



## MINUTES

The Key Largo Wastewater Treatment District Board of Commissioners met for their regular scheduled meeting at 4:00 PM. Present were Chairman David Asdourian, Commissioners Stephen Gibbs, Norman Higgins, Andrew Tobin and Robert Majeska arrived at 4:01 Also present were General Manager Paul Christian, Chief Information Officer Rob Bulkiewicz, General Counsel Ray Giglio, Finance Manager Connie Fazio, Operations Manager Daniel Saus, District Clerk Mariela Montedeoca and other appropriate District Staff.

Mr. Ed Castle led the pledge of allegiance.

### AGENDA ADDITIONS, CORRECTIONS OR DELETIONS

- Commissioner Gibbs suggested that the General Manager's item be presented after the approval of Minutes.
- Commissioner Higgins added an item to discuss a Key Largo customer, Doug Stitgen.
- Commissioner Tobin suggested leaving the General Manger's item where it was.
- Commissioner Majeska suggested moving item M1, 2015 Wastewater Plant Operator Apprenticeship Program, after the approval of Minutes; and moving the General Manager's Contract after Commissioners' Roundtable.
- Chairman Asdourian added an item to discuss the summer meeting schedule for 2015.
- General Manager Paul Christian added an item to discuss Tallahassee developments.

### APPROVAL OF AGENDA

**Motion:** Commissioner Tobin made a motion to approve the agenda as amended and Commissioner Majeska seconded the motion. The motion passed without objection.

### APPROVAL OF MINUTES OF PREVIOUS MEETINGS

*Minutes of May 12<sup>th</sup>, 2015*

**Motion:** Commissioner Gibbs made a motion to approve the Minutes of May 12<sup>th</sup>, 2015 and Commissioner Higgins seconded the motion. The motion passed without objection.

### GENERAL MANAGER'S REPORT

*2015 Wastewater Plant Operator Apprenticeship Program*

General Manager Paul Christian presented David Parker, a Coral Shores High School graduating senior, to the Board and recommended that Mr. Parker be awarded the District's first Wastewater Plant Operator Apprenticeship.

Mr. Parker introduced himself and answered questions from the Board.

Mr. Christian invited Commissioners to join him and Human Resource Coordinator, Kim Carpenter at the Coral Shores High School Award Ceremony on June 2<sup>nd</sup>, 2015, at which time Mr. Parker will be presented with a proclamation awarding him the Apprenticeship.

**Motion: Commissioner Gibbs made a motion to award Mr. Dave Parker the District's Wastewater Plant Operator Apprenticeship and Commissioner Tobin seconded the motion. The motion passed without objection.**

## **OPERATIONS REPORT**

### *Plant SCADA System Upgrade Project*

Operations Manager Daniel Saus presented a plan to upgrade the plant's existing SCADA system. He advised the Board that this upgrade will improve the accuracy, flexibility and accessibility of the system. Mr. Saus also answered questions from the Board.

Commissioner Tobin asked staff to prepare an analysis of the cost of the SCADA System and the system's licensing, and report back to the Board with their findings.

## **ADMIN / CUSTOMER SERVICE REPORT**

### *Administrative Building Progression Timeline*

Chief Information Officer Rob Bulkiewicz presented a project timeline for the new administration building, with construction cost estimates provided by Architect Dave Boerner. He also answered questions from the Board.

Commissioner Gibbs expressed his concern about the cost estimate of \$178,000 to \$258,000 for remodeling the Building, and he asked Staff to minimize this amount as much as possible.

### *Code Compliance List - May 2015*

Mr. Rob Bulkiewicz presented a list of files to be turned over to Code Compliance in May 2015 and answered questions from the Board. He then stated that, as a result of this Code Compliance public list, two homeowners contacted the District and have started the process of completing their tie-in.

Commissioner Majeska mentioned that the Monroe County Board of Commissioners also has a Code Compliance item on their agenda.

*MCLA Conservation Waiver of Assessment – AK#1625027, 1625035*

Mr. Rob Bulkiewicz presented a request for a Conservation Waiver, for parcels #1625027 and #1625035, from the MCLA. He recommended approval of the assessment waiver and answered questions from the Board.

**Motion:** Commissioner Gibbs made a motion to adopt a resolution of the Board of Commissioners of the Key Largo Wastewater Treatment District approving the request of Monroe County Land Authority for removal of two tax parcels as conservation land from the 2008 non-ad valorem assessment; and providing for applicability and an effective date. Commissioner Higgins seconded the motion. The motion passed without objection

## **BUDGET AND FINANCE REPORT**

*Monthly Financial Report – April 2015*

Finance Manager Connie Fazio presented the monthly financial report and answered questions from the Board.

Commissioner Majeska asked staff to evaluate whether using funds from the BB&T Assessment Account to pay off the SRF Loan of \$578,388 would decrease interest costs to the District. Mr. Christian indicated that staff will bring to the Board a full analysis reflecting the best plan to repay debt.

Commissioner Tobin asked staff to evaluate the feasibility of transferring some of the District's accounts to local banks and to report back to the Board at a future meeting.

*Potential Economic Impact of Assessed Vacant Parcels*

Mr. Christian presented an analysis of the potential impact on District revenues of granting assessment exemptions for vacant parcels in the Key Largo service area, and he answered questions from the Board.

Mr. Christian discussed the outstanding assessment balances and annual assessment revenues. He indicated that the District has a small percentage of parcels which are already exempt and further explained that the County had no projections on the number of lots that they are targeting for purchase.

Commissioner Tobin asked Staff to notify the appropriate County officials of the impact exemptions would have on the District's annual assessment revenues and to work with the County to minimize the potential economic impact.

## **CONSTRUCTION REPORT**

*Construction Projects Update*

Mr. Daniel Saus presented a list of current and planned constructions projects and answered questions from the Board.

Commissioner Tobin asked staff to include a monthly construction project report in the agenda.

**2 MIN BREAK 5:15 PM**

In order to accommodate guests in the audience, Commissioners Higgins's item was moved before the Commissioners Roundtable.

*Key Largo customer, Doug Stitgen's tie-in process*

Commissioner Higgins introduced Mr. and Mrs. Stitgen and informed the Board of Mr. Stitgen's concerns regarding his tie in. Mr. Christian advised the Board that Mr. Stitgen has a customer appeal scheduled for the June 16<sup>th</sup>, 2015 Board Meeting.

**COMMISSIONER'S ITEM / ROUNDTABLE**

*Thank you Proclamations*

Mr. Paul Christian presented Thank You Proclamations for the Island of Key Largo Federation of Homeowners Associations and Tavernier Community Associations. These proclamations expressed sincere thanks and appreciation to these organizations for their input, participation and support regarding to the Interlocal Agreement with Monroe County.

**Motion: Commissioner Tobin made a motion to accept the Thank you Proclamations for the Island of Key Largo Federation of Homeowners Associations and for the Tavernier Community Associations. Commissioner Higgins seconded the motion. The motion passed without objection.**

*Summer meetings schedule*

Chairman David Asdourian proposed to have only two meetings per month instead of three for the summer.

After some discussion, The Board decided to cancel the June 9<sup>th</sup> and the July 7<sup>th</sup> Board Meetings.

**Motion: Commissioner Tobin made a motion to cancel June 9<sup>th</sup> and July 7<sup>th</sup> Board Meeting with the provision that the General Manager can reschedule meetings within two days before the cancellation date in the event he feels a meeting is necessary for the regular conduct of business. Commissioner Majeska seconded the motion and the motion passed without objection.**

**GENERAL MANAGER'S REPORT**

*General Manager's Contract*

Commissioner Tobin recommended formatting the evaluation in three phases: 1) a vote of confidence; 2) contract language and 3) salary amount. He further indicated that this format would facilitate the expression of ideas and/ or concerns by Board members.

Commissioner Gibbs expressed his interest in giving an individual presentation, which would include comparative salaries of other general managers in the Florida Keys.

**Motion: Commissioner Tobin made a motion, as a point of order, to format the evaluation in three phases: 1) a vote of confidence; 2) contract language and 3) salary amount. Commissioner Majeska seconded the motion.**

**Vote on Motion**

Member	Yes	No	Other
Commissioner Tobin	X		
Commissioner Majeska	X		
Commissioner Gibbs	X		
Commissioner Higgins	X		
Chairman Asdourian	X		

**Motion passed 5 to 0**

- Phase One, Vote of Confidence [“YES” is a vote to retain Paul Christian as the General Manager]
  - Commissioner Majeska voted “YES” and expressed to Staff and the Board that his comments from last week were not intended to reflect negatively on Mr. Christian’s ability to run the Key Largo Wastewater Treatment District.
  - Commissioner Tobin voted “YES” and expressed how important is for him to obtain information from the General Manager and Senior Staff.
  - Commissioner Gibbs voted “YES” and expressed his appreciation for Mr. Christian’s experience and understanding of the District.
  - Commissioner Higgins voted “YES” and complimented Mr. Christian on his leadership.
  - Chairman Asdourian voted “YES” and indicated that he has been very content since Mr. Christian started in his new position.
  
- Phase Two, Vote on Contract’s Language
  - Commissioner Gibbs recommended having a set formula for a two-year contract with Mr. Christian.
  - Commissioner Higgins recommended having a three-year contract with Mr. Christian.
  - Commissioner Majeska recommended having a one-year contract and providing Mr. Christian with a bonus instead of a set salary increase. He further expressed his concerns about obtaining unlimited information from Mr. Christian.
  - Commissioner Tobin recommended having a one-year contract with Mr. Christian. Mr. Tobin expressed the view that it was important to have an open annual contract discussion and stressed the importance of having open

communication between the General Manger, Senior staff and the Board. He suggested adding the following language to the GM's contract:

*"The GM recognizes the Board cannot fulfill its duties without timely information concerning the District's operations, financial condition, and future plans. Therefore, GM agrees that he will provide the Board with such information and further agrees to encourage the Senior Management to do the same. While a formal written report is sometimes required, the GM will update the Board on routine matters that do not require a formal written report, and will encourage the Senior Management to do the same".*

He also suggested that the Board should give its consent before any Senior Staff's salary changes become effective.

- Chairman Asdourian recommended having a three-year contract and noted that the Commissioners have the ability to terminate the contract at any time if needed.

#### **EXTENSION: 6:00PM**

**Motion: Commissioner Majeska made a motion to extend the Meeting for another hour and Commissioner Tobin seconded the motion. The motion passed without objection.**

General Manager Paul Christian expressed a concern that the contract language proposed by Commissioner Tobin did not define "routine matters." He recommended as an alternative:

1) Change paragraph "E" as follows:

*"The General Manager agrees to provide the Board or individual members thereof, upon request, with data or information concerning District construction, operations, financial condition and/or future plans related to all areas of District operation including but not limited to construction, operations, administration and finance."*

2) Add the following under paragraph 2) under special terms:

*"The General Manager agrees to cultivate a culture of transparency and encourage senior management to establish and maintain an open channel of communication with the Board in accordance with Paragraph "E" of the General Managers Duties in Attachment "A" hereto."*

Mr. Tobin agreed that the wording suggested by Mr. Christian would be acceptable.

Mr. Christian also expressed concerns about giving the Board direct control over Senior Staff salaries, as such control could enable senior staff members to directly lobby the Board Members for a raise, which could compromise accountability of senior leadership to the General Manager.

Mr. Tobin recommended that a percentage cap be set on how much the General Manager can raise a Senior Staff member's salary without Board approval. The Board and Mr. Christian agreed to be open to further negotiations on this matter at a later date.

- Phase Three, Salary Amount

- Commissioner Gibbs recommended a two- year contract for \$125,000 a year.
- Commissioner Higgins recommended a two- year contract for \$125,000 a year.
- Commissioner Majeska did not agree with Commissioner Gibb's proposal and recommended Staff research retirement programs for the District's employees.
- Commissioner Tobin recommended a "step up program" which included an 8% increase per year to include salary and bonuses.  
He recommended a \$4,250 raise for the first year and a bonus of 4,000. He further indicated that next year Mr. Christian's bonus could increase depending on his accomplishments. Commissioner Majeska agreed.
- Chairman Asdourian recommended an \$8,500 increase to Mr. Christian's current salary and a \$4,000 bonus for the first year of his contract with another \$8500 increase and a bonus (to be determined) for the second year.

**Motion: Commissioner Gibbs made a motion to pay the General Manager \$125,000 a year for two years. Commissioner Higgins seconded the motion.**

**Vote on Motion**

Member	Yes	No	Other
Commissioner Gibbs	X		
Commissioner Higgins	X		
Commissioner Majeska		X	
Commissioner Tobin		X	
Chairman Asdourian		X	

**Motion failed.**

**Motion: Commissioner Tobin made a motion to pay the General Manager \$118,500 for the first year and \$125,000 for the second year. Commissioner Majeska seconded the motion.**

**Vote on Motion**

Member	Yes	No	Other
Commissioner Tobin	X		
Commissioner Majeska	X		
Commissioner Gibbs		X	
Commissioner Higgins		X	
Chairman Asdourian		X	

**Motion failed.**

**Motion: Chairman Asdourian made a motion to pay the General Manager \$116,500 and a \$4000 bonus for the first year of his contract a \$125,000 a year plus bonus for the second year. Commissioner Gibbs seconded the motion.**

**Vote on Motion**

Member	Yes	No	Other
Chairman Asdourian	X		
Commissioner Gibbs	X		
Commissioner Tobin	X		
Commissioner Higgins	X		
Commissioner Majeska	X		


**Motion passes 5 to 0**

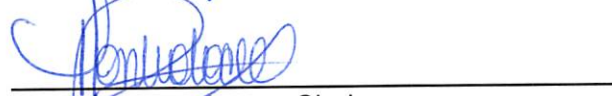
*Tallahassee Update*

Mr. Paul Christian gave the Board a recap of his conversation with Cynthia Henderson, the District's lobbyist, about the status of the state's 2015 Budget.

**ADJOURNMENT**

The Meeting was adjourned at 6:47PM.

  
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 David Asdourian, Chairman

  
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 Mariela Montedeoca, Clerk