MINUTES

The Key Largo Wastewater Treatment District Board of Commissioners met for their regular scheduled meeting at 4:00 PM on May 2, 2017. Present were Acting Chairman Andrew Tobin and Commissioners Susan Heim, Stephen Gibbs, and Robert Majeska. Chairman David Asdourian was absent. Also present were General Manager Peter Rosasco with Bishop, Rosasco & Co., Ed Castle with Weiler Engineering, Tony Grau with Grau & Associates, General Counsel Ray Giglio, District Clerk Katherine Jackson, and other appropriate District Staff.

Mr. Ed Castle led the Pledge of Allegiance.

AGENDA ADDITIONS, CORRECTIONS, OR DELETIONS (D)

- Commissioner Majeska requested that the order of items J-1 and J-2 be reversed.
- Mr. Peter Rosasco added 2 items for discussion under General Manager Report: 1) General Manager Ad and Job Description, and 2) Florida Keys Water Quality Improvement Program funding update.

APPROVAL OF AGENDA (D-1)

Motion: Commissioner Gibbs made a motion to approve the agenda as amended. The motion passed without objection.

APPROVAL OF MINUTES OF PREVIOUS MEETINGS (F)

Minutes of April 25, 2017 (F-1)

Motion: Commissioner Heim made a motion to approve the Minutes of April 25, 2017 and Commissioner Gibbs seconded the motion. The motion passed without objection.

GENERAL MANAGER’S REPORT (G)

March 2017 Monthly Report (G-1)

Mr. Peter Rosasco informed the Board that each department head would discuss his or her section of the monthly report. Mr. Jered Primicerio presented the Plant Operations section, Mr. Mike Dempsey presented the Field Operations section, Mr. Ryan Dempsey presented the Maintenance section, Mr. Ed Castle presented the Construction and Islamorada section, and Mrs. Connie Fazio presented the Budget and Finance Section. Staff answered questions from the Board.
**General Manager Ad and Job Description (G-2)**

Mr. Peter Rosasco presented the updated general manager ad and job description to the Board, which, by general consensus, gave direction to staff to publish the ad without any further changes.

**Florida Keys Water Quality Improvement Program (FKWQIP) Funding Update (G-3)**

Mr. Peter Rosasco informed the Board that Mr. Fred Hicks, the District's lobbyist in Washington, D.C., has reported that congress has set aside $55 million for funding the Army Corps of Engineer's FKWQIP. Mr. Rosasco also stated that Ms. Cynthia Henderson, the District's lobbyist in Tallahassee, has reported that state funding is still pending. The Board discussed how this funding would impact the District's ability to pay down debt and Mr. Rosasco answered questions from the Board.

The Board requested an amortization schedule be included during the debt presentation.

**BUDGET AND FINANCE REPORT (H)**

**Comprehensive Annual Financial Report (CAFR) Presentation/Financial Audit Results for FY2016 (H-1)**

Mr. Tony Grau of Grau & Associates presented the annual CAFR for fiscal year 2016 and the IT audit results. Mr. Grau reported that there were no findings during the audit.

Staff answered questions from the Board and Commissioner Tobin requested that a copy of the IT audit results be forwarded to the District for review.


Mr. Peter Rosasco informed the Board that the current contract with Grau & Associates has expired, but that there is a clause in the contract that gives the District the opportunity to negotiate an extension. The Board discussed the options available to them.

The Board directed staff to further negotiate an extension of the contract with Grau & Associates and to bring the negotiated contract extension to the Board at a future meeting.

**ADMIN AND CUSTOMER SERVICE REPORT (I)**

**MCLA Conservation Waiver – Harris Ocean Park Estates (I-1)**

Mr. Peter Rosasco presented Resolution No. 15-05-17 granting the Monroe County Land Authority (MCLA) a Conservation Waiver of Assessment for AK#1547654, AK#1549550, and AK#1546852 – Harris Ocean Park Estates, all of which are being conveyed to the MCLA as conservation parcels.

The Board discussed the fact that these 3 parcels—like many of the parcels that MCLA has recently agreed to purchase and has requested be removed from the District's assessment role—appear to be buildable lots that could produce wastewater and that were properly assessed. The Board also discussed the negative financial impact that waiving the
assessments on such buildable parcels could have on the District’s ratepayers. The Board directed Mr. Ray Giglio to write a letter to the MCLA requesting that the County address the issue of the District’s uncollected assessments, and suggesting that the County, or the parcel owners, be required to pay a reasonable and equitable portion of the District’s assessment.

The Board also directed staff to present each Alternate Key (AK) number in a separate resolution in the future.

Motion: Commissioner Majeska made a motion to approve Resolution No. 15-05-17 to remove AK#1547654, AK#1549550 and AK#1548852 from the 2009 Non-Ad Valorem Assessment and Commissioner Gibbs seconded the motion.

Vote on Motion

Commissioner Majeska – Aye
Commissioner Gibbs – Aye
Commissioner Heim – Aye
Commissioner Tobin – Aye
Chairman Asdourian – Abesnt
Motion Passed: 4 to 0

EXTENSION: 6:00 PM

Motion: Commissioner Gibbs made a motion to extend the meeting 30 minutes. The motion passed without objection.

OPERATIONS REPORT (J)

Hawkins, Inc. Chemical Pricing Contract (J-2)

Mr. Jered Primicerio informed the Board that he has successfully renegotiated pricing with the District’s chemical supplier, Hawkins, Inc. Mr. Primicerio explained that under the proposed new agreement, chemical pricing will be “locked-in” for at least one year, and that these renegotiated prices could save the District a considerable amount of money when the chemical upgrade project is completed. The Board was also presented with the generic contract that had been sent to the District by Hawkins, Inc.

Staff answered questions from the Board.

Motion: Commissioner Gibbs made a motion to approve this contract in concept, and for Mr. Ray Giglio to make any necessary changes to the contract, including changing “City” to “Key Largo Wastewater Treatment District” or “District”; and Commissioner Tobin seconded the motion.

Vote on Motion

Commissioner Gibbs – Aye
Commissioner Tobin – Aye
Commissioner Majeska – Aye
Commissioner Heim – Aye
Chairman Asdourian – Abesnt
Motion Passed: 4 to 0
Proposed Manlift Purchase (J-1)

Mr. Jered Primicerio presented a memo to the Board requesting that the Board consider purchasing a Manlift for the Operations Department. Mr. Primicerio explained that, for the reasons detailed in his memo, purchasing the Manlift would be more beneficial to the District than continuing to rent a Manlift once a month. The Board discussed the purchase and shared their concerns about matters such as warranties, safety, and insurance liability.

The Board directed staff to present a revised memo at a future Board meeting that includes: an analysis of the costs and benefits of purchasing the Manlift versus renting the Manlift; an analysis of the costs and benefits of purchasing a new Manlift versus purchasing a used Manlift; and an analysis of the warranty coverage on a new Manlift versus the warranty coverage on a used Manlift.

EXTENSION: 6:39 PM
Motion: Commissioner Gibbs made a motion to extend the meeting 30 minutes. The motion passed without objection.

LEGAL REPORT (M)
Search for General Counsel Update (M-1)

Mr. Ray Giglio informed the Board that 23 applications were received in total for the general counsel position, and that the matrix has been completed and will be e-mailed to all commissioners the following day.

The Board requested that each member review the matrix and bring back their top candidates to the June 6, 2017 meeting.

ADJOURNMENT (P)

The Meeting was adjourned at 6:48 PM.

David Asdourian, Chairman

Katherine Jackson, Clerk
RESOLUTION NO. 15-05-17
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 THREE TAX PARCELS AS CONSERVATION LAND FROM THE 2009 NON-AD VALOREM ASSESSMENT; AND PROVIDING FOR APPLICABILITY AND AN EFFECTIVE DATE.

WHEREAS, the Tax Parcels described in Section 1 are being conveyed to the Monroe County Land Authority ("Land Authority"), a local agency, for the purpose of protecting the natural environment and preserving wildlife habitat under the provisions of Chapter 380, F.S. and/or Monroe County Code section 2-397; and

WHEREAS, the Tax Parcels described in Section 1 will be used as Conservation Parcels and will not be improved with facilities that will generate wastewater; and

WHEREAS, the Land Authority has made an application to the Key Largo Wastewater Treatment District ("District") for a waiver of all future assessments of the District’s System Development Charge; and

WHEREAS, pursuant to Section 10.06(a)(iii), of the District’s General Rules and Regulations, the Owner(s) may request that the District exclude such Tax Parcels and waive all future assessments of the System Development Charges, for those Tax Parcels.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE KEY LARGO WASTEWATER TREATMENT DISTRICT THAT:

The Tax Parcels designated in Section 1 below be and are excluded from the Key Largo Wastewater Treatment District 2009 Non Ad-Valorem Assessment.

Section 1.
PARCEL ID: 00448010-000000
AK NO. 1547654
PARCEL DESCRIPTION: BK 3 LT 40 HARRIS OCEAN PK ESTATES KEY LARGO PB4-1 26 OR386-951-952 OR597-335D/C PROB #82-29-C.P-12 OR 848-1407 OR916-2301Q/C OR1601-2158Q/C(ND)

PARCEL ID: 00449920-000000
AK NO. 1549550
PARCEL DESCRIPTION: BK 8 LT 5 HARRIS OCEAN PK ESTATES FIRST ADDN KEY LARGO PB4-139 OR330-536 OR1362-1279 OR1981-1997 OR1 997-242 OR1997-243RES (PROB 06-CP-130-P)
PARCEL ID: 00447200-000000
AK NO. 1546852
PARCEL DESCRIPTION: BK 2 LT 6 HARRIS OCEAN PK ESTATES KEY LARGO PB4-12 6 OR506-691 (U/R D/C-YANKS JACK) (JMH)

Section 2. Should any owner of the parcels listed in Section 1 above later desire wastewater service to the tax parcel, or develop the parcel(s) with any structure capable of producing wastewater, they agree to pay all direct and indirect District costs of providing service as well as any unpaid portions of the assessment herein waived.

Section 3. APPLICABILITY AND EFFECTIVE DATE. This Resolution shall take effect upon adoption by the Board of Commissioners.

Section 4. AUTHORIZATION OF DISTRICT OFFICIALS. The General Manager and/or his designee(s) are authorized to take all actions necessary to implement the terms and conditions of this resolution.

RESOLVED AND ADOPTED THIS 2ND DAY OF MAY 2017

The foregoing RESOLUTION was offered by Commissioner Majeska, who moved its approval. The motion was seconded by Commissioner Gibbs, and being put to a vote the result was as follows:

Chairman Asdourian
Commissioner Gibbs
Commissioner Heim
Commissioner Majeska
Commissioner Tobin

AYE

NAY

Absents

The Chairman thereupon declared this Resolution duly passed and adopted the 2nd day of May, 2017.

KEY LARGO WASTEWATER TREATMENT DISTRICT

By: David Asdourian, Chairman
Approved as to form and legal sufficiency

ATTEST:

Ray Giglio, General Counsel

Katherine Jackson, Clerk

Seal

Premier Waste

Seal

ATTEST: