

May 21st

2003

Key Largo Wastewater Treatment District

Guest Sign In Sheet

Wednesday, May 21, 2003

****Please Print****

<u>Name & Title</u>	<u>Representing</u>	<u>Phone</u>
1. Michael Longenecker	KL Resident	305 451 0589
2. James B. Jones	Roediger Pgh Inc.	412 487-6010
3. Nos Espat	RAUSAZZA	813 677-0041
4. Tom Evans	Tom Evans Environmental Inc	863-619-3789
5. WALTMESSER	D. N. HIGGINS, ETC	305 797-1036
6. Dave Reffling		
7. Charles Fishburn		
8.		
9.		
10.		
11.		
12.		
13.		
14.		
15.		
16.		
17.		
18.		
19.		
20.		

Key Largo Wastewater Treatment District Board of Commissioners Special Meeting Agenda

4:00 PM Wednesday, May 21, 2003

Key Largo Civic Club

209 Ocean Bay Drive

Key Largo, Monroe County, Florida

- A. Call to Order
- B. Pledge of Allegiance
- C. Additions, Deletions or Corrections to the Agenda
- D. Action Items
 - 1. Approval of the Work Plan for Development and Implementation of a Non Ad Valorem Assessment Program for Administrative and Management Costs
 - 2. Approval of KLWTD Board Meeting Schedule June – September 2003
- E. General Manager's Report
 - 1. Status Report/Discussion regarding KLTV contract with The Haskell Corporation

 - 2. Status Report/Discussion regarding KLP contract with D.N. Higgins
- F. Legal Counsel's Report
- G. Engineer's Report
- H. Commissioner's Items
- K. Meeting Adjournment

KLWTD
May 21, 2003

Action Item

D - 1



Government Services Group, Inc.

Government Services Group, Inc.

Dedicated to solving funding and service delivery issues in the public sector

1500 Mahan Drive, Suite 250 • Tallahassee, FL 32308 • Phone (850) 681-3717 • Fax (850) 224-7206 • Email: gsg@govserv.com

March 14, 2003

VIA HAND DELIVERY

Mr. Robert E. Sheets
District Manager
Key Largo Wastewater Treatment District
P.O. Box 491
Key Largo, FL 33037

Re: Workplan for Development and Implementation of Non-Ad Valorem Assessment Program for Administrative and Legal Costs

Dear Robert:

This correspondence is written to present a scope of services for Government Services Group, Inc. (GSG) to provide specialized assistance to the Key Largo Wastewater Treatment District (District) in the development and implementation of an assessment program to fund the annual administrative and legal costs associated with the District. The proposal is based on the assumption that the District intends to collect these proposed assessments using the tax bill collection method beginning with the tax bills to be mailed in November 2003 for Fiscal Year 2003-04.

The objective of this project is to develop non-ad valorem assessments based on public policy set forth by the District's elected officials within the constraints of readily available data and legal precedent.

To accomplish this objective, we will complete the following tasks:

- Provide implementation services to assist the District to develop a legally defensible method of apportionment that is conducive to using the tax bill collection method;
- Provide assessment rolls that are capable of being efficiently updated annually and used in subsequent years.

The proposed workplan is designed to develop the following deliverables during this project:

- An Assessment Report that will provide (a) the assessment cost calculation, (b) the description of the apportionment methodology, and (c) an implementation schedule.
- Billing algorithms necessary to calculate the assessments pursuant to the approved methodology;
- The statutorily required notice and billing documentation required for using the tax bill collection method for the assessment program;
- The final assessment rates; and
- Assessment rolls in an electronic format capable of merging with the County's ad valorem tax roll.

The attached scope of services is based on the following assumptions:

- The District will provide the necessary budget information required to develop the assessment methodology.
- The District legal counsel will provide all of the legal implementation documents and ~~any legal interpretations required regarding the validity of the assessment methodology.~~

Attached as Appendix A is a work plan which articulates the services required by the firm to assist the District in implementing the non-ad valorem assessment program in a manner that is conducive to the imposition and collection of the assessments using the tax bill collection method.

For services provided by GSG, we will work under a lump sum professional fee arrangement described in the attached scope of service and receive payment on a monthly basis pursuant to the schedule in Appendix B. A lump sum method of compensation eliminates any uncertainty in the total fee.

We have also attached as Appendix B, a list of project deliverables, delivery schedule and payment schedule. Upon Notice to Proceed we will provide a detailed critical events calendar and a schedule for project deliverables tailored to the specific circumstances that are unique to the District. Appendix C is an hours and fees matrix that illustrates the work effort for each task.

We look forward to working with the District on this very important project. If you, or any other District officials have any questions, please feel free to telephone me.

Sincerely,

A handwritten signature in black ink that reads "Camille Tharpe". The signature is written in a cursive, flowing style.

Camille P. Tharpe

/cpt

Enclosures

APPENDIX A

**PROPOSED ASSESSMENT PROGRAM
SCOPE OF SERVICES**

APPENDIX A SCOPE OF SERVICES

Task 1: Evaluate Reports and Research Issues

Evaluate the District's existing legal documents, ad valorem tax roll information, reports and other data pertaining to the provision of administrative and legal services associated with the Wastewater Treatment District.

Task 2: Determine Preliminary Revenue Requirements

Advise the District in determining the total assessment revenue requirements to ensure the District recovers the costs of: (a) net revenue requirements, (b) implementing the program, and (c) collecting the assessments.

Task 3: Develop a Method of Apportionment

Using the current ad valorem tax roll develop a method of apportionment, classification of properties and the use of the data on the ad valorem roll. GSG will perform all field work required to develop a method to address the assessment of vacant lots based on development capability (i.e., Tier 1, Tier 2 and Tier 3). Review the assessment methodology for legal sufficiency and compatibility with the tax bill method of collection.

Task 4: Develop an Assessment Roll Database

Using the District's ad valorem tax roll, create an assessment roll database. Develop rules and guidelines for the treatment of certain properties to ensure similar treatments. Test the sufficiency of the database by developing reports to access property use information. Assist the District's Attorney in documenting the rules and procedures regarding the database.

Task 5: Apply Apportionment Methodology to Database

Using database developed in Task 4, apply apportionment methodology to the assessment roll database to test the data validity and legal sufficiency. Revise the apportionment methodology, as necessary.

Task 6: Calculate a Preliminary Proforma Schedule of Rates

Using assessment roll database, calculate a proforma schedule of rates based on the apportionment methodology and revenue requirements for the assessment program.

Task 7: Review the Assessment Ordinance

Review the assessment ordinance prepared by the District's Attorney that provides the District with the flexibility to impose and collect the assessments using the tax bill collection method.

Task 8: Review the Initial Assessment Resolution

Review the initial assessment resolution prepared by the District's Attorney that conforms to the assessment ordinance to impose the assessments to implement the District's policy decisions and proposed methodology.

Task 9: Review the Final Assessment Resolution

Review the final assessment resolution prepared by the District's Attorney that conforms to the assessment ordinance to impose the assessments and adopt final assessment rates.

Task 10: Assist with Rate Adoption Process in Conformance with the Uniform Assessment Collection Act

Advise and assist with the legal requirements for the adoption of the final assessment rate resolution(s) and certification of the assessment roll(s) in accordance with section 197.3632, Florida Statutes, including: (a) the development of the first class notice and its distribution, (b) publication of the public hearing, (c) attendance at the public hearing, and (d) the certification of the assessment roll to the Monroe County Tax Collector.

Fee and Costs

For services provided by GSG, the lump sum fee for the proposed scope of services would be \$25,116.

Payment will be 1/5 of the lump sum fee each month beginning May 2003, assuming notice to proceed occurs in April 2003. Payment will be pro-rated on the basis of the anticipated number of months included in the project if notice to proceed occurs after April 2003.

Special Note:

The lump sum fee does not include the costs of producing and mailing the statutorily required first class notices for FY 2003-04, which will depend on the number of assessable parcels of property within the District. Mailing and production costs for this program averages approximately \$1.25 per parcel, with the amount due and payable at the time of the adoption of the initial assessment resolution.

In addition to one on-site visit by GSG to conduct fieldwork, the lump sum fee for professional services includes a total of three on-site visits to the District by GSG staff. While the purpose of these trips is negotiable, the intent of these meetings is to (1) participate in individual briefing sessions with District elected officials and staff, (2) participate in the adoption of the Assessment Ordinance and the Initial Assessment Resolution and (3) assist in the final rate adoption process. Meetings in excess of these three meetings may be arranged at our standard hourly rates. Expenses related to additional meetings will be billed in conformance with section 112.061, Florida Statutes.

In lieu of on-site visits by GSG, the firm is available to participate in periodic, scheduled telephone conference call to discuss project status.

Annual Updates

On a recurring basis, the firm shall also be available to assist the District in the annual update of the District's assessment program for a fee to be determined upon completion of this project. Such annual update assistance would include: assisting in the revisions to the assessment roll to correlate with changes to the ad valorem tax roll, facilitating the public notice requirements of the tax bill collection method including notice to property owners with property use changes, assistance with any transitional or interim assessments for omitted properties, and monitoring of the apportionment methodology relative to continued defensibility.

In recognition that GSG is an organization dedicated to providing specialized assistance to local governments in developing innovative and efficient solutions to public sector issues, the firms shall, on an hourly or negotiated fee basis, also be available to provide additional services to the District on finance, revenue or other local governmental matters. Such services may be provided under a written change order, extension to this scope of services, or by separate agreement mutually acceptable to the parties.

APPENDIX B

DELIVERABLES AND PAYMENT SCHEDULES

**APPENDIX B
PROJECT SCHEDULE**

<u>Deliverable</u>	<u>Schedule</u>
Notice to Proceed by the District	April 2003
Assessment Report	July 2003
Proforma Assessment Rates	July 2003
Adopt Assessment Ordinance	July - August 2003
Initial Assessment Resolution	July – August 2003
First Class Notices	August 2003
Published Notice	August 2003
Final Assessment Resolution	August – September 2003
Final Assessment Rates	August – September 2003
Certified Assessment Roll	by September 15, 2003

Payment will be 1/5 of lump sum fee each month beginning May 2003, assuming notice to proceed occurs in April 2003. Payment will be pro-rated on the basis of the anticipated number of months included in the project if notice to proceed occurs after April 2003.

APPENDIX C
HOURS AND FEES MATRIX

**APPENDIX C
HOURS AND FEES MATRIX**

Tasks	Total Hours	Total Fees
ASSESSMENT PROGRAM		
<i>Task 1 - Evaluate data/reports; research issues</i>		
Task Total	8	\$ 1,120
<i>Task 2 - Determine preliminary revenue requirements</i>		
Task Total	8	\$ 1,120
<i>Task 3 - Develop apportionment method/data approach</i>		
Task Total	40	\$ 5,600
<i>Task 4 - Develop assessment roll database</i>		
Task Total	40	\$ 5,600
<i>Task 5 - Apply apportionment methodology to database</i>		
Task Total	12	\$ 1,680
<i>Task 6 - Calculate preliminary proforma assessment rates</i>		
Task Total	12	\$ 1,680
<i>Task 7 - Review assessment ordinance</i>		
Task Total	8	\$ 1,120
<i>Task 8 - Review initial assessment resolution</i>		
Task Total	8	\$ 1,120
<i>Task 9 - Review final assessment resolution</i>		
Task Total	4	\$ 560
<i>Task 10 - Assist with rate adoption process in conformance with UACA</i>		
Task Total	16	\$ 2,240
GSG FEES	156	21,840
Plus travel and related expenses		\$ 3,276
TOTAL LUMP SUM FEE		\$ 25,116

KLWTD
May 21, 2003

Action Item

D - 2

KLWTD Calendar

June

Sun	Mon	Tue	Wed	Thu	Fri	Sat
1	2	3	4 <i>Meeting</i> Final Capital & Operating Budgets	5	6	7
8	9 Draft Budget to General Manager	10	11 Regular Meeting 4:00 pm Civic Club NOT ADVERTISED	12	13 Staff Budget approved for Board review	14
15	16	17	18 <i>Meeting</i>	19	20 Budget book forwarded with regular agenda	21
22	23	24	25 Regular Meeting 4:00 pm Civic Club NOT ADVERTISED	26	27	28
29	30					

2003

KLWTD Calendar

July

Sun	Mon	Tue	Wed	Thu	Fri	Sat
		1	2	3	4	5
6	7	8	9 Regular Meeting 4:00 p.m. Civic Club NOT ADVERTISED	10	11	12
13	14	15	16	17	18	19
20	21	22	23 Regular Meeting 4:00 p.m. Civic Club NOT ADVERTISED	24	25	26
27	28	29	30	31 Advertise rate hearings – if applicable		

2003

KLWTD Calendar

August

Sun	Mon	Tue	Wed	Thu	Fri	Sat
					1	2
3	4	5	6	7	8	9
10 Advertise public hearing on FY 2004 Budget	11	12	13 Regular Meeting 4:00 p.m. Civic Club NOT ADVERTISED	14	15	16
17	18	19	20	21	22	23
24	25	26	27 Regular Meeting 4:00 p.m. Civic Club NOT ADVERTISED	28	29	30
31						

2003

KLWTD Calendar

September

Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1 ←----- Rate Hearings if applicable		3 ----->	4 ----->	5 ----->	6
7	8	9	10 Regular Meeting & Public Hearing (Budget Resolution) 4:00 p.m. Civic Club NOT ADVERTISED	11	12	13
14	15	16	17	18	19	20
21	22	23	24 Regular Meeting 4:00 p.m. Civic Club NOT ADVERTISED	25	26	27
28	29	30				

2003

KLWTD
May 21, 2003

**General Manager's
Item**

E - 1

Peter M. Kinsley
Division Leader - Water

May 19, 2003

Re: Cost Comparison of SBR Secondary Treatment
and USBF Secondary Treatment

Mr. David R. Refling, PE, DEE
Vice President
Boyle Engineering Corporation
320 East South Street
Orlando, Florida 32801

Dear Mr. Refling:

In response to your e-mail dated May 16, 2003 requesting a comparison of project cost using SBR secondary treatment and USBF secondary treatment, please find the attached cost breakdown. Upon review of the breakdown and supporting equipment proposals, you will find that the purchase price of SBR process equipment is approximately \$300,000 less expensive than the purchase price of USBF process equipment.

In an effort to offer either treatment process to the Key Largo Wastewater Treatment District (KLWTD) for our Best and Final Cost Proposal of \$7,970,000.00, The Haskell Company has worked diligently to identify cost savings associated with the USBF. Our efforts included two USBF site visits that allowed approximately \$200,000 of the difference to be eliminated through savings associated with the USBF process. As supported by the breakdown, savings were realized in the following scopes of work:

- Cast-in-Place Concrete
- Metals
- Process Piping
- Electrical Distribution
- Generator and Fuel System
- Instrumentation and Controls

In an effort to mitigate the remaining \$100,000 and allow The Haskell Company to provide either secondary treatment process for our Best and Final Cost Proposal, we offer the following Value Engineering language for consideration. This language would replace what was previously presented by The Haskell Company and accepted by the negotiating team. It should be noted that the KLWTD receives all future savings associated with USBF and that the risk of mitigating the remaining \$100,000 is the responsibility of The Haskell Company.

Mr. David R. Refling, PE, DEE
May 19, 2003
Page 2

VALUE ENGINEERING CONSIDERATIONS

Value Engineering shall be calculated on the following basis:

1. If KLWTD elects to utilize USBF secondary treatment equipment, all additional Value Engineering associated with the use of USBF secondary treatment equipment offered by the CONTRACTOR and accepted by KLWTD would be returned in full to the KLWTD.
2. With the exception of any Value Engineering associated with Item 1 above, the first \$100,000 of Value Engineering offered by the CONTRACTOR and accepted by KLWTD is returned in full to the CONTRACTOR.
3. Value Engineering savings offered beyond those indicated in Items 1 and 2 above will be shared 50/50 between KLWTD and the CONTRACTOR in accordance with the Agreement.

The Haskell Company recognizes the sensitivity of this issue, as the KLWTD clearly believes that USBF should be more cost effective than SBR. As supported by the attached breakdown and associated equipment proposals, the purchase price of the USBF process equipment is approximately \$300,000 more expensive than the SBR process equipment. The Haskell Company has worked ~~diligently to mitigate these costs in order to offer the KLWTD secondary treatment options. We have~~ successfully eliminated the majority of cost associated with this issue and have offered a fair and reasonable solution through Value Engineering for the remaining difference.

If the Value Engineering language presented above is acceptable to the KLWTD, The Haskell Company will provide either SBR or USBF secondary treatment for our Best and Final Cost Proposal. This language identifies the KLWTD as the recipient of all future savings associated with USBF and places the responsibility of mitigating the remaining difference through Value Engineering on The Haskell Company. It should be noted that employing the Value Engineering approach described under Item 2 above in lieu of the standard 50/50 shared savings provisions contained in the Agreement dictates that the KLWTD and The Haskell Company each contributes \$50,000 towards this issue.

The Haskell Company is committed to making this project a tremendous success for all participants. In order for that goal to be achieved, both the KLWTD and The Haskell Company must be fully satisfied with the resolution of this issue. We believe we have offered a fair and reasonable solution and are hopeful that the KLWTD is equally satisfied. If you have any questions or should require any additional information, please contact me at (904) 357-4868.

Sincerely,

Peter M. Kinsley
Division Leader – Water

Cc: Robert Sheets, Government Services Group, Inc.

**Key Largo Wastewater Treatment Project
SBR / USBF Cost Comparison**

Item No.	Schedule of Values	SBR Scheduled Value	USBF Scheduled Value	Comment
GENERAL CONDITIONS				
1	Mobilization	\$ 328,525	\$ 328,525	
2	Payment & Performance Bonds	\$ 69,975	\$ 69,975	
3	Insurance	\$ 162,450	\$ 162,450	Insurance coverage for additional project cost.
4	Indemnification	\$ 1,000	\$ 1,000	
5	Supervision	\$ 310,711	\$ 310,711	
6	Travel & Subsistence	\$ 63,718	\$ 63,718	
7	Project Office	\$ 15,100	\$ 15,100	
8	Office Supplies & Consumables	\$ 10,550	\$ 10,550	
9	Temporary Utilities	\$ 48,614	\$ 48,614	
10	Survey & Baselines	\$ 3,000	\$ 3,000	
11	Material Testing	\$ 7,500	\$ 7,500	
12	Project Safety	\$ 27,050	\$ 27,050	
13	Small Tools and Equipment	\$ 21,885	\$ 21,885	
14	Permits and Licenses	\$ 13,850	\$ 13,850	
	SUB-TOTAL	\$ 1,072,701	\$ 1,072,928	
DESIGN DEVELOPMENT				
15	Concept Review Submittal	\$ 105,107	\$ 105,107	
16	30% Design Development	\$ 121,823	\$ 121,823	
17	60% Design Development	\$ 121,823	\$ 121,823	
18	90% Design Development	\$ 210,213	\$ 210,213	
19	Final Design Development	\$ 24,003	\$ 24,003	
20	Construction Administration	\$ 103,420	\$ 103,420	
	SUB-TOTAL	\$ 685,986	\$ 685,986	
TREATMENT PLANT				
21	Erosion Control	\$ 12,282	\$ 12,282	

**Key Largo Wastewater Treatment Project
SBR / USBF Cost Comparison**

Item No.	Schedule of Values	SBR Scheduled Value	USBF Scheduled Value	Comment
22	Site Clearing	\$ 17,617	\$ 17,617	
23	Dewatering	\$ 16,678	\$ 16,678	
24	Foundation Stabilization	\$ 19,819	\$ 19,819	
25	Earthwork	\$ 60,611	\$ 60,611	
26	Storm Drainage	\$ 4,514	\$ 4,514	
27	Paving and Concrete Flatwork	\$ 54,062	\$ 54,062	
28	Disposal Wells	\$ 36,335	\$ 36,335	
28	Site Improvements	\$ 32,415	\$ 32,415	
30	Landscaping	\$ 30,802	\$ 30,802	
31	Cast-in-Place Concrete	\$ 286,156	\$ 242,776	USBF does not require an aerobic digester and Randazza's proposal includes stainless steel fabricated splitter box therefore associated concrete eliminated.
32	Masonry	\$ 24,249	\$ 24,249	
33	Metals	\$ 72,881	\$ 35,687	USBF equipment package includes stairs and handrail that are purchased separately under SBR scenario.
34	Rough Carpentry	\$ 754	\$ 754	
35	Waterproofing and Sealants	\$ 5,381	\$ 5,381	
36	Roofing	\$ 5,728	\$ 5,728	
37	Doors, Hardware and Glazing	\$ 3,358	\$ 3,358	
38	Interior Finishes	\$ 8,268	\$ 8,268	
39	Painting and Protective Coatings	\$ 27,527	\$ 27,527	
40	Inferior Specialties	\$ 13,295	\$ 13,295	
41	Mechanical Bar Screens	\$ 43,446	\$ 43,446	USBF package includes mechanical bar screen for \$40,056. Hasckel carried \$35,500. See attached Pro-Equipment and Randazza proposals.
42	Flow Splitter Box	\$ 47,472	\$ 47,472	USBF package includes stainless steel fabricated flow splitter box for \$36,800. Hasckel carried concrete splitter box for approximately \$10,000. See attached Randazza proposal.
43	Secondary Treatment	\$ 759,441	\$ 118,462	USBF package includes secondary treatment for \$745,387. Hasckel carried \$560,000 for Fluidyne's SBR and additional steel tankage. See attached Fluidyne and Randazza proposals.
44	Microscreen	\$ 183,729	\$ 183,729	USBF package includes two microscreens for \$129,028. Hasckel carried \$0 as Fluidyne's SBR proposal includes two high-pressure sand fillers. See attached Fluidyne and Randazza proposals.
45	Chemical Feed Systems	\$ 51,244	\$ 0	USBF package includes required chemical systems. Hasckel carried \$39,800 for chemical systems that are purchased separately under SBR scenario.
46	Slump Pumps	\$ 6,237	\$ 6,237	
47	Odor Control	\$ 44,252	\$ 44,252	
48	In Line Control Devices	\$ 17,514	\$ 17,514	
49	Process Piping	\$ 286,342	\$ 149,339	USBF package reduces the quantity of process piping.

**Key Largo Wastewater Treatment Project
SBR / USBF Cost Comparison**

Item No.	Schedule of Values	SBR Scheduled Value	USBF Scheduled Value	Comment
50	Plumbing Piping / Equipment	\$ 11,011	\$ 11,011	
51	HVAC Ductwork / Equipment	\$ 12,988	\$ 12,988	
52	Sprinkler System	\$ 5,505	\$ 5,505	
53	Electrical Distribution	\$ 85,208	\$ 152,442	USBF reduces the quantity of required electrical service to process equipment.
54	Generator & Fuel System	\$ 58,548	\$ 45,935	Capacity of generator fuel tank reduced to accommodate 24-hour run vs 72-hour run.
55	Light Fixtures	\$ 22,021	\$ 22,021	
56	Lightning Protection	\$ 8,608	\$ 8,608	
57	Fire Alarm System	\$ 11,011	\$ 11,011	
58	Instruments, Panels, and Sprinklers	\$ 51,319	\$ 57,400	USBF does not require SCADA. The plant is controlled by local control panels provided with the USBF package.
	SUB-TOTAL	\$ 2,208,994	\$ 2,309,635	
	COLLECTION SYSTEM			
59	8-Inch Gravity Main	\$ 331,600	\$ 331,600	
60	Clean-out Assemblies	\$ 11,000	\$ 11,000	
61	3-Inch Vacuum Sewer Main	\$ 71,400	\$ 71,400	
62	4-Inch Vacuum Sewer Main	\$ 399,000	\$ 399,000	
63	6-Inch Vacuum Sewer Main	\$ 214,000	\$ 214,000	
64	8-Inch Vacuum Sewer Main	\$ 48,875	\$ 48,875	
65	10-Inch Vacuum Sewer Main	\$ 630,325	\$ 630,325	
66	4-Inch Division Valve	\$ 4,500	\$ 4,500	
67	6-Inch Division Valve	\$ 1,200	\$ 1,200	
68	8-Inch Division Valve	\$ 800	\$ 800	
69	10-Inch Division Valve	\$ 6,000	\$ 6,000	
70	Reducers	\$ 1,500	\$ 1,500	
71	Vacuum Pits - Complete	\$ 727,000	\$ 727,000	
72	Key Largo Park Valves	\$ 59,000	\$ 59,000	
73	6-Inch Gravity Laterals	\$ 595,500	\$ 595,500	
74	US 1 Crossing	\$ 251,300	\$ 251,300	

Key Largo Wastewater Treatment Project
SBR / USBF Cost Comparison

Item No.	Schedule of Values	SBR Scheduled Value	USBF Scheduled Value	Comment
75	Vacuum Sewer Manufacturer Rep	\$ 25,000	\$ 25,000	
76	Intersection Restoration	\$ 90,000	\$ 90,000	
77	Curb/Gutter Restoration	\$ 2,500	\$ 2,500	
78	Sidewalk Restoration	\$ 4,500	\$ 4,500	
79	Trench & Paving Restoration	\$ 323,000	\$ 323,000	
80	Vacuum Pump Station	\$ 204,317	\$ 204,317	
	SUB-TOTAL	\$ 4,002,317	\$ 4,002,317	
	TOTAL	\$ 7,970,000	\$ 8,071,868	

Faith
407-629-6963

**PUBLIC NOTICE OF THE KEY LARGO
WASTEWATER TREATMENT DISTRICT MEETINGS**

The KLWTD Board hereby gives notice pursuant to Chapter 189, Florida Statutes, of the following meetings:

The Board will meet at 4:00 pm at the Key Largo Civic Club, 209 Ocean Bay Drive, Key Largo, FL, MM 99.5, on the following dates: June 4, 2003; June 11, 2003; June 18, 2003; June 25, 2003; July 9, 2003; July 23, 2003; August 13, 2003; August 27, 2003; September 10, 2003 and September 24, 2003.

The Board will consider all matters that are on the agenda for each meeting. Agendas will be available 48 hours prior to the meeting or workshop date by contacting District Clerk Faith Doyle at 305-451-5105 or fdoyle@govmserv.com.

Pursuant to Section 286.0105, Florida Statutes, notice is given that if a person decides to appeal any decision by the Board with respect to any matter considered at such hearings or meetings, he or she will need a record of the proceedings, and that, for such purpose, he or she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

In accordance with the Americans with Disabilities Act, persons needing special accommodations to participate in this proceeding should contact District Clerk Faith Doyle at 305-451-5105 or fdoyle@govmserv.com 72 hours prior to the meeting date.

Publish: 05/27/03, The Reporter, Tavernier, FL 33070 A04 64068

2col x 3 1/2"
classified
LEGAL DISPLAY
for the
Reporter 5/29/03
\$60 76

Juan

**PUBLIC NOTICE OF THE KEY LARGO WASTEWATER TREATMENT
DISTRICT MEETINGS**

The KLWTD Board hereby gives notice pursuant to Chapter 189, Florida Statutes, of the following meetings:

The Board will meet at 4:00 pm at the Key Largo Civic Club, 209 Ocean Bay Drive, Key Largo, FL, MM 99.5, on the following dates: June 4, 2003; June 11, 2003; June 18, 2003; June 25, 2003; July 9, 2003; July 23, 2003; August 13, 2003; August 27, 2003; September 10, 2003 and September 24, 2003.

The Board will consider all matters that are on the agenda for each meeting. Agendas will be available 48 hours prior to the meeting or workshop date by contacting District Clerk Faith Doyle at 305-451-5105 or fdoyle@govmserv.com.

Pursuant to Section 286.0105, Florida Statutes, notice is given that if a person decides to appeal any decision by the Board with respect to any matter considered at such hearings or meetings, he or she will need a record of the proceedings, and that, for such purpose, he or she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

In accordance with the Americans with Disabilities Act, persons needing special accommodations to participate in this proceeding should contact District Clerk Faith Doyle at 305-451-5105 or fdoyle@govmserv.com 72 hours prior to the meeting date.

Gentlemen- Please review for consideration at
the June 11, 2003 Board Meeting.
DRAFT
Thanks

Key Largo Wastewater Treatment District Board of Commissioners Meeting Minutes

3:00 PM Wednesday, May 14, 2003

Key Largo Civic Club

209 Ocean Bay Drive

Key Largo, Monroe County, Florida

Commissioners Present

Andrew Tobin, Chairman
Gary Bauman, Member
Cris Beaty, Member
Charles Brooks, Member
Jerry Wilkinson, Member

Staff Present

Robert Sheets, General Manager, Government Services Group, Inc. ("GSG")
David Miles, Chief Financial Officer, Government Services Group, Inc. ("GSG")
Tammei Beary, Office Administrator, Government Services Group, Inc. ("GSG")
Charles Sweat, Director of Operations, Government Services Group, Inc. ("GSG")

Guests Present

David Reffling, P.E., DEE, Boyle Engineering Inc.
Robert Betancourt, Gartek Engineering
Mary Lou Wilkinson, Key Largo Resident
Ann Henson, The Reporter
Robert Burt, Key Largo Resident
Burke Cannon, Key Largo Resident
Pete Kinsley, The Haskell Company
Michael Longenecker, Key Largo Resident
Sandra Bergin, Ram Rod Key
Tim Bergin, Ram Rod Key
Fred Mittl, Boyle Engineering
Walt Messer, D.N. Higgins
Murray Nelson, Commissioner District 5

A. Call to Order

Vice-Chairman Wilkinson called the budget workshop to order at 3:00 PM.

B. Pledge of Allegiance

The pledge was recited.

DRAFT

C. BUDGET WORKSHOP

Vice-Chairman Wilkinson stated that the first order of business was the budget workshop, Item C.

Robert Sheets states that this was the first of what will be several workshops to discuss the 2004 budget. He stated that it was a brief agenda and attempts to accomplish everything on the agenda would be made, but more meetings could be scheduled before any action is taken on the budget. The purpose of this meeting today is to familiarize everyone with the budget process and to remind everyone of what has been accomplished this year so that objectives can be set for next year. A preliminary fiscal budget for 2004 was provided. Mr. Sheets stated that the work done in January to compute a maximum millage rate for this year was done by taking the nine-month budget annualizing it and adding a 20% cushion to it. Adding that everyone at the table had been newly elected and the budget needs were not clear at the time nor was it realized that the budget would be on a line item basis. Mr. Sheets stated that Mr. Miles would go through the line items and he welcomed comments and these numbers would evolve during the process and the budget could be updated to reflect the comments of the Board.

Mr. Sheets acknowledged the following accomplishments:

1. The District did not exist before November of 2002.
2. ~~There have been in excess of 25 meetings since you have been formed to try to~~ advance the delivery of wastewater services.
3. You have established protocols and have hired the District Manager and General Counsel and a Value Engineer for two projects.
4. We have developed and delivered on schedule the Grant Submittal to DEP. This was a major accomplishment.
5. You finalized a major Interlocal agreement between the District, FCAA and the County that articulated what the roles and responsibilities would be as this District moved forward.
6. You have advertised, received and evaluated bids and proposals on Key Largo Park and Key Largo Trailer Village. Another major accomplishment given the maturity of this Board and the fact that we see other local governments with far more maturity and far more staff that have not been as successful as we have been.
7. We are going to have negotiated an agreement with respective contractors for \$1.3 million dollars of additional investments in Key Largo Park.

Robert stated that the District has done a great job in these accomplishments and adds that these accomplishments should be added to the budget summary each year so that we can communicate back to the community as to where the money is being spent.

The next item addressed by Mr. Sheets was tentative goals that have been set. He asks that the Board review these goals and opened it for discussion. He then asked that Mr. Miles review the budget document for the Board.

DRAFT

Mr. Miles took the floor. Mr. Miles reviewed the planning document and explained its content. He discussed the Operating Budget for the fiscal year 2004 budget and included the five-year plan for the long-range goals adding that the projection of expenditures would be slightly lower than the revenue stream and that based on the preliminary figures for 2004 there should be over \$77,000 in operating surplus based on the .035 millage rate which will produce the bulk of the District's revenue.

Mr. Miles explained the current year budget and the draft budget for 2004 adding that the budget would go through a couple more changes before its finalized.

Mr. Miles stated that the two primary revenue streams would be the MSTU Revenue Stream and Monthly Systems Fees adding that it is not expected that the facilities would be online and generating revenue until the end of fiscal year 2005 and that the MSTU revenue is based on 95% of the assessed property value and is estimated at a little under \$600,000.

Commissioner Wilkinson asked what was used for the assessed value. Mr. Sheets responded with the property appraiser records for Key Largo adding that homestead exemptions were not included only taxable values were used. Mr. Miles stated that the taxable value for 2003 was \$1,750,673,519 and was used for 2004 and thereafter with an estimated 3% escalation factor for growth resulting in the number of \$1,803,193,725 for FY2004.

Commissioner Brooks asked what percentage of increased tax value was used. Mr. Miles responded that 3% of the growth rate and the taxable value adding that it could be slightly higher or lower and that in November the actual number would be available.

Discussion ensued concerning the actual increase in Key Largo property values, the fees charged by the tax collector for the MSTU and the budgeting program used to develop the preliminary budget.

Commissioner Wilkinson suggested changing the words connection fee to capital recovery fee. Mr. Sheets agreed.

Chairman Andy Tobin joined the meeting in progress and apologized for being late and requested an update on what had been covered. Mr. Sheets briefly reviewed the information provided and the meeting continued.

Discussion ensued data used for the projected wastewater system revenue and the possibility of the MSTU not being approved, necessitating the implementation of a special assessment.

Mr. Miles stated that for the operating expenses for 2003 the commissioner's fees were projected at \$36,900 and \$45,000 for 2004 and was predicated on three meetings per month. Mr. Miles reviewed the expenditure section of the preliminary budget.

DRAFT

Mr. Sheets stated that the negotiations with Haskell and Higgins were progressing well and the Board had been provided with a briefing memorandum that reflects the efforts of the negotiating team. The draft contracts that the Board had been provided are working drafts but Mr. Sheets added that both firms have indicated that they would execute the contracts in the current form if asked to do so.

Mr. Sheets stated that Higgins as the lowest bidder and had agreed to do the project based on their base bid and they have agreed to hold their prices. The negotiating team recommends that the Board move forward with the Higgins contract based on the base bid.

Ms. Amy Dukes joined the meeting in progress via the telephone.

Mr. Sheets stated that he had talked with Dick Smith of the FDEP and the Board will be required to execute amendment number two to the grant agreement that identifies the new project schedule dates by May 28, 2003. Mr. Sheets stated that he had been notified by DEP that the District would receive an additional \$135,000 in funding and would be defined in amendment number two.

Discussion ensued concerning permitting and discontent over the MSTU. Chairman Tobin stated that his comfort level with the contract was not sufficient for action at this time.

Mr. Sheets stated that concerning the KLTV negotiations with Haskell they have offered pricing deductions, schedule changes and modifications to the scope of work. The remaining issue for Haskell is the cash draws. Discussion ensued on the project budget as presented in the draft documents, the specifics of the Project Status Meetings and the change order process. Mr. Sheets stated that it was the recommendation of the negotiating committee that the Board act on the contracts at the May 21, 2003 meeting.

Discussion ensued on the best use for the savings realized from the negotiation process and the additional funds being appropriated by the DEP. Commissioner Beaty stated that the Sunset subdivision should be considered for use of the additional funds.

Commissioner Brooks complimented Boyle Engineering for the concise and informative memorandum regarding the negotiating teams efforts. Mr. Refling was asked his opinion. Mr. Refling stated that he would encourage the Board to move forward on the two contracts and to not get weighted down by details that have already been reviewed by the negotiating committee that consisted of an experienced General Manager, Legal Counsel and Engineers.

Discussion ensued concerning the tier system in use by the County and what constitutes a build-able lot. County Commissioner Nelson stated that the County, FCAA and the District would continue to work together.

Discussion ensued on the specific completion dates referred to in the contract schedules. Chairman Tobin is concerned with the consequences of not meeting the

DRAFT

dates. Mr. Sheets stated that he has verified with the DEP, DCA and FEMA that if the schedule is not met due to any fault of the District the contract could be amended.

Discussion ensued concerning the need for a Board meeting to be held on May 21, 2003 and if the Board would be prepared to act on the contracts with Higgins and Haskell and what the ramifications would be if action was postponed. Mr. Sheets stated that the forthcoming amendment from the DEP would provide additional time beyond the original June 30 date for contracts to be finalized with the contractors. Mr. Sheets suggested that at either the May 21st or 28th meeting the Board motion to approve the contracts as to form, pending approval, pending execution and signature by the contractors, the Chairman should not be asked to sign any agreement that the contractor is not prepared to sign and non-substantive changes to the agreement would not have to come back to the Board for approval, IF there were substantive changes it would have to come back to the Board. Mr. Sheets is of the opinion that by the Board's action of approving the contracts as to form the DEP would be content. The Board agreed that the May 21, 2003 meeting would be held.

4. Status Report/Discussion regarding the Consulting Engineering Services Request for Qualifications - CCNA process

Mr. Sheets stated that from the RFQ issued for consulting engineers 13 submittals were received and are being reviewed and evaluated. Mr. Sheets described the process for comment and recommendations from the Board. Mr. Sheets stated that a county representative, George Garrett had been contacted to be a member of the review committee. Mr. Sheets recommended that once the firms were ranked that the top five firms come before the Board to present information on their firm. Mr. Sheets stated that it would be the Board's decision as to how many engineers to contract with. Mr. Sheets stated that the Board should consider that engineering support would be required in several areas: to help manager manage the projects, to help with planning for the flow of funds, and to help identify future projects for the District. Mr. Sheets stated that the contract would not be a guarantee of work and that work authorizations describing the scope of work requested by the Board would be issued when necessary.

Commissioner Brooks and Wilkinson expressed concern with have a member of the County staff participating in the evaluation process. Mr. Sheets stated that Mr. Garrett was considered because as the water resource coordinator for the County, he has ample opportunity to observe many local projects, he brings local knowledge and flavor of some of the firms and the individuals who work with them. Mr. Sheets stated that Mr. Garrett could be removed from the team of reviewers if it was the Board's pleasure. It was suggested that a member of the Board be a reviewer. Commissioner Bauman requested more details as to what was involved. Mr. Sheets stated that it would most likely take several days to read the submittals and individual rank them, the evaluation committee would then meet to determine the overall rankings and a recommendation from the committee would be presented to the Board.

The Board requested that an evaluator that was not affiliated with Government Services Group and preferably an independent engineer be asked to review the submittals. Mr. Sheets stated that if one could be found who would not charge for the service.

DRAFT

Chairman Tobin asked if after the engineers are selected if they must be retained indefinitely. Mr. Sheets stated that most contracts have a term of three years and that once the Board has determined which engineers to contract with the list could not be changed without repeating the CCNA process and once the term of the agreement expires the process must be repeated.

Commissioner Brooks made a motion that the ranking committee consists of David Miles, Robert Sheets, Charles Sweat, a licensed engineer who was not a submitter and a member of the KLWTD Board. Commissioner Wilkinson seconded for discussion. Commissioner Beaty was concerned that an engineer could be found to review the submittals at no cost. Mr. Sheets stated that he had various resources and that a resume would be forwarded to the Board members as soon as possible for their consideration. Commissioner Bauman was asked to consider being a reviewer. Commissioner Bauman accepted the appointment. Mr. Sheets asked if the independent engineer would be reimbursed for travel to the Key Largo if it were required. The Board consented to reasonable travel reimbursement for an independent engineer if it were required. With no further discussion Chairman Tobin called for a vote. All were in favor and the motion was unanimously approved.

G. Legal Counsel's Report

Ms. Dukes stated that she had no formal report but that she has been involved with the continuing contract negotiations. Commissioner Bauman asked about the status of the Chapter 120 legislation. Ms. Dukes stated that it is progressing and it had passed through one house congress on its way to be signed by the Governor.

H. Engineer's Report

Mr. Fred Mittl of Boyle Engineering stated that in addition to negotiating the contracts, the Key Largo Park permit application was submitted and a request for information was received back from the FDEP, a response was made to the DEP. Mr. Mittl is waiting to hear from the FDEP and expects that the permit will be received within the deadline.

I. Commissioner's Items

1. Commissioner Brooks -- Discussion of comments submitted for the EPA's PMP

Commissioner Brooks gave an update on the Governor's Office Work Group meeting that he had attended. He stated that a presentation was made by Cecilia with the South Florida Water Management District and Shelly with the Army Corp of Engineers and that part of the presentation showed that Islamorada, Marathon and Unincorporated Monroe County were going to get 29.3 million dollars. Commissioner Brooks stated that the Chairman presiding over the meeting noticed that KLWTD was not mentioned in the presentation. However, Commissioner Brooks did provide his thoughts and some history on the issue to those assembled.

DRAFT

Commissioner Brooks stated that he also attended the Intergovernmental Task Force Meeting. Commissioner Brooks stated that years ago, the formula was laid out that Key Largo would get 29.3 million, Islamorada would get the same, Marathon would get the same, and Key West and Key Colony would get less adding that this is what County Commissioner Nelson has fought for diligently. Commissioner Brooks was advised that State Representative Sorenson had requested another 3 million in State funding from the state and that Key West had been to Tallahassee and lobbied to get a greater percentage than had been agreed to. However, fortunately an agreement was reached that the original agreement for 29.3 million dollars for Key Largo would stand and that that the original distribution formula would be used for the additional 3 million. Commissioner Brooks concluded that although the information may need to be reconfirmed a great deal was accomplished by attending the meeting.

Discussion ensued on the specifics of the additional 3 million dollars in State funding being sought by Rep. Sorenson and the final appropriations of the 100 million dollars in Federal funding.

Additional Item – Commissioner Wilkinson concerning the wording of the MSTU.

Commissioner Wilkinson stated concern over the BOCC Ordinance's wording that states the KLWTD has a four-year budget and he was not aware of a four-year KLWTD Budget being approved. Commissioner Wilkinson's main concern was the section that indicated that at time of hookup KLWTD would give all the houses that paid a MSTU a credit against their hookup fee. Commissioner Wilkinson believes that this would be a law of diminishing returns, as this action would result in the KLWTD returning all money collected. Commissioner Wilkinson believes that the public is being deceived if their understanding of the ordinance is that are to receive a credit. Commissioner Wilkinson stated that in his opinion the ordinance should not contain a sunset clause and that the KLWTD should control the length of the MSTU. Commissioner Wilkinson believes this ordinance has been drafted from a previous County ordinance, which has resulted in inaccuracies. Commissioner Wilkinson suggested that the KLWTD Board request that the County set the MSTU rate annually and include the new rate with TRIM notices. Commissioner Wilkinson stated that the KLWTD had requested a NOT TO EXCEED millage rate for the MSTU of .35 mills and it is in the County ordinance as a flat rate.

Discussion ensued concerning how the MSTU would be updated annually and the drafting of the County ordinance for the KLWTD MSTU. Mr. Sheets stated that the KLWTD has control over the length of the MSTU. However, if the KLWTD should request four years, which mirrors the other districts, the Board has the option at the end of four years to request another MSTU based on what the projected funding requirements are. Presently the KLWTD has four years of funding, but if projects finish up early we have the option to not impose further MSTU collections. In conclusion Mr. Sheets stated that he believes the Board needs to look at what we're trying to attain and also have the flexibility to impose the MSTU for one, two, or three years, and to extend it if necessary. It was stated that the verbiage is awkward and that the attorney for the District look at that wording.

DRAFT

It was suggested that due to these concerns the KLWTD Board should consider making this issue part of the KLWTD's long-range planning, deciding if the MSTU or the special assessment is the best way to fund projects, adding that in time the Board would have more experience in how to impose taxes in the fairest way possible.

Mr. Sheets stated that after a brief review of the County ordinance that the refunding issue would impact the KLWTD adversely. He stated that in the following scenario, as the briefing document is written, KLWTD would reimburse connectors for all assessments as a credit against the capital recovery fee. So if a connector had paid \$70 a year for two years, and on year 3 KLWTD collects the 2,700 dollar capacity fee the KLWTD would net out the \$140 and never assess a millage assessment on the connector again, and if this how the ordinance is enforced, then the financial projections would need to be revised.

Mr. Sheets suggested that he meet with Commissioner Nelson what the objectives of the County and the KLWTD were and to better address the uniformity issue. Mr. Sheets will discuss these issues further with whomever Commissioner Nelson suggests. Mr. Sheets noted that the County's ordinance does not mirror the summary page and needs to be addressed adding that he would review a copy with Tim McGary.

Chairman Tobin suggested that Legal Counsel review the BOCC ordinance as soon as possible and to focus on Section 9 concerning the effectiveness of the ordinance.

Commissioner Brooks noted that there appears to be a provision in Section 3-C of the Ordinance that permits the County to assist KLWTD out of surplus County funds.

Chairman Tobin stated that a defective ordinance would be of no use to the KLWTD and gave direction to the Manager is to work with Commissioner Nelson and Tim McGary to amend the agenda item summary and review the ordinance, also direction was given to our Legal Counsel to review the proposed ordinance and alert the Board of any potential problems.

Mr. Sheets stated that prior to the BOCC meeting the Board and Staff need to understand these issues as part of the whole community and that this is not the KLWTD's MSTU it is the County's MSTU. Mr. Sheets believes it is imperative to be effective in communicating to the BOCC that the MSTU benefits both entities and the MSTU is a partnership. The BOCC needs to understand that if they are attempting to make one size fit all the KLWTD Board needs to know what that size is and if adjustments can be made to it. If not, the KLWTD Board needs to articulate concisely why that size doesn't fit very well

Commissioner Nelson was asked his opinion on the KLWTD making a presentation to the BOCC. Commissioner Nelson stated that having someone present to express the views of the KLWTD keeping in mind that the Commission has already adopted MSTU's for other areas.

DRAFT

J. Minutes – April 9, 2003 and April 23, 2003

Approval of the minutes was tabled until a future meeting.

K. Meeting Adjournment

Chairman Tobin adjourned the meeting.