial is equitable.

Commissioner Tobin stated that he is going to support it tonight on a preliminary basis with the understanding that he still has not made up his mind.

Commissioner Bullock stated that he can support the $4770 tonight but he feels that it is low. The Board needs to have the right number in the beginning so that there are no increases later on.

Commissioner Bauman does not support the fee. He stated that he will not support any additional construction without at least 50 percent grant funding. Since there may not be any more projects he would like to see the entire grant-funding put toward the cost of the current project. General Manager Charles Fishburn stated that in the costing there is a 15% contingency included.

Chairman Brooks asked each of the Staff and Tony Hairston if they approved of the $4770 amount. They said that they did. Chairman Brooks then asked each Staff member if they had diligently reviewed the $4770 amount. They all agreed with the amount. Chairman Brooks stated that he is committed to moving forward with the $4770 amount.

Motion: **Commissioner Patton made a motion to place the Rules and Regulation Log Changes No. 4 and No. 5 on the July 20, 2005 agenda for action. Commissioner Bullock seconded the motion.**

Vote on motion:

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

Motion passed 4 to1

Wastewater Rates
General Manager Charles Fishburn presented the monthly rate charges. The monthly base charge will be $33.60.

Mr. Fishburn pointed out that 55% of the residences on the Island of Key Largo use less than 2000 gallons of water a month.

Chairman Brooks asked Mr. Hairston if the $4770 connect fee and the base fee of $33.60 was a prudent figure and did it give the District a profit. Mr. Hairston stated that he thought that it was a prudent figure and it did not give the District a profit.

ADJOURNMENT
After a motion to adjourn by Commissioner Patton and not seconded, Chairman Brooks adjourned the meeting at 8:46 PM.

The KLWTD meeting minutes of July 6, 2005 were approved on July 20, 2005.

C Brooks

Chairman Charles Brooks

Carol Simpkins

Carol Simpkins, CMC
Board Clerk