MINUTES

The Key Largo Wastewater Treatment District Board of Commissioners met for their regular scheduled meeting at 4:00 PM on August 1, 2017. Present were Chairman David Asdourian and Commissioners Susan Heim, Stephen Gibbs and Robert Majeska. Commissioner Andrew Tobin was absent. Also present were General Manager Peter Rosasco with Bishop, Rosasco & Co., General Counsel Nicholas Mulick, District Clerk Katherine Jackson and other appropriate District Staff.

Mr. Perez led the Pledge of Allegiance.

AGENDA ADDITIONS, CORRECTIONS, OR DELETIONS (D)

- Commissioner Majeska requested a discussion of rate reduction under Roundtable Discussion.
- Mr. Rosasco requested that an update on Cross Key be added under General Manager’s Report.
- Mr. Mulick requested the addition of 4 items under Legal Report: 1) proposed changes to his contract; 2) a discussion of water usage; 3) a discussion of Silver Shores and 4) the proposed development next door.

APPROVAL OF AGENDA (D-1)

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

RECOGNIZE DISTRICT STAFF (E)

Mr. Rudy Perez, System Area Supervisor – South and Mr. Beau Sponseiler, System Area Supervisor – North were both awarded Employee of the Quarter.

APPROVAL OF MINUTES OF PREVIOUS MEETINGS (G)

Minutes of July 18, 2017 (G-1)

Motion: Commissioner Gibbs made a motion to approve the minutes of July 18, 2017, and Commissioner Majeska seconded the motion. The motion passed without objection.

Commissioner Heim pointed out that the minutes have been carried over an additional meeting due to the change in District Counsel.

Commissioner Tobin arrived at 4:10 PM.
GENERAL MANAGER’S REPORT (H)

June 2017 Monthly Report (H-1)

Mr. Castle presented the Operations and Construction Report and staff answered questions from the Board.

Wastewater Utility Manager Position (H-2)

Mr. Rosasco informed the Board that an updated calendar was distributed before the meeting detailing each candidate’s availability for an interview at the District. Commissioner Tobin proposed that the commissioners observe each candidate’s interaction with staff in a group setting. Chairman Asdourian suggested that staff set up a public meeting in the morning, and finish all the activities in the afternoon. Commissioner Heim shared her concern regarding staff participation in the selection process. Commissioner Majeska recommended that the candidates tour the infrastructure before the public meeting. Commissioner Gibbs suggested that candidate interviews be conducted in the afternoon.

Mr. Rosasco proposed the following schedule: 8:00-10:00 AM – tour of infrastructure, 10:30-12:00 PM – public meeting, 12:00-1:00 PM – lunch and 1:00-end of day for meetings with commissioners, limited to 1 hour. Commissioner Gibbs and Commissioner Majeska stated that they need only 30 minutes to interview with each candidate.

Chairman Asdourian proposed the following revised schedule: 7:30-10:00 AM – tour of infrastructure, 10:30-12:00 PM – public meeting, 12:00-1:15 PM lunch at the District, 1:30-end of day – 30 minute meetings with commissioners to which the Board agreed.

Commissioner Heim suggested that a regular meeting be held on September 12, 2017 at 4:00 PM to discuss the results of the interviews to which the Board agreed.

Codified Consulting Corp Proposed Contract (H-3)

Mr. Rosasco introduced the Codified Consulting Corp contract and informed the Board that Mr. Ernesto Milian was present to answer questions from the Board. Mr. Milian made a presentation and answered questions from the Board.

Motion: Commissioner Gibbs made a motion to approve the Codified Consulting Corp contract, and Commissioner Tobin seconded the motion.

Vote on Motion

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<tr>
<th>Commissioner</th>
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<tr>
<td>Commissioner Gibbs</td>
<td>Aye</td>
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<td>Commissioner Tobin</td>
<td>Aye</td>
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<td>Commissioner Majeska</td>
<td>Aye</td>
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<td>Commissioner Heim</td>
<td>Aye</td>
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<td>Chairman Asdourian</td>
<td>Aye</td>
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Motion Passed: 5 to 0
Cross Key Update (H-4)

Mr. Rosasco informed the Board that the District is working with the Florida Keys Aqueduct Authority (FKAA) and Florida Representative Holly Raschein's office to find a solution to the Cross Key's wastewater infrastructure matter. Mr. Rosasco informed the Board that there is a possible EPA grant the District and FKAA would like to further explore, and requested that the Board authorize Mr. Castle, in conjunction with FKAA engineers, to investigate whether the grant is available. Mr. Castle informed the Board that his efforts should not exceed 5 hours.

Staff answered questions from the Board and the Board agreed, with Commissioner Heim's dissent, to authorize staff to work with FKAA and report back to the Board.

BUDGET AND FINANCE REPORT (I)

KLWTD Financial Reports (I-1)

Mrs. Fazio presented the 3rd quarter financial reports for fiscal year 2017.

EXTENSION: 6:01 PM
Motion: Commissioner Heim made a motion to extend the meeting 30 minutes. The motion passed without objection.

Staff answered questions from the Board.

5 MIN BREAK: 6:13 PM

ADMIN AND CUSTOMER SERVICE REPORT (J)

MCLA Conservation Waiver (J-1)

Mrs. Bockelman presented Resolution No. 27-08-17 granting the Monroe County Land Authority (MCLA) a Conservation Waiver of Assessment for AK#1627810, which is being conveyed to the MCLA as a conservation parcel; and staff answered questions from the Board.

Motion: Commissioner Tobin made a motion to approve Resolution No. 27-08-17 to remove AK#1627810 from the 2007 Non-Ad Valorem Assessment, and Commissioner Gibbs seconded the motion.

Vote on Motion

Commissioner Tobin – Aye
Commissioner Gibbs – Aye
Commissioner Majeska – Aye
Commissioner Heim – Aye
Chairman Asdourian – Aye

Motion Passed: 5 to 0

Conservation Waiver Update and Discussion (J-2)

Mrs. Bockelman submitted a report on the potential financial impact of waiving assessments on parcels purchased by the MCLA. The Board discussed the merits of granting assessment...
waivers on Tier III parcels. Commissioner Tobin suggested that the Board authorize Mr. Rosasco to negotiate with Monroe County on behalf of the District.

**EXTENSION: 6:34 PM**

**Motion:** Commissioner Gibbs made a motion to extend the meeting 30 minutes.

The motion passed without objection.

Staff answered questions from the Board. The Board authorized Mr. Rosasco to contact Mr. Mark Rosch, Senior Property Acquisition Specialist and the Board of County Commissioners on behalf of the District and bring this item back to the Board as an action item.

**LEGAL REPORT (N)**

**Proposed Contract Revisions (N-1)**

Mr. Mulick informed the Board that he proposes to revise his contract to include wording that would require General Manager or Board approval to exceed 40 hours per month.

The Board requested that the revised contract be placed on the Agenda as an action item at the next Board meeting.

**Water Usage (N-2)**

Mr. Mulick informed the Board that upon further investigation by staff, it was determined that there are a number of parcels that exceed the 12,000 gallons per month cap on residential properties. The Board discussed several options including removing the cap through a change in the District's Rules and Regulations.

**EXTENSION: 7:01 PM**

**Motion:** Commissioner Gibbs made a motion to extend the meeting 30 minutes.

The motion passed without objection.

Staff answered questions from the Board. The Board requested that this item be brought back and the list of parcels that exceed 12,000 gallons per month be emailed to each commissioner.

**Silver Shores Update (N-3)**

Mr. Mulick stated that the District received a letter from the attorney representing Silver Shores regarding pump failures and requested that the Board authorize him to contact the attorney for more information, to which the Board agreed.

**Proposed Development Next Door (N-4)**

Mr. Mulick informed the Board that the neighboring parcel has submitted an application for development approval to add a residence to the existing commercial use. Mr. Mulick informed the Board that some commissioners have requested that he look into this issue and report back to the Board, to which the Board agreed.
ROUND TABLE DISCUSSION (P)

Rate Reduction (Commissioner Majeska) (P-2)

Commissioner Majeska discussed the possibility of a rate reduction and stated that he would like a rate study done this year to determine the feasibility of lowering rates. Commissioner Tobin suggested that Mr. Rosasco prepare a rate study on behalf of the District. Mr. Rosasco informed the Board that this is not in his current scope of work and would not be possible prior to adoption of the new budget.

ADJOURNMENT (Q)

The Meeting was adjourned at 7:33 PM.

David Asdourian, Chairman

Katherine Jackson, Clerk
RESOLUTION NO. 27-08-17
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 ONE
TAX PARCEL AS CONSERVATION LAND FROM THE 2007
NON-AD VALOREM ASSESSMENT; AND PROVIDING
FOR APPLICABILITY AND AN EFFECTIVE DATE.

WHEREAS, the Tax Parcel described in Section 1 is 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 Parcel described in Section 1 will be used as a Conservation
Parcel 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 that Tax Parcel.

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

The Tax Parcel designated in Section 1 below be and is excluded from the Key Largo
Wastewater Treatment District 2007 Non Ad-Valorem Assessment.

Section 1.
PARCEL ID: 00508490-000000
AK NO. 1627810
PARCEL DESCRIPTION: BK 1 LT 24 LARGO CITY PB4-142 KEY LARGO OR383-515-516

Section 2.
Should any owner of the parcel listed in Section 1 above later desire wastewater service to the tax parcel, or develop the
parcel 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 1ST DAY OF AUGUST 2017

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

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<td>Chairman Asdourian</td>
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<td>Commissioner Gibbs</td>
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<td>Commissioner Heim</td>
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<tr>
<td>Commissioner Tobin</td>
<td>✓</td>
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The Chairman thereupon declared this Resolution duly passed and adopted the 1st day of August, 2017.

KEY LARGO WASTEWATER TREATMENT DISTRICT

By: David Asdourian, Chairman

ATTEST: Approved to as to form and legal sufficiency

Katherine Jackson, Clerk

Nicholas Mulick, General Counsel