

MINUTES

Key Largo Wastewater Treatment District (KLWTD) Board of Commissioners Meeting



July 15, 2008
98880 OVERSEAS HWY, KEY LARGO, FL 33037

The Key Largo Wastewater Treatment District Board of Commissioners met for a regular meeting on July 15, 2008 at 4:03 PM. Present were Commissioners Susan Hammaker, Norman Higgins, Claude Bullock, Andrew Tobin, and Chairman Gary Bauman. Also present the General Manager Charles F. Fishburn, District Counsel Thomas M. Dillon, District Clerk Carol Walker, and all other appropriate District Staff.

The Pledge of Allegiance was led by Chairman Bauman.

APPROVAL OF AGENDA

Commissioner Hammaker added an item on Calusa Campground under Legal Counsel Report. Commissioner Bullock requested that Pending Payments be removed from Bulk Items. Commissioner Tobin requested that Item 13 (FY 2009 Insurance Program) and Item 2 (Card Sound Service Area Study Committee) be moved to the front of the agenda. Martin Waits, CFO asked that Item 10 (Army Corp PCA Agreement) be removed.

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

Vote on Motion

Member	Yes	No	Other
Chairman Bauman	X		
Commissioner Hammaker	X		
Commissioner Higgins	X		
Commissioner Tobin	X		
Commissioner Bullock	X		

Motion passed 5 to 0

FINANCIAL REPORT

FY 2009 Insurance Program

Deborah MacAfee presented an introduction to the insurance coverage that TR Jones & Company, a division of Beecher Carlson, can offer the District. See Exhibit "A". Ms. MacAfee explained that they manage risk not just sell insurance. Mr. Waits will bring back a quote at a future meeting.

COMMISSIONER ITEMS

Card Sound Service Area Study Committee

Robert Eadie, Administrator, Monroe County Health Department explained that whatever they can do on the front end to get Monroe County into compliance with the 2010 mandate the better off everyone will be. Mr. Eadie told the Board that the Health Department supports the District's plan to provide wastewater treatment for Key Largo. The Department is looking for compliance not money in the form of fines for non compliance. As far as Mr. Eadie is concerned there will be action taken on the government entity responsible for sewerage an area not the individual property owner if the mandate is not met.

Commissioner Tobin asked that the Health Department to assist the District in requesting the State for assistance in working with the residence in cold spots in meeting the mandate.

Charles Fishburn, General Manager, told the Board that the Staff is looking into doing the engineering for the resident's systems in cold spots .

Chairman Bauman stated that he wants the District to treat the property owners in cold spots and hot spots equally.

Commissioner Tobin would like to see the Health Department help with the State when it comes to the requirement that new construction going in now has to put in a very expensive system that they will have to decommission and hook up to the sewer in a few years. Mr. Brookman, from the Health Department, told Commissioner Tobin that Monroe County does have a process that the property owner can apply for a variance from the Florida Municipal Code requirement. He also explained that there is an affidavit in the ROGO process that the owner can sign saying that they can be exempt from the Health Department requirements but they will not be issued a CO until they are hooked up to the sewer. Commissioner Tobin would like to see work done on a mass variance.

Commissioner Higgins asked Mr. Eadie if the Health Department can furnish any financial assistance. Mr. Eadie explained that there is a reciprocal pool loan available and the Health Department is looking into qualifying to apply for a loan.

Staff was directed to look into setting up a committee compromised of Commissioner Tobin, with Commissioner Hammaker as an alternate, the District representative, a representative from the Health Department, and three representatives from the cold spot property owners

PUBLIC COMMENTS: The following persons addressed the Commission: Robbie Majeska, Key Largo, commented on TIB bank's policy about wire transfers, the employee policy on drug testing after accidents, and the Park Service having the right of first refusal on purchasing land on SR 905.

COMMISSIONER'S ITEMS

Bank Wire Transfers

Commissioner Tobin suggested that the District does not use any wire transfers because of the lack of security on the banks part.

Mr. Waits explained that the State will only accept payment on loans by wire transfer.

Motion: Commissioner Tobin made a motion to limit wire transfers to one account and to only pay the State of Florida for the Florida Department of Environmental Protection until a time when the District's CFO can tell the Board that there is an overriding reason to wire to someone else and then it be done on a case by case bases. Commissioner Bullock seconded the motion.

Vote on Motion

Member	Yes	No	Other
Chairman Bauman	X		
Commissioner Hammaker	X		
Commissioner Higgins	X		
Commissioner Tobin	X		
Commissioner Bullock	X		

Motion passed 5 to 0

Policy & Procedure, Whistle Blower

Motion: Commissioner Hammaker made a motion to approve the addition of the Whistle Blower policy, to the Policy & Procedure manual. Commissioner Tobin seconded the motion.

Vote on Motion

Member	Yes	No	Other
Chairman Bauman	X		
Commissioner Hammaker	X		
Commissioner Higgins	X		
Commissioner Tobin	X		
Commissioner Bullock	X		

Motion passed 5 to 0

Non Profit Agencies

Commissioner Hammaker stated that she understands that the District has a policy of no exceptions to the assessment for any nonprofit organizations. She stated that the Foundation has been adding the groups to their list to see if they be of any assistance to them. She recommended that the District should remind the public from time to time that the District treats everyone the same.

BULK ITEMS

Assessment Appeal Ocean Bay Enterprises

Assessment Appeal First Baptist Church of Key Largo

Motion: Commissioner Hammaker made a motion to approve Bulk Items consisting of the Assessment Appeals for Ocean Bay Enterprises, and the First Baptist Church of Key Largo. Commissioner Tobin seconded the motion.

Vote on Motion

Member	Yes	No	Other
Chairman Bauman	X		
Commissioner Hammaker	X		
Commissioner Higgins	X		
Commissioner Tobin	X		
Commissioner Bullock	X		

Motion passed 5 to 0

Pending Payments of July 15, 2008

Commissioner Bullock asked if the lease for the office calls for the District to repair the air conditioner. Mr. Fishburn said yes.

Commissioner Bullock asked if the District went out to bid for the sludge hauling. Mr. Fishburn said no the District is only paying twenty cents a gallon which is very low.

Commissioner Bullock asked what the nets under hurricane preparedness are for. Mr. Fishburn explained that the nets will cover the inventory of pits to hold them down during a hurricane.

Commissioner Tobin asked why there is a payment to Mr. Levy. Mr. Fishburn explained that it was for the contract for the month of July which is the last payment.

Martin Waits requested that Eckler Engineering pay request number two for \$77,021.30 be added to the pending payments list.

Motion: Commissioner Bullock made a motion to approve Pending Payments for July 15, 2008 as amended contingent upon the availability of funds. Commissioner Tobin seconded the motion.

Vote on Motion

Member	Yes	No	Other
Chairman Bauman	X		
Commissioner Hammaker	X		
Commissioner Higgins	X		
Commissioner Tobin	X		
Commissioner Bullock	X		

Motion passed 5 to 0

ENGINEER'S REPORT*Monthly Progress Report*

Ed Castle of Weiler Engineering reported that Basin "A" is very close to being done. Ric-Man Construction will be starting in Basin B-1 soon. Design review for Basins E & F, and Basins G & H is progressing. Basin C-2 should be ready for bidding in a few weeks.

Chairman Bauman asked if there is any conflict with W.F. McCain working for the District and working for private customers. Mr. Castle said that there should not be any conflict.

Commission Tobin stated that he should not come before the Board as a consultant for a client.

Weiler GPS/GIS Work Authorization

Todd Helt, Weiler Engineering, summarized the four tasks addressed in the Weiler Work Authorization number eight.

Commissioner Tobin was concerned over the amount of the not to exceed work authorization. He suggested that the Board set a cap of \$100,000 as a stop gap control and then Weiler Engineering could come back if more funding was needed.

Motion: Commissioner Hammaker made a motion to approve the Weiler Work Authorization No. 8 as presented. Commissioner Bullock seconded the motion.

Vote on Motion

Member	Yes	No	Other
Chairman Bauman	X		
Commissioner Hammaker	X		
Commissioner Higgins	X		
Commissioner Tobin	X		
Commissioner Bullock	X		

Motion passed 5 to 0

FINANCIAL REPORT

Army Corp PCA Amendment

Mr. Waits told the Board the signing of the PCA has been moved to August 28, 2008

FY-2009 / FY-2012 Staffing Projection

Mr. Waits introduced the staffing projection for 2009/2012. Commissioner Tobin asked that Mr. Fishburn's raises be put under merit.

Chairman Bauman stated that he would like the Board to have more say in the Senior Staff's raises.

Preliminary FY 2009 Administrative and Construction Management Budgets

Mr. Waits presented the Administrative and Construction Management Budgets for FY 2009.

He explained that the District will have to borrow \$242,000 to make up for the MSTU shortfall.

Budget Shortfall Resolution

Mr. Waits explained to the Board that since the issue with Calusa Campground has not been resolved and the District did not hook up as many customers on US 1 as anticipated there is a short fall in the budget. Mr. Waits will bring back the issue at the next meeting.

Retirement Program

Mr. Waits reported that the District’s retirement program will be changed to a 457B Plan. It will have a provision that the District can decide annually if the District wants to contribute to the fund.

FDEP Letter

Mr. Waits reported that the District has word that a letter from the FDEP to the Rural Water Association has been issued saying that they are guaranteeing a take out of up to \$25,000,000. All the District has to do is to do is apply to the Rural Water Association for a Bridge Loan.

Wastewater Service Operations Performance

Mr. Waits reviewed the Operations Performance. The Districts cost to treat each 1,000 gallon of drinking water billed by FKAA was \$5.06. Each customer was billed \$5.37 resulting in a .31/1,000 gallon surplus.

The fixed cost to treat an EDU was \$43.39. Each customer was only billed \$33.60 as a cost to treat one EDU resulting in a \$9.79/EDU deficit. If Calusa Campground had been paying there would have been a \$5.22/EDU surplus.

LEGAL REPORT

Calusa Campground

District Counsel, Thomas Dillon reported that the District has received an offer to settle from Calusa Campground. Mr. Dillon recommended that the Board wait for the additional information that has been requested from Calusa Campground and then have a closed session at the next meeting to discuss settlement strategy and then go from there. The oral argument is scheduled for August 15, 2008 at 9 AM.

GENERAL MANAGER’S REPORT

Vacuum Station “D” Bids

Charles Fishburn reported that Staff recommends the rejection of all of the bids on Vacuum Station “D”.

Motion: Commissioner Tobin made a motion to reject all of the bids received on Vacuum Station “D” and to go out for bid again. Commissioner Hammaker seconded the motion.

Vote on Motion

Member	Yes	No	Other
Chairman Bauman	X		
Commissioner Hammaker	X		
Commissioner Higgins	X		
Commissioner Tobin	X		
Commissioner Bullock	X		

Motion passed 5 to 0

WWTP General Construction Bid

Mr. Fishburn reported that the tentative schedule for the WWTP bid would be to go out to bid on for the General Construction of the WWTP due in on September 19th, 2008 and a pre-bid meeting on August 18, 2008.

Motion: **Commissioner Higgins made a motion to go out to bid for the General Construction of the Wastewater Treatment Plant. Commissioner Bullock seconded the motion.**

Vote on Motion

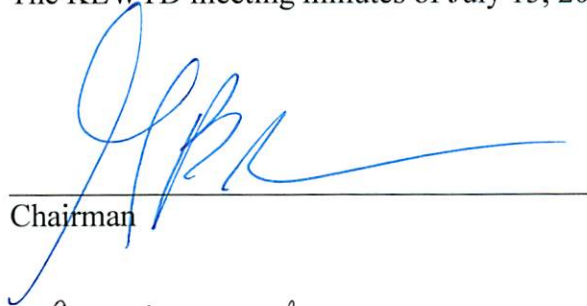
Member	Yes	No	Other
Chairman Bauman	X		
Commissioner Hammaker	X		
Commissioner Higgins	X		
Commissioner Tobin	X		
Commissioner Bullock	X		

Motion passed 5 to 0

ADJOURNMENT

The KLWTD Board adjourned the Board Meeting at 7:39 PM.

The KLWTD meeting minutes of July 15, 2008 were approved on August 5, 2008.



Chairman



Carol Walker, CMC
District Clerk