November 5th

2003

Key Largo Wastewater Treatment District
Board of Commissioner's Meeting Agenda

4:00 PM Wednesday, November 5, 2003
Key Largo Civic Club, 209 Ocean Bay Drive
Key Largo, Monroe County, Florida

A. Call to Order

B. Pledge of Allegiance

C. Public Comment

D. Additions, Deletions or Corrections to the Agenda

E. Minutes – Draft August 13, 2003; Draft August 27, 2003; Draft Sept. 3, 2003; Draft Sept. 17, 2003; Draft October 1, 2003

F. Action Items

1. Election of KLWTD Board Officers
2. Secondary Treatment Process Selection and discussion of the Fluidyne and USBF warranty issue
3. KLWTD Work Authorization WEC 03-01 (Amendment 1) with Weiler Engineering Corporation for the KLTV Project
4. KLWTD Work Authorization WEC 03-02 (Amendment 2) with Weiler Engineering Corporation for the KLP Project
5. KLWTD Work Authorization GSG 03-01 (Amendment 1) with Government Services Group, Inc. for the KLP & KLTV Projects
6. The Haskell Company Change Proposal No. 1
7. Housing Assistance Program -- Implementation Plan
8. Proposed Agreement for Professional Service for Legal Counsel

G. General Manager's Report

1. Status Report on the FEMA Environmental Assessment
   a. Low and Very-low Income Assistance Program
   b. Site Mitigation
3. Other Items

MINUTES CORRECTIONS IN PURPLE

H. Legal Counsel's Report

1. Other Items

I. Engineer's Report

1. Other Items

J. Commissioner's Items

1. Discussion of Manager's improper conduct and criticism of District Engineer – Chairman Tobin
2. Discussion on the importance of having independent advice from District Manager, District Engineer and District Attorney – Chairman Tobin

3. Discussion of Resolution adopting the following positions as independent "Officers" of the District, to wit: -- Chairman Tobin

    a) District Manager
    b) District Engineer
    c) District Attorney

4. Discussion for possible action modifying/reducing the scope of the Key Largo Park Project: -- Commissioner Wilkinson

    a) Detailed review of total costs of Alternate A, Alternate B and Alternate C. Compared to available grant monies for the KLP without including any of the Recovery Capital Cost funds ($2,700 per EDU).
    b) Reducing the scope of the KLP Project to the original 79 Basic bid EDU's with a possibility of inclusion of Sunset Waterways subdivision and/or including or excluding the businesses along US-1.
    c) Establish a specific percentage of fixed reserve grant funds for contingencies.

5. Discussion of: -- Chairman Tobin

    a) Whether it is a conflict of interest for the Manager to accept employment on behalf of Monroe County in sewer related matters; and
    b) Whether the Board should exercise its right to terminate the Manager based on a conflict of interest in representing both KLWTD and Monroe County.

5. Other Items

M. Meeting Adjournment

KLWTD Board Meeting
November 5, 2003

Item E

Draft August 13, 2003 Minutes

DRAFT

Key Largo Wastewater Treatment District
Board of Commissioner's Meeting Minutes
4:00 PM Wednesday, August 13, 2003
Key Largo Civic Club, 209 Ocean Bay Drive
Key Largo, Monroe County, Florida

COMMISSIONERS PRESENT

Chairman Andrew Tobin
Commissioner Gary Bauman
Commissioner Cris Beaty
Commissioner Charles Brooks
Commissioner Jerry Wilkinson

STAFF PRESENT

Charles L. Sweat, Director of Operations, Government Services Group
David R. Miles, Chief Financial Officer, GSG/KLWTD
Amy Dukes, Legal Counsel, Lewis Longman & Walker, P.A. (via telephone-for the meeting only)
Faith Doyle, KLWTD Board Clerk

GUESTS PRESENT

Ed Castle, Weiler Engineering Corporation
Jeff Weiler, Weiler Engineering Corporation
Charles Fishburn, Key Largo resident
Burke Cannon, Key Largo resident
Michael Longenecker, Key Largo resident
Vicky Fay, Key Largo resident

A. Call to Order – Regular KLWTD Meeting

Chairman Tobin called the meeting to order at 4:05 p.m.

B. Additions, Deletions or Corrections to the Agenda

It was the consensus of the Board that the Clerk adds a public comment section to all future KLWTD Board of Commissioner meeting agendas.

Chairman Tobin requested that a presentation by Ms. Vicky Fay be added to the agenda immediately following the public input hearing.

Commissioner Wilkinson requested an additional discussion item concerning local legal counsel representation.

Commissioner Bauman requested an additional discussion item concerning web site services.

C. Open Public Hearing to take public input on the Proposed KLWTD FY2004 Budget

Mr. David Miles opened the public hearing and stated that the final draft budget presented was a culmination of several reviews. Mr. Miles will provide the Board with a draft advertisement for publication at the August 27, 2003 meeting. The advertisement will state that the FY2004 Budget Resolution is to be considered by the Board at the September 17, 2003 meeting. Mr. Miles stated that the ad should run in a paper of daily general circulation in Monroe County and that the advertisement does not fall under T.R.I.M. provisions because the KLWTD does not have ad valorem taxes.

Mr. Miles asked if there were any members of the audience who wished to comment on the proposed FY2004 KLWTD Budget.

Commissioner Bauman asked what version of the budget would appear in the advertisement. Mr. Miles stated that the one-year summarization of operating and capital budgets is used to save advertising fees.

Commissioner Wilkinson asked if the rate consultant would be funded from the special projects line item. Mr. Miles stated that it could be and that there was originally a line item for a rate consultant, however the more general special projects lines gives a greater amount of flexibility.

Mr. Burke Cannon, a Key Largo resident, requested that the KLWTD Board keep expenses to a minimum.

Chairman Tobin asked for any further comments on the proposed FY2004 KLWTD Budget. Being none, Chairman Tobin closed the public hearing.

Commissioner Bauman requested that the Board see a proof of the advertisement at the August 27, 2003 meeting.

Commissioner Wilkinson requested that a copy of the agenda packet be provided to the public library. Discussion ensued. Chairman Tobin requested it be made a future agenda discussion item.

COMMISSIONER BROOKS MADE A MOTION TO APPROVE THE PROPOSED FY2004 BUDGET FOR ADVERTISEMENT FOR A PUBLIC HEARING ON SEPTEMBER 17, 2003. COMMISSIONER BAUMAN SECONDED THE MOTION. ALL WERE IN FAVOR AND THE MOTION WAS UNANIMOUSLY APPROVED.

Chairman Tobin requested that the Clerk use the Key Largo Free Press for advertisements. Mr. Miles stated that he believes that legal ads must run in newspaper that posses the proper permit. Commissioner Wilkinson believes the Key Largo Free Press can be used for legal purposes. The Clerk stated that she had verified that the Key Largo Citizen was the newspaper of record for Monroe County. Chairman Tobin requested that further research be conducted. It was the Board's consensus that the Key Largo Free Press be used for advertising.

Board. Ms. Fay stated that she is the upper Key's representative for CDBG grants. Ms. Fay stated that the KLWTD should be cautious about when they turn on the sewer system in Key Largo because the timing, if wrong, would prevent the residents from obtaining funding. Ms. Fay described the CDBG program and provided details on the income levels and property ownership requirements. Ms. Fay provided information on how the Monroe BOCC had been distributing the funds. Ms. Fay believes that unless additional funding is secured the residents of Key Largo would not be able to participate in the CDBG program. Ms. Fay stated that the present Monroe County CDBG grant must be closed, with none of the funds going to Key Largo residents, for the KLWTD to apply for CDBG funds for Key Largo residents. Ms. Fay stated that the KLWTD Board should identify other grant sources.

Discussion ensued on the grants that should be looked at and if GSG should provide the Board with recommendations. Mr. Charles Sweat stated that the GSG would look into grant availability and provide the KLWTD Board with recommendations.

Commissioner Brooks questioned Ms. Fay on information that she had presented. Ms. Fay stated that Mr. Mark Bell of the Florida Department of Community Affairs had discussed the issue in depth with her and should would verify the information and provide the Board with an update in the future.

It was the consensus of the Board to have an update on the grant issues and funding options within the next 60 to 90 days.

Discussion ensued on the need for KLWTD to satisfy the date requirements for the DEP grant that it presently has the need for additional funding options and the need for the community to be informed of the issues. Chairman Tobin suggested that information be provided in a joint mailing with the KLTV Homeowners Association. Mr. Sweat stated that a GSG representative would be attending the next KLTV Homeowners Association meeting that would be held later in the year.

D. Close Public Hearing

Chairman Tobin closed the public hearing at 5:10 p.m.

Ms. Amy Dukes joined the meeting via telephone at 5:10 p.m.

E. Pledge of Allegiance

The pledge was recited.

F. Minutes – Draft July 9, 2003

The minutes were tabled until the next meeting.

G. Action Items

Mr. Charles L. Sweat presented action item number four out of order at the Board's request. Commissioner Brooks believed that no further discussion was necessary to ratify the changes of the approved contract. Discussion ensued.

changes requested by the Board had been made by staff, including a statutory revised to section 16.1 and he requested that the Board ratify the changes.

Ms. Dukes stated that with the removal of the article two the, the document and the table of contents should be corrected. Ms. Dukes stated that she and Terry Lewis had reviewed the document for legal sufficiency.

Commissioner Wilkinson requested revisions. A revision to section 1.8 concerning information being provided by an employee to a third party. Ms. Dukes stated that the public records law superseded the section. Ms. Dukes requested a revision to the contract reflecting the renumbering due to the deletion of article two. A revision to the contract section 5.3 on page 6 in reference to invoices was also requested.

Commissioner Brooks stated that it was a point of order the item being discussed was approved two weeks ago with the changes agreed to by WEC and they have been made and that it was out of order to review the document line by line and that either the changes be ratified as noted or the item be tabled. Chairman Tobin believes that further discussion was necessary prior to a vote on the item.

Commissioner Wilkinson stated that he wants the record to reflect that he is concerned with the items he is mentioning including the language in Article 13 stating that the KLWTD would own the documents created by WEC after the KLWTD pays WEC for them and not until KLWTD terminates the contract. Commissioner Wilkinson was also concerned with section 13.2. Discussion ensued on what the new language should be.

Commissioner Wilkinson expressed concern with section 12 and that the insurance amounts quoted were to low. Mr. Weiler stated that he had his insurance increased and provided a new certificate of insurance to the Board.

Commissioner Brooks expressed concern that the eight top ranked engineering firms had received the general contract as part of the CCNA process and that there would be negative repercussion to changing the document at this time. He again stated that the action requested was a ratification of the contract that had been presented and approved by the Board at the last meeting.

Commissioner Brooks asked Ms. Dukes if the same general contract that would be signed by WEC should be forwarded to the other engineering firms. Ms. Dukes stated that the same general contract would need to be sent to the other engineering firms. Ms. Dukes added that the contract should uniform unless there is a reason why a particular engineer couldn't comply with any of the provisions. Discussion ensued concerning the actions taken at the July 30, 2003 meeting and points of parliamentary procedure.

COMMISSIONER WILKINSON MADE A MOTION TO APPROVE SECTION 13.1 WITH THE STATED CORRECTIONS. COMMISSIONER BEATY MADE A SECOND TO THE MOTION. CHAIRMAN TOBIN CALLED FOR A VOTE. COMMISSIONERS BROOKS AND BAUMAN VOTED NO. COMMISSIONERS BEATY AND WILKINSON AND CHAIRMAN TOBIN VOTED YES.

COMMISSIONER BEATY MADE A MOTION TO APPROVE ITEM G-4 THE RATIFICATION OF THE REVISED AS APPROVED WEILER ENGINEERING

WITH THE AGREED TO CHANGES REQUESTED BY COMMISSIONER WILKINSON AND MS. DUKES AND AS AMENDED BY THE CHANGES TO SECTION 13. THE MOTION WAS SECONDED BY COMMISSIONER BAUMAN. CHAIRMAN TOBIN REQUESTED A ROLL CALL VOTE.

COMMISSIONER BAUMAN	**YES**
COMMISSIONER BEATY	**YES**
COMMISSIONER BROOKS	**NO**
COMMISSIONER WILKINSON	**NO**
CHAIRMAN TOBIN	**YES**

THE MOTION CARRIED.

Chairman Tobin recessed the meeting at 6:15 p.m.

Chairman Tobin reconvened the meeting at 6:20 p.m.

1. Approval of the advertisement for the KLWTD FY2004 Budget Resolution for adoption at the September 17, 2003 meeting

Please see above.

2. Approval of the REVISED KLWTD Work Authorization WEC 03-01 Scope of Services with Weiler Engineering Corporation for engineering services for the KLTV Project

Mr. Sweat stated that the changes requested by the Board at the last meeting had been made to the document and that the kick-off meeting had been scheduled

Chairman Tobin stated that at the last meeting the item was tabled for WEC to have an opportunity to make the changes requested and he had volunteered to go to Palm Beach to review the changes. Chairman Tobin did not have the opportunity to review the changes prior to the meeting. Chairman Tobin was aware that Mr. Terry Lewis had reviewed the document and suggested changes. Chairman Tobin stated that he and Ms. Dukes have concerns with items in the revised work authorizations.

The revisions were discussed. Commissioner Brooks stated that the changes had been reviewed and approved by Mr. Lewis, Mr. Sheets and Mr. Sweat and are in order. Chairman Tobin stated that because of the concerns expressed by himself, Commissioner Wilkinson and Ms. Dukes that action should not be taken on the work authorizations. Ms. Dukes agreed that there are issues that need to be addressed prior to action. Chairman Tobin's points of concern were discussed.

Commissioner Wilkinson expressed his concerns, which included the lack of a schedule, why the engineering was preparing the scope of service, the notice to proceed to Haskell, WEC being the engineer of record on the KLP project, Basic Services section A. 2., Preliminary Design Phase section A. 5., Basic Services B., Final Design Phase A. 2., A. 3., A. 4., Final Design Phase section 10, 11, 12. a., 15 and section C also Exhibit B point A.5 and Exhibit C. Discussion ensued.

Caldwell would be charging for Engineer of Record services on the KLP project.

Chairman Tobin expressed his concerns with item G 2, which included the removal of limitation of liability and clarification of the KLWTD receiving credit if inspection services were reduced and Basic Services section A. 2.

Chairman Tobin asked for public comment on the item. Mr. Mike Longenecker stated that the documents being considered by the KLWTD Board are standard "boiler plate" versions used all over the country and that the professionals working with the KLWTD are being prudent and are trying to not reinvent the wheel.

COMMISSIONER BAUMAN MOTIONED TO APPROVE ITEM G-2 APPROVAL OF THE REVISED KLWTD WORK AUTHORIZATION WEC 03-01 SCOPE OF SERVICES WITH WEILER ENGINEERING COROPORATION FOR ENGINEERING SERVICES FOR THE KLTV PROJECT AS MODIFIED PER THE PREVIOUS DISCUSSION. COMMISSIONER BEATY SECONDED THE MOTION. ALL WERE IN FAVOR AND THE WAS APPROVED UNANIMOUSLY.

COMMISSIONER BROOKS EXCUSED HIMSELF FROM THE MEETING AT 8:05 P.M.

3. Approval of the REVISED KLWTD Work Authorization WEC 03-02 Scope of Services with Weiler Engineering Corporation for engineering services for the KLP Project

Commissioner Wilkinson expressed concern with the subject of engineer of record, the status of valve pits from Haskell, the inclusion of Sunset Waterways Subdivision. Discussion ensued on the concerns.

Commissioner Bauman suggested the item be table until the kick off meeting was held. Discussion ensued.

COMMISSIONER BAUMAN MOTIONED TO APPROVE ITEM G-3 APPROVAL OF THE REVISED KLWTD WORK AUTHORIZATION WEC 03-02 SCOPE OF SERVICES WITH WEILER ENGINEERING COROPORATION FOR ENGINEERING SERVICES FOR THE KLP PROJECT AS MODIFIED PER THE PREVIOUS DISCUSSION. COMMISSIONER WILKINSON SECONDED THE MOTION. COMMISSIONERS BAUMAN, BEATY AND WILKINSON AND CHAIRMAN TOBIN WERE IN FAVOR. COMMISSIONER BROOKS WAS NOT PRESENT FOR THE VOTE. THE MOTION CARRIED.

4. Ratification of the revised as approved Weiler Engineering Corporation Contract for Consulting/Professional Services

Please see above.

5. Approval of Resolution 2003-18 KLWTD Revised Expenditure Policy

Mr. Miles stated that the changes suggested by the Board at the 7/30/03 meeting had been incorporated into the document presented.

with the election years and the effective date of the bonds.

COMMISSIONER WILKINSON MADE A MOTION TO APPROVE RESOLUTION 2003-18 KLWTD REVISED EXPENDITURE POLICY. COMMISSIONER BAUMAN SECONDED THE MOTION. ALL WERE IN FAVOR AND THE MOTION WAS UNANIMOUSLY APPROVED.

H. General Manager's Report

1. Interim Financial Reports through June 30, 2003

This item was moved to the next meeting.

2. Status Report on the Haskell Company's KLTV Preliminary Project Schedule

The Manager had no new information on this item.

3. Status Report on the Revised Monroe County Loan Agreement

The Manager had no new information on this item.

I. Legal Counsel's Report

There was no legal counsel report given.

J. Commissioner's Items

1. Discussion for possible action – Workshop meeting procedure, agenda and Advertisement – Chairman Tobin

2. Discussion of the intent of the Interlocal agreement in reference to the sharing of existing and future grants – Chairman Tobin

3. Discussion of the scheduling of a strategic planning session and the request for a scope of service from a planning engineering firm – Commissioner Bauman

It was the consensus of the Board to add a discussion item for the August 27, 2003 meeting concerning the need for local legal counsel

COMMISSIONER BEATY MADE A MOTION TO TABLE COMMISSIONER'S ITEMS 1, 2 AND 3 UNTIL THE NEXT MEETING. COMMISSIONER BAUMAN SECONDED THE MOTION. ALL WERE IN FAVOR.

K. Meeting Adjournment

COMMISSIONER BEATY MADE A MOTION TO ADJOURN THE MEETING. COMMISSIONER BAUMAN SECONDED THE MOTION. ALL WERE IN FAVOR.

CHAIRMAN TOBIN ADJOURNED THE MEETING AT 8:55 P.M.

KLWTD Board Meeting
November 5, 2003

Item E

Draft August 27, 2003 Minutes

Key Largo Wastewater Treatment District
Board of Commissioner's Meeting Minutes
4:00 PM Wednesday, August 27, 2003
Key Largo Civic Club, 209 Ocean Bay Drive
Key Largo, Monroe County, Florida

Board Members Present

Andrew Tobin
Gary Bauman
Cris Beaty
Charles Brooks
Jerry Wilkinson

Staff Present

Charles L. Sweat, Director of Operations
Amy Dukes, Board Attorney (via telephone)
Jeff Weiler, KLWTD Engineer
Faith Doyle, KLWTD Board Clerk

Guests Present

Charles Fishburn

A. Call to Order

Acting Chair Jerry Wilkinson called the meting to order at 4:04 p.m.

B. Pledge of Allegiance

The pledge was recited.

C. Public Comment

Acting Chair Wilkinson asked if any one present wished to address the Board. There being none the meeting continued.

D. Minutes – Draft July 9, 2003

Commissioner Brooks made a motion to approve the July 9, 2003 meeting minutes. Commissioner Beaty seconded the motion. All were in favor.

E. Additions, Deletions or Corrections to the Agenda

Commissioner Brooks requested that Item I-11 be added, concerning the project development team meeting held today in reference to the distribution and readiness to

District.

Commissioner Bauman requested that Item I-12 an engineering report be added.

Commissioner Beaty motioned to approve the agenda as amended. Commissioner Bauman seconded the motion. All were in favor.

Chairman Tobin joined the meeting in progress at 4:15 p.m. and requested that Mr. Wilkinson continue to act as chair.

F. Action Items

1. Ratification of the revised as approved Weiler Engineering Corporation Contract for Consulting/Professional Services

Ms. Amy Dukes noted that section 12.1 had been changed as requested by the Board and that the table of contents was corrected along with the indexing of the entire document.

Discussion ensued concerning the previously requested changes dealing with document ownership, payment requirements, liability insurance, the gag provision and provisions for a credit if WEC would not be engineer of record.

Commissioner Brooks asked for the record if Jeff Weiler was satisfied with the contract. Mr. Weiler answered in the affirmative. Commissioner Brooks asked if the scope of services was clear to Mr. Weiler. Mr. Weiler answered in the affirmative. Commissioner Brooks asked if Mr. Weiler believes the plans would provide a fully functional wastewater treatment system. Mr. Weiler stated that it was his intent to work with other engineers to provide a system that works and the contract meets all requirements of the Florida statutes. Commissioner Brooks asked if there were any stipulations within the contract that would restrict WEC from completing the work specified in the contract. Mr. Weiler stated no. Commissioner Brooks asked if WEC could complete the task for the amount specified in the work authorizations. Mr. Weiler answered in the affirmative and added that once Brown and Caldwell make their decision and once Mr. Fishburn's participation is considered the fee will be scaled back and adjusted down.

It was the consensus of the Board that any modification to the contract would be made by amendment. Legal Counsel informed the Board that this would be an acceptable procedure.

Acting Chairman Wilkinson asked if there was any further discussion on the item. With there being none Commissioner Bauman made a motion to approve Item F1 Ratification of the revised as approved Weiler Engineering Corporation Contract for Consulting/Professional Services. Commissioner Tobin made a second to the motion. Acting Chairman Wilkinson requested a roll call vote.

Commissioner Bauman	**Yes**
Commissioner Beaty	**Yes**
Commissioner Brooks	**Yes**
Commissioner Tobin	**Yes**

The motion carried with a vote of four in favor and one not in favor.

2. Ratification of the REVISED KLWTD Work Authorization WEC 03-01 Scope of Services with Weiler Engineering Corporation for engineering services for the KLTV Project

Acting Chair Wilkinson brought Item F2, WEC 03-01 to the floor. Mr. Sweat stated that at the previous meeting the Board had requested that the General Manager revise and modify the scope of service for the KLTV project work authorization. Staff believes that the document presented complies with the request.

Discussion ensued concerning the credit provision and when Brown and Caldwell would give a number.

Commissioner Tobin requested that at page 9-paragraph a. "resident project manager" have the last sentence read "with credit to the District for lesser service." Legal Counsel agreed that a hand written change and initials would be proper.

Acting Chair Wilkinson asked for further discussion. With none Commissioner Beaty motioned to approve Item F2. Commissioner Bauman seconded the motion for discussion. Commissioner Tobin questioned if the contract could be broken down into design and construction phases. Discussion ensued. Commissioner Tobin called the question. Acting Chair Wilkinson called for a roll call vote.

Commissioner Bauman	**Yes**
Commissioner Beaty	**Yes**
Commissioner Brooks	**Yes**
Commissioner Tobin	**Yes**
Acting Chair Wilkinson	**Yes**

The motion was unanimously approved.

3. Ratification of the REVISED KLWTD Work Authorization WEC 03-02 Scope of Services with Weiler Engineering Corporation for engineering services for the KLP Project

Acting Chair Wilkinson brought Item F3 to the floor and asked for discussion. Mr. Sweat stated that at the Board's request the work authorization had been revised and assumes that WEC would be the engineer of record until the negotiations with Brown and Caldwell and Haskell are completed.

Commissioner Brooks made a motion to approve the work authorization with the same additional language made to it as WEC 03-01. Commissioner Tobin stated that during contract negotiation with Haskell that a cooperation clause was inserted. Commissioner Tobin believes one engineer for both projects would be best for the warranty of the project. Mr. Sweat stated that a recommendation would be made to the KLWTD Board on 9/17/03 after reviewing the cost given by Brown and Caldwell to be the engineer of record for both projects. Discussion

ownership of documents and warranty issues. Mr. Sweat and Mr. Weller agreed that after Brown and Caldwell provides their cost to be engineer of record and if it was the pleasure of the Board the WEC 03-01 work authorization would be amended to reduce the fee. Commissioner Tobin called his question. Commissioner Beaty seconded the motion. Acting Chair Wilkinson requested a roll call vote.

Commissioner Bauman	**Yes**
Commissioner Beaty	**Yes**
Commissioner Brooks	**Yes**
Commissioner Tobin	**Yes**
Acting Chair Wilkinson	**Yes**

The motion was unanimously approved.

4. Ratification of the revised advertisement for the KLWTD FY2004 Budget Resolution for adoption at the September 17, 2003 meeting

Acting Chair Wilkinson brought Item F4 to the floor. Mr. Sweat stated that the date of advertisement has changed from 9/12 to 9/5.

Commissioner Brooks motioned to approve Item F4. Commissioner Beaty seconded for discussion. He suggested that the amount of $98,000.00 for commissioner's fees be itemized. Commissioner Bauman suggested that it be broken down into salary and district expenses. Mr. David Miles would be directed to make the requested change prior to publication. Discussion ensued concerning the newspaper to be used for legal advertising. Ms. Dukes stated that for special districts a paper that is published county wide, five days a week must be used for legal advertisements. The only paper that meets the requirement is the Key West Citizen. Advertising in any other papers is optional. Acting Chair Wilkinson requested a roll call vote.

Commissioner Bauman	**Yes**
Commissioner Beaty	**Yes**
Commissioner Brooks	**Yes**
Commissioner Tobin	**Yes**
Acting Chair Wilkinson	**Yes**

The motion was unanimously approved.

Discussion ensued concerning additional advertising in a local Key Largo publication. Commissioner Brooks made a motion to advertise in the Key West Citizen and in the Free Press with a cost not to exceed $500. Commissioner Bauman would obtain pricing from the Free Press.

It was the consensus of the Board to advertise the budget in the Free Press only and give the legal public notice in the Key West Citizen.

5. Approval of the revised Monroe County Loan Agreement with KLWTD

date is October 15, 2003. Discussion ensued on the history of the changes that have been made to the loan agreement. Commissioner Brooks noted that any future negotiations should involve the County commissioner. Discussion ensued on the amount of $182,000 that was forwarded to the FKAA.

Commissioner Brooks made a motion to continue the item until a later meeting. Chairman Tobin seconded the motion. All were in favor.

At 5:50 p.m. Discussion ensued concerning having legal counsel remain on line. Ms. Dukes was asked for a legal report. Ms. Dukes stated that most of her report was covered during the previous items. Ms. Dukes did request that the General Manager provide current updates on the $914,000 loan agreement.

Acting Chair Wilkinson recessed the meeting at 5:54 p.m.

Acting Chair Wilkinson reconvened the meeting at 6:05 p.m.

Acting Chair Wilkinson stated that only a brief public notice the minimum to meet legal requirements need be published in the Key West Citizen. The Board gave its consensus.

6. Approval of Pending Payment List for August, 2003

Acting Chair Wilkinson brought Item F6 to the floor. Discussion ensued concerning the legal fees being charged.

Commissioner Brooks stated that a review of the legal bills would be time consuming. Commissioner Bauman asked if the bills were being itemized as requested. Commissioner Brooks stated that they are more defined but not complete enough to analysis how future legal fees could be reduced. Chairman Tobin noted that all contact with legal counsel should be directed by the general manager at a point where documents are close to finalized.

Commissioner Bauman made a motion to approve the Pending Payment List for August 2003. Commissioner Beaty seconded the motion. Chairman Tobin objects to legal counsel charging for review of the minutes. Commissioner Bauman stated that legal counsel should be given clear direction on their responsibilities. Chairman Tobin requested that the Lewis Longman and Walker invoice be held and authorized the general manager to discuss the invoice with legal counsel. Commissioner Bauman amended his motion to approve the Pending Payment List for August 2003 with the exclusion of the Lewis Longman and Walker bill. Acting Chair Wilkinson requested a roll call vote.

Commissioner Bauman	**Yes**
Commissioner Beaty	**Yes**
Commissioner Brooks	**Yes**
Chairman Tobin	**Yes**
Acting Chair Wilkinson	**Yes**

The motion was approved unanimously.

Mr. Sweat stated that a recommendation on the legal counsel invoice would be provided at the next meeting.

G. General Manager's Report

1. Status Report on the Haskell Company's KLTV Preliminary Project Schedule

Mr. Sweat stated that an update of the project schedule was distributed to the Board prior to the meeting and that after the upcoming meetings of the project team the document would be fine-tuned and a recommendation made to the Board concerning the engineer of record and the process to be used.

Discussion ensued about the number of days required by the contractor to inform the Board of the collection system that would be used. Mr. Sweat proposed that staff bring back a recommendation of either USBF / SBR and either Roevac / Airvac to the September 17, 2003 meeting. Mr. Jeff Weiler stated that time is of the essence and a deadline to make a decision should be set.

Mr. Sweat informed the Board that representatives of FEMA would like to meet with staff concerning the environmental site assessment during the week of 9/15. The KLWTD Chair was requested to attend also.

It was the consensus of the Board to move Item I-9 Discussion of Monroe County Ordinance 028-2003 concerning the Uniform Wastewater Connection Policy forward and include it with the Engineer's Report.

ENGINEER'S REPORT

Mr. Weiler stated that there would be daily reports by the inspector, GSG and WEC. These reports would be compiled into a monthly detailed summary and Ed Castle, as project manager would provide up dates.

Mr. Weiler stated that there would be a meeting in Miami on the 8th of September to review the 30% design. Discussion ensued on the distribution of engineering records to the staff and Commissioner Wilkinson as the Technical Committee Chairman. It was recommended that Commissioner Wilkinson be copied as soon as information is received by GSG and to have the documents forwarded to Commissioner Wilkinson at his home address and to WEC.

After discussion it was the consensus of the Board to have Commissioner Wilkinson attend the September 8, 2003 meeting in Miami.

Mr. Castle summarized the time line provided by the Haskell Company. The preliminary permit would be issued in November and by January 2004 the collection system permit would be issued. Line construction is anticipated to be complete in November 2004 and the treatment plant construction completed by May of 2005. Discussed ensued concerning other items in the report. Commissioner Wilkinson stated that the engineer must look at site mitigation and who will pay for it. It is his opinion that the Haskell Company should be responsible for it.

gather all the engineering records to be kept in one place.

Mr. Weiler stated that concerning the Uniform Connection Policy for Monroe County they had been involved in the drafting of the document presented. He stated that the KLWTD could not over ride the County ordinance code. Commissioner Bauman asked if Mr. Weiler agreed with the ordinance and if anything could be done to change it. Mr. Weiler stated that he agreed with all but section 3.1. Discussion ensued and Mr. Weiler was requested to provide copies of the ordinance for the Board.

Chairman Tobin stated concern that the County Ordinance was passed without the consultation of other impacted entities. The Board requested that Mr. Sweat review the ordinance and give a recommendation at a future meeting. Discussion ensued on specific problems with the ordinance. The Board requested that an ordinance be drafted by staff for the KLWTD to adopt connection standards as soon as possible. WEC would provide the standards to the KLWTD.

H. Legal Counsel's Report

There was no legal counsel report.

I. Commissioner's Items

1. Discussion for possible action concerning contracting with local legal counsel – Commissioner Wilkinson

Acting Chair Wilkinson stated that he has contacted several lawyers with one response from Dirk Smits. Acting Chair Wilkinson wants to have legal counsel represented at the meeting and believes that all the KLWTD Commissioners should be able to contact legal counsel when necessary. Acting Chair Wilkinson entertained a motion to interview Mr. Smits as soon as possible. Commissioner Wilkinson would like to retain Lewis Longman and Walker on a special retainer. Discussion ensued. Chairman Tobin doesn't want to pursue this issue until he has a discussion with Lewis Longman and Walker, but at some point in time the Board should have local legal representation. Discussion ensued and the Board concurred that local legal representation at a reasonable rate is desired and should be pursued. Discussion ensued concerning the other staff members that are not local and the need to have all meetings concerning the KLWTD held in Key Largo.

Commissioner Brooks motioned to begin the process of procuring local legal representation and that each Board member is to contact a local attorney and that notice is given that the KLWTD is looking for general counsel with a preference that the attorney be based in the upper keys. Acting Chair Wilkinson seconded the motion for discussion, requesting that staff draft a letter of solicitation for response and a process for evaluation to be presented at the 9/3/03 meeting. A roll call vote was requested.

Commissioner Bauman	**Yes**
Commissioner Beaty	**Yes**
Commissioner Brooks	**Yes**
Chairman Tobin	**No**

yes

The motion carried with a vote of four in favor and one not in favor.

2. Discussion of Commissioner Wilkinson's email of Monday, August 18, 2003

3. Discussion of web site services – Commissioner Bauman

4. Discussion for possible action – Workshop meeting procedure, agenda and Advertisement – Chairman Tobin

5. Discussion of the intent of the Interlocal agreement in reference to the sharing of existing and future grants – Chairman Tobin

6. Discussion of the scheduling of a strategic planning session and the request for a scope of service from a planning engineering firm – Commissioner Bauman

7. Discussion on KLWTD physical public records location – Commissioner Brooks

It was the consensus of the Items I 2-7 be tabled until a future meeting.

8. Discussion of a procedure for the adoption of contracts – Chairman Tobin

Chairman Tobin stated that the list presented was a suggested procedure. Commissioners Bauman and Beaty agree with the process. Commissioners Brooks and Wilkinson believe the procedure should be made part of an administrative procedure that should be drafted with the assistance of legal counsel.

Chairman Tobin motioned that a draft procedure be done by staff and brought back for consideration at the 9/3/03 meeting. The motion failed due to lack of a second.

Commissioner Bauman motioned that staff review the preliminary procedures suggested by Wilkinson and Tobin for discussion at the next meeting. Chairman Tobin seconded the motion. A roll call vote was requested.

Commissioner Bauman	**Yes**
Commissioner Beaty	**Yes**
Commissioner Brooks	**Yes**
Chairman Tobin	**Yes**
Acting Chair Wilkinson	**Yes**

The motion was unanimously approved.

9. Discussion of Monroe County Ordinance 028-2003 concerning the Uniform Wastewater Connection Policy – Commissioner Bauman

See above under the engineer's report.

L. Meeting Adjournment

Commissioner Beaty made a motion to adjourn. Commissioner Brooks seconded the motion. All were in favor and Acting Chair Wilkinson adjourned the meeting at 8:55 P.M.

KLWTD Board Meeting
November 5, 2003

Item E

Draft September 3, 2003 Minutes

Key Largo Wastewater Treatment District
Board of Commissioner's Meeting Minutes
4:00 PM Wednesday, September 3, 2003
Key Largo Civic Club, 209 Ocean Bay Drive

BOARD MEMBERS PRESENT

Chairman Andrew Tobin
Commissioner Gary Bauman
Commissioner Cris Beaty
Commissioner Charles Brooks
Commissioner Jerry Wilkinson

STAFF MEMBERS PRESENT

Robert E. Sheets, General Manager
Ed Castle, Project Manger, Weiler Engineering Corporation
Faith Doyle, Board Clerk

A. Call to Order

Chairman Tobin called the meeting to order at 4:00 p.m.

B. Pledge of Allegiance

All stood and the pledge was recited.

C. Public Comment

Chairman Tobin suggested voting at 7:00 p.m. to see if the meeting should continue after that point in time. Commissioner Wilkinson does not want items staying on the agenda for several meetings and suggested that perhaps a double meeting should be held in the near future.

Chairman Tobin asked if any one present wished to address the Board. William "C.W." Michaelson comments that the KLWTD website has been hosted for the past year free of charge. Unfortunately he has not received much input on the content and the only schedule dates had been received from Commissioner Wilkinson. Mr. Michaelson was informed that future KLWTD web development and hosting might be done by another company that is not located in Florida. Mr. Michaelson would like to see the work stay in the keys. He believes local business is not being treated well and he is unhappy with the way local businesses are treated. Chairman Tobin thanked Mr. Michaelson for hosting the website as a community benefit and stated that the Board is appreciative. Chairman Tobin stated that committee work is continuing on the maintenance of the web site and research will continue into using local vendors.

Commissioner Bauman asked about the lack of communications and the lack of development, design, maintenance and upon the site on a regular basis. Commissioner Bauman invited an open discussion of the issues at a private meeting with Mr.

Michaelson. Commissioner Bauman stated that he believes in supporting local businesses. Mr. Michaelson stated that he agreed that the communication has not been the best and requested that Commissioner Bauman contact him again. Commissioner Wilkinson believes the set up was good but the information needs to come from the general manager or the clerk. Commissioner Bauman and Commissioner Wilkinson noted that KLWTD needs a web keeper that is receptive to local issues and neither believes that Cooke communications would provide a viable alternative.

D. Minutes – Draft July 30, 2003

The Board requested that for future agendas the minutes be presented after the additions, deletions or corrections to the agenda.

Commissioner Brooks motioned to approve the meeting minutes from July 30,2003. Commissioner Wilkinson seconded and all were in favor.

E. Additions, Deletions or Corrections to the Agenda

It was requested that Item J5 be moved to the first item discussed because other discussion items relate to strategic planning.

Commissioner Wilkinson stated that further discussion on the local legal counsel issue would be covered under G-1. The Board concurred.

F. Action Items

1. Approval of the revised Monroe County Loan Agreement with KLWTD

Mr. Sheets stated that at the May meeting the Board finalized their revisions to the agreement, executed it and sent it to the County. However, the County was concerned with the unilateral changes. Mr. Sheets and Commissioner Brooks discussed the agreement with the County over the phone and of most concern to the County was the provision to not re-pay the loan under certain circumstances. The County has offered a change to Section 3.a. adding that if the KLWTD has not collected sufficient funds the KLWTD has the right to request the County to renegotiate the terms of the agreement. This change would satisfy the County and protects the KLWTD while giving them the open door to discuss options with the County if funds are not available. Mr. Sheets cautioned that the KLWTD Board funding from FEMA couldn't be disbursed until this agreement is finalized. Under this agreement once it is signed then the funds would be forward to KLWTD for disbursement on qualified expenditures.

Commissioner Wilkinson disagrees with the matching grant being a loan and stated that the $2,700 capital recovery fees should not be used for repayment of the loan. Commissioner Wilkinson believes the capital recovery fees are to be used for future growth.

Commissioner Beaty comments that listed under item number one of the agreement the County shall transfer $731 thousand and FKAA $182 thousand. He question if an accounting for the $182 thousand was available. Mr. Sheets stated that he would verify if one was available.

Commissioner Brooks noted that the entire Interlocal Agreement is considered an exhibit to the document. Commissioner Brooks also wants to see an accounting of the funds already expended. Commissioner Brooks is concerned with approving the document because it is not stated specifically that FKAA is part of this agreement. Mr. Sheets stated that they are included in the Interlocal Agreement, which is an attachment of the agreement and defines the FKAA's responsibilities.

Chairman Tobin suggested changes. Discussion ensued. Commissioner Brooks asked Mr. Sheets if the FKAA meeting scheduled by Mr. Sheets had been held. Mr. Sheets stated that a specific date has not been set. Commissioner Bauman asked if the $182 thousand was to be audited. Mr. Sheets stated that Danny Kohlage would most likely be auditing the fund for the County and that the DEP and KLWTD external auditors would also.

Commissioner Brooks motioned to approve the agreement and to send it with a cover letter from the general manager addressing the need for an accounting of the $182,000 from the FKAA. Discussion ensued on if the County should sign the document before the KLWTD does. Mr. Sheets stated that the Board has approved the agreement in form and substance and with the impending liability of invoices that require payment by the KLWTD for preliminary design the document needs to be finalized so that it be placed on the County agenda for action resulting in KLWTD receiving the funds. The Chairman requested a roll call vote.

Commissioner Bauman	**Yes**
Commissioner Beaty	**Yes**
Commissioner Brooks	**Yes**
Commissioner Wilkinson	**NO**
Chairman Tobin	**Yes**

G. General Manager's Report

1. Recommendation of a request for qualifications and a procedure for the interviewing and selection of general legal counsel

Mr. Sheets suggested that the process for the recruiting of a local attorney be informal. The proposed notice for advertisement was presented. Mr. Sheets stated that once responses are received the respondents should be invited for an interview during the 2nd public meeting in October. Legal counsel selection is not bound by the CCNA process and legal counsel should be appointed as soon as possible.

Chairman Tobin comments that after discussions with Terry Lewis he has been actively recruiting several firms. The Board suggested that John Jabro, Dirk Smitt, Jim Lupino, Harvey Ziegler and Nicholas Mulick be contacted. Chairman Tobin suggested sending a general faxed invitation via the bar association to inform the local members of the bar that the position is available.

The manager was requested to prepare a letter to be sent on the 5th for responses by the 12th. An update would be provided to the Board at the September 17th meeting.

Discussion ensued on advertising for general counsel or special counsel and the issues it could create with job assignments. Discussion ensued on the process of selection and the timing of the interviews.

The general manager was directed to call the position "Board Counsel" and to rework the letter, forward it to the upper keys bar association and to the five attorneys named by the Board. It was suggested that the interviews be held on September 17, 2003 and that the meeting begin at 3:00 p.m. and one candidate per hour be interviewed with regular business being conducted between interviews. All members agreed that nay resumes received by Wednesday be forwarded to the Board. Mr. Sheets is to inform the candidates that they should be prepared to discuss fee structure.

2. Recommendation after review of the LEWIS, LONGMAN & WALKER invoices.

Mr. Sheets stated that any contact in the future with the attorney would be directed by him. Mr. Sheets provided a sample copy of an agenda item control sheet and a working group agenda. Mr. Sheets stated that the working group agenda was the control document used to place things on the agenda and to keep track of directives from the Board to staff.

Discussion ensued on the development of agenda control procedures. Chairman Tobin stated that each member of the Board should be able to contact the Board's attorney for advice, but he believes it is not appropriate to have all documents reviewed by legal if they have been tasked to staff.

Commissioner Bauman stated that because there is not presently a policy in place and that legal had been directed to review the documents they should be paid for it. Commissioner Wilkinson believes hiring an attorney who charges a flat fee retainer would result in not being invoiced for review of minutes and other standard documents. Commissioner Wilkinson asked if the policy including agenda control procedures would be ready for the 17th meeting. Mr. Sheets stated the policies would not be ready for the 17th and that flat fees can be misleading. Discussion ensued on legal fee structures.

Commissioner Bauman motion to approve the Lewis, Longman and Walker bill in the amount of $7,263.34. Commissioner Wilkinson seconded the motion. All were in favor and the motion carried.

3. Recommendation of a procedure for contract adoption.

Mr. Sheets stated that it would be beneficial to schedule the first strategic planning session in September and drafting of the policy and procedures should be part of the strategic planning session.

Mr. Sheets asked the Board if it wants to consider having a listing in the yellow pages for the KLWTD. It was noted that the local KLWTD phone number was listed in the white pages. It was the consensus of the Board to not advertise in the yellow pages at this time.

H. Legal Counsel's Report

No legal report was presented.

I. Engineer's Report

Mr. Castle stated that Mr. Weiler provided a detailed report at the last meeting. Mr. Castle informed the Board that there will be a project team meeting in Miami on September 8 at 1:00 p.m. at the Brown and Caldwell office and that a proposed work plan for completing the balance of the KLP would be discussed and the first draft of a preliminary design report should be presented to staff. The decision to use either USBF or SBR and Airvac or Roevac should begin at the 17th Board meeting. Mr. Sheets stated that the most current Schedule B would be forwarded to the Board.

Discussion ensued on the content of the September 17, 2003 agenda and the possibility of needing an additional meeting in September. Discussion ensued on the placement of the lawyer interviews and the engineering meetings. Mr. Sheets suggested the engineering meetings be held on the 17th and the lawyers at the first meeting in October.

Commissioner Brooks asked if the USBF/SBR and Airvac/Roevac evaluation process would involve presentations on the technologies or would the Board be following the recommendations of the staff, engineers and contractors. Discussion ensued. Chairman Tobin requested an analysis from the principals on what they are basing their decisions on.

Mr. Castle stated that Haskel would provide Brown and Caldwell's recommendations and that WEC would offer an opinion on the recommendation of the vacuum system and would review their opinions based on historical data.

Commissioner Wilkinson stated that as the technical committee chair he would like to present information to the project team concerning the position of the Board. Commissioner Bauman stated that if it is to be presented as the Board's view the Board must agree to it. Commissioner Wilkinson's stated that he would preface his presentation and state that it his opinion only.

Mr. Castle stated that he and Mr. Sweat are working on getting all documentation from Boyle Engineering for conceptual design work that was done on the KLP and KLTV projects.

Commissioner Brooks stated that during contract negotiations USBF was the preference of the Board and it would remain that way unless it can be demonstrated that an alternative was better suited to the KLWTD's needs. Haskell with Brown and Caldwell will review USBF and SBR along with alternatives and WEC will verify their recommendation. WEC understands the Board's wishes. Mr. Castle will be giving operating budgets for the two systems without prejudice.

Commissioner Brooks asked Mr. Sheets about the status of the FEMA Site Assessment. Mr. Sheets stated that he would be meeting with Miles Anderson of the DCA concerning the issue and he has a tentative meeting of September 15th. Mr. Anderson also wants to meet with the general manager and Chairman Tobin to discuss several issues just as the low to moderate income funding plan and the Environment Assessment public hearing and the combining of the two projects into one.

Chairman Tobin requested the general manager draft a letter to FEMA to inform them of the KLWTD need for a final FEMA schedule on the site assessment.

Discussion ensued on the need for Higgins to begin work as soon as possible on the KLP project.

Chairman Tobin recessed the meeting at 6:00 p.m.

Chairman Tobin reconvened the meeting at 6:10 pm

J. Commissioner's Items

It was requested that Item J-7 be discussed first. The policy/procedure for moving discussion items to action items was brought to the floor. Chairman Tobin requested that this procedure be adopted as an interim policy. Chairman Tobin requested that the item be reviewed and a recommendation made by staff for action at the next meeting.

Discussion ensued about the procedure conflicting with Roberts Rules of Order. Discussion ensued on the agenda item request with staff doing research prior to an item being added to an agenda. Commissioner Brooks believes this item should be held for legal counsel review and for further discussion in the strategic planning session.

Commissioner Bauman motioned for staff to draft a formalized process to advance discussion items to action items. Commissioner Wilkinson made a second to the motion. All were in favor and the item was unanimously approved.

1. Discussion of Commissioner Wilkinson's email of Monday, August 18, 2003

Mr. Sheets stated that a working group agenda that would includes pending projects and directives of the Board has been developed. Commissioner Wilkinson suggests the general manager provide a work in progress report during his report.

Commissioner Wilkinson motioned to have a work in progress report added to the agenda. Chairman Tobin seconded the motion. The motion carried.

Mr. Sheets stated that an agenda control process should be part of an overall discussion of how to conduct business. The clerk was requested to forward examples of agenda control documents to the Board.

Chairman Tobin motioned for a formal agenda procedure to be drafted. Commissioner Wilkinson seconded the motion. All were in favor.

Commissioner Wilkinson wan an 800 number established to access the general manager.

Chairman Tobin requested that all of Commissioner Wilkinson concerns be addressed by the general manager for formal action on the 17th of September or the 1st of October.

2. Discussion of web site services – Commissioner Bauman

The item was removed from the agenda until Commissioner Bauman speaks with Mr. Michaelson.

3. Discussion for possible action – Workshop meeting procedure, agenda and Advertisement – Chairman Tobin

This item was removed and will be discussed at the strategic planning workshop.

4. Discussion of the intent of the Interlocal agreement in reference to the sharing of existing and future grants – Chairman Tobin

The item was tabled until the next meeting.

5. Discussion of the scheduling of a strategic planning session and the request for a scope of service from a planning engineering firm – Commissioner Bauman

Commissioner Bauman stated that it is imperative that this issue be addressed because it's importance in demonstrating the KLWTD's readiness to qualify for future funding.

Mr. Sheets suggested that a facilitator be brought in to help develop a strategic plan along with the many other policy and procedural issues facing the Board. The clerk was directed to forward a sample strategic plan to the Board.

Mr. Sheets stated that a scope of service should be drafted for the update of the master plan and the work would be done by an engineer selected from the CCNA process.

Commissioner Bauman requested that the general manager begin drafting the scope of service for the master plan review and the development of the KLWTD strategic plan. Discussion ensued on the timing of the strategic planning session and master plan scope of work. Mr. Sheets stated that there are funds set in the contingency line item of the budget to be approved on 9/17 and that the Board needs a plan ready to avail them selves of future funding. A strategic planning session to develop a business plan to demonstrate to funding agencies that the KLWTD knows what to do if funded.

Commissioner Bauman made a motion to have the general manager develop an outline of the steps needed to accomplish the strategic plan and master plan review to be presented at a subsequent meeting. Commissioner Wilkinson seconded the motion. All were in favor.

6. Discussion on KLWTD physical public records location – Commissioner Brooks

The item was tabled until the next meeting.

7. Discussion of policy/procedure for moving discussion items forward – Chairman Tobin

Please see above.

Chairman Tobin stated that he had been informed that the 29% share of the $100 million dollars might be in jeopardy. Commissioner Brooks continues to remind all those involved of the history of how the original award came about. Commissioner Brooks stated that the Intergovernmental Task Force was formed with local communities for the purpose of coordinating the distribution of federal money. Commissioner Brooks gave

the history of the how the share of 29% was cut from being for Key Largo to being marked for all of unincorporated Monroe County. Commissioner Brooks was told that the issue has been addressed to get the money back to Key Largo and that Representative Sorenson was involved and aware of all the developments. Commissioner Brooks stated that he has documentation (the minutes from the last Intergovernmental Task Force meeting) verifying that Key Largo would receive the 29% but to be successful it will take continued pressure. Commissioner Brooks stated that the SFWMD is the entity that would distribute the funds and that Cecilia Weaver is the Key's representative from SWFMD and will also monitor the situation.

Commissioner Brooks suggested that follow up on this issue be moved to the managers work in progress report. Commissioner Brooks stated that he would continue to update the Board on this issue and that Cecilia Weaver of SWFMD has been provided documents that prove Key Largo is to receive 29% of the allocation.

Chairman Tobin requested that Ms. Weaver be invited to attend a future KLWTD Board meeting.

L. Meeting Adjournment

Commissioner Brooks made a motion to adjourn. Commissioner Bauman seconded the motion. Chairman Tobin adjourned the meeting at 7:50 P.M.

KLWTD Board Meeting
November 5, 2003

Item E

Draft September 17, 2003 Minutes

DRAFT

Key Largo Wastewater Treatment District
Board of Commissioner's Meeting Minutes
4:00 PM Wednesday, September 17, 2003
Key Largo Civic Club, 209 Ocean Bay Drive
Key Largo, Monroe County, Florida

BOARD MEMBERS PRESENT

Chairman Andrew Tobin
Commissioner Gary Bauman
Commissioner Cris Beaty
Commissioner Charles Brooks
Commissioner Jerry Wilkinson

STAFF MEMBERS PRESENT

Robert Sheets, General Manager
Charles L. Sweat, Director of Operations
David Miles, Chief Financial Officer
Jeff Weiler, Engineer
Ed Castle, Project Manager
Faith Doyle, Board Clerk

GUESTS PRESENT

Ms. Science Kilner, FEMA
Mr. Lawrence Frank, FEMA
Mr. Tom Evans, Tom Evans Environmental, Inc.
Mr. James Dotesh, Roediger
Mr. Charles Fishburn
Mr. Walter E. Messer, D.N. Higgins
Mr. Stu Oppenheim, Brown and Caldwell
Mr. Peter Kinsley, The Haskell Company
Mr. Joe Paterniti, Brown and Caldwell
Mr. Mike Longenecker, Key Largo resident
Mr. Robert E. Burt, KLTV
Mr. John Hammerstrom
Mr. Burke Cannon, IKLFHA

A. Call to Order – KLWTD Regular Meeting

Chairman Tobin called the meeting to order at 4:03 P.M.

B. Pledge of Allegiance

All stood and recited the pledge.

C. Open Public Hearing on Resolution 2003-19 KLWTD FY2004 Budget

Chairman Tobin opened the public hearing at 4:05 P.M. and asked if there were any comments from the public on the KLWTD FY2004 Budget Resolution 2003-19. There being none he closed the public hearing and asked the Board for discussion on the Resolution.

D. Close Public Hearing

Chairman Tobin closed the public hearing at 4:07 P.M.

Commissioner Charles Brooks made a motion to approve Resolution 2003-19 KLWTD FY2004 Budget. Commissioner Wilkinson seconded the motion. All were in favor and the motion was unanimously approved.

E. Public Comment

Please see below.

F. Additions, Deletions or Corrections to the Agenda

Mr. Robert Sheets requested that representatives of FEMA present information on the Environmental Site Assessment (ESA). Ms. Science Kilner and Mr. Lawrence Frank were introduced. Ms. Kilner stated that the draft ESA was forwarded to Mr. Sheets for comments from the KLWTD. The public hearing will be scheduled for early November with a 30-day comment period prior to the hearing. After the public hearing and comment period a final ESA will be prepared and forwarded for the grant to be initiated and it would be administered by Miles Anderson of the D.C.A. Two major items are needed from the KLWTD for the ESA the draft report must contain the plan for assisting low and very low-income residents and a site mitigation plan along with several minor items. This information needs to be supplied by the KLWTD Board. Discussion ensued on the specifics of site mitigation and the plan for assisting low-income residents. Ms. Kilner suggested that the Fish and Wildlife Commission be contacted for assistance concerning the site mitigation plan.

Commissioner Wilkinson stated concern over the delay in the ESA process. Ms. Kilner stated that the ESA process was complicated and involved many different governmental entities. Commissioner Wilkinson asked where the alternate site is located. Ms. Kilner stated that it is at mile marker 98 and was suggested by the FKAA.

Chairman Tobin requested the General Manager to draft a summary of what actions are necessary to provide the information for the draft ESA to FEMA. Chairman Tobin suggested that if additional information after that point is needed then a public meeting could be held to advise the entire Board. It was noted that the contractors were present at the informational meeting and are aware of what is required of them. Mr. Sheet stated that the Board needs not be overly concerned about the alternative site; it needs to be available if there are catastrophic problems with the proposed site. The draft ESA was forwarded to WEC and Brown and Caldwell for their comments. Mr. Sheets will be formalizing the process for implementing a low-income assistance program that meets the requirements of the County program. He noted that the County had provided in the

Interlocal Agreement to assist with the $2,700 fee, however the KLWTD needs to address a program for running lines. Mr. Sheets will contact Mark Bell of Monroe County in the effort to prepare an implementation plan. Mr. Sheets stated that other issues do need to be addressed but after the comments are received the draft will be used for the public hearing and he suggested that a special meeting of the KLWTD be held to coincide with FEMA's public hearing. Mr. Sheets stated that at present the executed grant agreement should be in hand in January of 2004. Mr. Sheets noted that a revised project schedule would be provided to Miles Anderson of the DCA to inform him that the present delays were due to circumstances beyond the Board's control.

Further discussion ensued concerning the site mitigation plans and who is responsible for the costs. Further discussion ensued concerning the implementation of a low-income program.

Commissioner Brook asked what mechanism is used by FEMA to inform the Board that the necessary information has been provided. Ms. Kilner stated that the holding of the public hearing is an indication that all information was provided.

Ms. Kilner stated that if all information is received by October 15, the public hearing could be held on November 5, 2003 in Key Largo. Mr. Lawrence Frank stated that a draft of the forth-coming grant contract would be provided to the Board for review as soon as possible to assist in expediting the process.

Discussion ensued on the possibility of third party challenges that could delay the project.

Chairman Tobin requested that public comment be moved to after the engineers report.

G. Action Items

1. Approval of Resolution 2003-19 KLWTD FY2004 Budget

Please see above.

2. Approval of the Pending Payments List dated September 10, 2003

Commissioner Brooks motioned to approve the Pending Payments List contingent on being provided copies of the invoices after the fact. The motion died due to the lack of a second and the Chairman requesting the item be moved to later in the meeting.

H. General Manager's Report

1. Update on the request for information from potential Board Attorney Candidates

The Clerk informed the Board that the five lawyers requested by the Board to be contacted and the letter to be forwarded to the President of the Lower Keys Bar Association had be completed. Mr. Harvey Zeigler, Mr. Nicholas Mulik, Mr. John Jabro, Mr. Dirk Smits and Mr. James Lupino have responded. Mr. Mulik is not interested in submitting a statement of qualifications. Mr. Zeigler, Mr. Jabro, Mr. Smits and Mr.

Lupino stated they would meet with the Board and forward statements of qualifications. Mr. Lupino is not available to meet on October 1, 2003. Presently for the October 1, 2003 meeting Mr. Ziegler is scheduled for 3:00 p.m., Mr. Smits for 4:00 p.m. and Mr. Jabro for 5:00 p.m. The Clerk will be forwarding the final schedule and the information provided to all Board members.

Commissioner Wilkinson stated concern over not having legal counsel present at the KLWTD meetings. Chairman Tobin stated that legal counsel is available by phone. Commissioner Brooks suggested that all the meetings with potential legal counsel be held on one day. Mr. Sheets requested that the Clerk reschedule the meetings for the 15th of October beginning at 4:00 p.m. Chairman Tobin stated that if not all are available for the 15th the 1st of October should be offered.

Mr. Sheets stated that although legal counsel was not present this evening that legal counsel would be consulted on several agenda items for October 1, 2003 and would need to be present at the meeting.

I. Legal Counsel's Report

No report was presented.

J. Engineer's Report

1. Presentation by the Project Team on the results of the Kick-off meeting and discussion of the implementation of the Draft Concept Review Submittal

Mr. Sheets stated that the team has provided the Draft Concept Review Submittal (DCRS) to staff and it would be forwarded to the Board members as soon as possible.

Mr. Sheets stated that the team would make a recommendation on Airvac/Roevac but requires additional information before providing a recommendation USBF/SBR but would have one prepared for the October 1, 2003 meeting. Information would be provided during the presentation giving alternatives on the completion of KLP as requested by the Board. Mr. Sheets stated that several different alternatives are being offered by Haskell and staff would like direction from the Board on what alternative should be pursued. Mr. Sheets stated that Tim Banks of DCA is considering combining the two projects into one unified project. Mr. Banks has requested documentation on the projects prior to his decision. Mr. Sheets would have more information for the Board at the October 1, 2003 meeting.

Chairman Tobin introduced Mr. Peter Kinsley of the Haskell Company. Mr. Kinsley introduced Mr. Stu Oppenheim, Vice-President of Operations for Brown and Caldwell, and will oversee the entire design of the project from the Miami office. Mr. Ted Hortenstein was introduced as the principal of the secondary treatment design, the plant and works from the Orlando office. Mr. Joe Paterniti was introduced as the principal to oversee the vacuum collection system for Brown and Caldwell and works from the Miami office. Mr. Walter Messer, Vice President of Operations for D.N. Higgins was introduced.

The Haskell Company and Brown and Caldwell made a presentation on the DCRS, which included information on Airvac/Roevac.

Mr. Kinsley presented the information on combining the KLP and KLTV project and including the Sunset Waterways subdivision. Mr. Kinsley stated that the Board had requested alternatives on having all vacant lots provided service and two additional scenarios were provided to accomplish the task.

Discussion ensued on the alternatives, the cost to the resident to install the system and the probability that all the vacant lots could be developed. Mr. Kinsley stated that more information would be necessary to make an informed decision.

Mr. Kinsley stated that he looks forward to working with the KLWTD in accomplishing all the goals of the Board.

Commissioner Bauman asked Mr. Kinsley his thoughts on the February 1, 2004 date. Mr. Kinsley is concerned with it and the likelihood that ground breaking on the plant would not happen in 2003, however occasionally the DEP allows other phases of a project to begin prior to ground breaking. Mr. Sheets stated that depending upon the combining of the projects the project schedule would be revised and that would adjust all of the funding deadlines into the future.

Chairman Tobin recessed the meeting at 6:25 p.m.
Chairman Tobin reconvened the meeting at 6:40 p.m.

Mr. Sheets requested direction from the Board on the team's recommendation on the Airvac/Roevac issue if not tonight then on October 1, 2003, also for October 1st the recommendation for USBF/SBR would be provided to the Board. These two decisions would impact when the 30% design submittals would be completed.

Mr. Sheets stated that he requires direction from the Board this evening concerning the proposal from Haskell on combining the projects and if it cannot be given tonight it would need to be discussed at the October 1st meeting.

Chairman Tobin stated that he would require additional time to review the information provided prior to voting on Airvac/Roevac, USBF/SPR or the Haskell proposal to combine the projects and would like it to be on the agenda for the next meeting. Chairman Tobin stated that concerning the Haskell proposal funding must be identified prior to a decision. He requested that memorandums outlining what had been discussed by the project team at their meetings be provided to the Board to better prepare the Board.

Commissioner Bauman stated that there is no other choice than to have one engineer for the entire project and it should move forward as quickly as possible.

Commissioner Beaty would like to review the information provided and consult with Charles Fishburn on his opinions concerning the processes being suggested.

Commissioner Brooks stated concern on not receiving information in sufficient time to review prior to making decisions along with the need for updates from staff on meetings outside of Board meetings. Commissioner Brooks believes that one engineer is the best course but he has questions on the transferring of costs from WEC to Haskell. Mr. Weiler states that for the Engineer of Record services he would reduce his costs by $19,000. Mr. Weiler stated that Haskell's proposed fees are fair and reasonable considering the amount of redesigning work that is required. Commissioner Brooks asked how much more Haskell would be costing the KLWTD as Engineer of Record. Mr. Kinsley stated that the amount enumerated in the proposal is $80,000 however, in his opinion, Mr. Weiler may not have been provided with the details on the redesign work to have properly cost the project. Mr. Sheets interjected that it may not be appropriate to request the engineers to debate cost comparisons that are not apples to apples. Mr. Sheets recommends that a complete comparison be provided so that the Board could see the specific benefits of their decision. Commissioner Brooks stated that he would appreciate more time to review the information although he feels that the proposal is very good and has received an initial recommendation from the KLWTD Engineer.

Mr. Sheets stated that if it is the consensus of the Board, staff would prepare a memorandum outlining the scope of work that would be provided by Haskell under a unified project. Chairman Tobin stated that it was always the wishes of the Board to have one project and from a policy standpoint the Board is united on this point.

Commissioner Wilkinson gave a report on his attendance at the project team meetings. He is ready to fully support the use of Roevac but agrees with the Board that a vote on the issue can be held until the next meeting. Commissioner Wilkinson stated that one engineer is the best alternative, however the funding must be identified prior to a decision being made. Commissioner Wilkinson stated that he has an opinion on the USBF/SBR choice but would like to see documentation prior to voting on the issue.

Chairman Tobin asked if the information provided to Commissioner Wilkinson would be shared with the other members of the Board. Mr. Kinsley stated that he is also awaiting information prior to recommending USBF/SBR and that he would provide information to the Board concerning the issue.

Commissioner Brooks stated that he would like the facts used for the recommendation in the event Haskell recommends something other than what the Board would recommend.

Chairman Tobin believes a more in depth analysis of the treatment plant would be required before making a decision. Mr. Sheets stated that all information would be incorporated into the agenda package for the Board's review.

Commissioner Wilkinson believes that the major decision will be Airvac/Roevac because most of the cost is involved with it and it will be buried in the ground and difficult to update if necessary. The plant decision is only 20% of the overall cost of the project and will be more accessible if alterations are necessary.

Mr. Sheets stated that to avoid any unnecessary confusion, how the recommendations are presented should be decided by the Board. Commissioner Bauman stated that he does not want to participate in lengthy presentation by vendors and that he will support the recommendations of staff. Commissioner Wilkinson believes that if the Board goes against the recommendation of the Engineer it would result in no warranty for the project.

Chairman Tobin stated that to improve the comfort level of the Board members that the recommendation should be presented along with supporting details.

Mr. Sheets stated that the recommendation would be made in a pros/cons format along with supporting information from Haskell.

Chairman Tobin brought the Pending Payments List back to the floor for consideration.

Commissioner Brooks motioned to approve the Pending Payments List except for the Lewis Longman and Walker invoice because there was insufficient time to review it. Commissioner Wilkinson seconded the motion. All were in favor and the item was unanimously approved.

Chairman Tobin asked the Clerk to provide electronic copies of the Lewis Longman and Walter invoices to the Board members on an ongoing basis. Mr. David Miles stated that he would scan them and forward them to the Board.

K. Commissioner's Items

1. Discussion of the intent of the Interlocal agreement in reference to the sharing of existing and future grants – Chairman Tobin

Chairman Tobin requested that the item be removed from the agenda. It was the consensus of the Board to support the continued participation with the Intergovernmental Task Force and the securing of the original share of funding apportioned to the KLWTD. Commissioner Brooks distributed historical information from the Intergovernmental Taskforce to the other Board members along with a newspaper article concerning the issue of future funds that are becoming available. Chairman Tobin stated that if a resolution is necessary in the future it would be in the best interest of the KLWTD to affirm it formally and requested Commissioner Brooks to advise the Board in the future if it is required.

2. Discussion on KLWTD physical public records location – Commissioner Brooks

Commissioner Brooks would like as soon as possible to have public records available to the public in a common area. The library was suggested for retaining the documents for public review. The copies being retained by Commissioner Beaty as the official secretary of the Board would continue. The Clerk has verified with the library that they would maintain the records if provided to them. Commissioner Brooks would like to see the agendas, minutes and contracts provided, however the agenda being provided prior to meetings could be a difficulty. Discussion ensued on the specifics of duplicating the records and providing them to the library. It was suggested that the agenda be provided

electronically prior to the meeting without back up information being provided at a later time. It was the consensus of the Board that contracts need not be included and the library should not be a complete replication of the KLWTD records.

Commissioner Brooks made a motion to approve the Clerk to initiate a minute book, agenda book and resolutions book at the library as soon as possible. Commissioner Wilkinson seconded the motion. All were in favor and the motion carried. Staff was directed to bring back a formal resolution for action at the next meeting.

3. Discussion on advertising each regular meeting in the Free Press or Reporter as a display ad – Commissioner Wilkinson

Commissioner Wilkinson stated that he had requested information concerning the advertising requirements for the KLWTD from the attorney generals office. Chairman Tobin stated that he had a telephone conversation with a member of the attorney generals staff that a request for an opinion would need to be done formally by letter. Chairman Tobin believes that with the present statutes on the special districts advertising requirements that it may not be necessary. Commissioner Wilkinson states that his main concern is that advertisements are not reaching the Key Largo citizens by advertising in the Key West Citizen and he would like to see the response of the attorney general on the issue. Chairman Tobin stated that there is an ambiguity in the statute but it has been lobbied previously without success. Commissioner Bauman believes that with the negotiated reduced rate with the Free Press it would not be difficult to maintain advertisements in both publications. Commissioner Brooks comments that this issue is minor in relation to the other issues facing the KLWTD and suggests that sewering Key Largo be paramount to the KLWTD Board and advertising the meetings be secondary. Chairman Tobin stated that in the future as time permits the Board pursue having the law amended.

Discussion ensued on drafting a letter to the attorney general requesting an opinion. Commissioner Wilkinson suggested drafting the letter and bringing it back for Board consideration. Chairman Tobin requested that Mr. Sheets review the statute and provide the Board with a recommendation on the issue. Chairman Tobin requested this discussion item be moved to an action item at the General Managers discretion.

4. Discussion of future ground breaking ceremonies – Chairman Tobin

Chairman Tobin requested that the item be removed from the agenda.

L. Meeting Adjournment

Chairman Tobin adjourned the meeting at 7:50 p.m.

KLWTD Board Meeting
November 5, 2003

Item E

Draft October 1, 2003 Minutes

DRAFT

Key Largo Wastewater Treatment District
Board of Commissioner's Meeting Minutes
4:00 PM Wednesday, October 1, 2003
Key Largo Civic Club, 209 Ocean Bay Drive
Key Largo, Monroe County, Florida

Board Members Present

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

Staff Present

Robert E. Sheets, General Manager
Terry Lewis, Attorney (via phone)
Ed Castle, P.E., District Engineer (via phone)
Faith Doyle, Board Clerk

Guests Present

Dirk Smits, Key Largo Resident
Mark Bell, Monroe County CDBG Project Coordinator
Nos Espat, Randazza Corporation
Charles Fishburn, Key Largo Resident
Steve Gibbs, Reporter Free Press
Mike Longenecker, Key Largo Resident

A. Call to Order

Chairman Tobin called the meeting to order at 4:06 p.m.

B. Pledge of Allegiance

All stood and the Pledge of Allegiance was recited.

C. Public Comment

Chairman Tobin brought to the floor the recent difficulty alluded to by board members of the manipulation between the chair and the manager.

Chairman Tobin stated that with the many projects facing the KLWTD and the difficulties, and with the lack of time to discuss issues of importance between the board members outside of the public forum it sometimes necessary for the chair to have discussions with the manager.

Commissioner Wilkinson stated that he is unaware of what Chairman Tobin's issue is because it is not on the agenda and added that this is not government in the sunshine.

Commissioner Bauman suggested the Board move forward with regular business because there will be disagreements between individuals.

Commissioner Wilkinson believes this is manipulation and that the discussion between the manager and the chair without the benefit of providing the same information to the balance of the board is a problem.

Mr. Robert Sheets stated that he was aware that Commissioner Wilkinson was having difficulty with the concept of discussion outside of the meeting, but there is no manipulation of the process and therefore the item was placed on the agenda as an additional item for the chairman to bring to the floor for discussion.

Commissioner Wilkinson asked to discuss the meanings of the word manipulation. Chairman Tobin suggested further discussion on the issue should be under an agenda section J – Commissioners Items.

Commissioner Tobin asked if Mr. Sheets was going to discuss the procedure of the local legal counsel selection process under the general managers section. Mr. Sheets stated that he was under the impression that after the Board's discussion he was to state what the process would be.

D. Additions, Deletions or Corrections to the Agenda

Chairman Tobin requested an additional action item to resolve the selection of Airvac or Roevac. Commissioner Brooks wants to hold off action until after all discussion is made.

Chairman Tobin requested that the agenda be amended and the minutes to reflect the item as being on as an action item (F.2.) unless the board decides to defer action.

Mr. Steve Gibbs suggested that the Chair follow the agenda because the Board has the tendency to go out of order which is confusing.

Mr. Michael Longenecker requested to comment on the Roevac/Airvac issue. Chairman Tobin stated that comments could be made during the F.2. section of the agenda.

Commissioner Brooks stated that although Chairman Tobin's email the other day requested that the Board not discuss the advertisement issue for another six months or so Commissioner Brooks wants to be on tape as wanting to discuss the advertisement issue. Chairman Tobin added the item as J. 3 to the agenda to discuss changes to the State law 189 for advertising.

E. Minutes – Draft August 13, 2003; Draft August 27, 2003; Draft Sept. 17, 2003

Chairman Tobin requested that the minutes be deferred to the next agenda.

F. Action Items

1. Approval of Resolution 2003-20 to Provide Copies of KLWTD Documents to the Key Largo Public Library

Commissioner Brooks requested a clause to be added for the agenda that is to be forwarded is for the upcoming meeting or some other clarification. Commissioner Wilkinson stated that he agreed. Commissioner Brooks requested a clause to be added that the agenda would arrive prior to the meeting at the library and add what mechanism for delivery would be used. It was suggested that the clause 3 read "the clerk is to forward to the librarian the entire agenda package with the backup at the same time as the Board members."

Commissioner Brooks asked Mr. Terry Lewis if any action would need to be made by the Board to continue using his services. Mr. Lewis stated that at this time he would serve on a month to month as needed basis.

2. Discussion for Possible action Airvac/Roevac (added item)

Mr. Sheets stated that concerning Airvac/Roevac at the last meeting a presentation was made and at the conclusion the Board came to the consensus to hold on the vote until information was digested and all additional information was in from Haskell. The staff suggested to the Board that the addition information should be reviewed and a recommendation be drafted and presented as a whole.

Commissioner Bauman asked if deferring action delays the preliminary design work. Mr. Sheets stated that not by acting this evening however, it is cutting it close if not acted on by the 10/15 meeting. Mr. Sheets stated that staff was not prepared with a recommendation on Airvac/Roevac at this moment.

Commissioner Brooks made a motion to postpone action on item F2 until all recommendations from staff are available. Chairman Tobin seconded the motion. All were in favor and the motion was unanimously approved.

Mr. Michael Longenecker stated on the Airvac/Roevac issue the engineers make recommendations on things that they think, not always on what they know, he doesn't know he hasn't operated one, he knows people who have operated the systems and there are strong opinions out there. He is concerned with the economic benefit with Roevac up front, but has anyone checked the electrical usage to get the sewage into the pit. Please call and talk to utility operators on the systems including the watts and what the cost is to run the thing. Is there any Roevac operating in the United States? But some one should be able to identify the kilowatt cost to run the systems.

Mr. Sheets has been looking at that electrical cost issue for several days. Mr. Charles Fishburn stated that after thousands of pages of review he believes he saw 1.50 a month cost per edu. Mr. Fishburn doesn't recall a significant difference between the costs of operating either technology. Mr. Sheets stated there would not be a shortage

of information and that staff did not rely on the sales people and that staff had visited plants, talked with operators and engineers from various points of view.

G. GENERAL MANAGERS REPORT

1. Status Report on the Discussion with Monroe County on the Low Income Assistance Program

Mr. Sheets stated that at the last meeting Ms. Science Kilner mentioned that one of the items to be completed prior to the finding of no significant impact was the assistance to low-income resident program. Mr. Mark Bell the Monroe County CDBG Project Administrator was present to address the Board. Mr. Sheets requested guidance from the Board because after research he had found that the County has a low-income assistance program that meets FEMA and CDBG requirements. Mr. Sheets requested direction to send a letter to George Garrett requesting Mr. Bell to help with the program for KLWTD. Mr. Sheets stated that the County program is in place and can administrate the program, which would include qualifying residents, doing the paper work and keeping the records.

Mr. Mark Bell, Monroe County CDBG Project Administrator was introduced. Mr. Bell stated that he is part of the special programs department of the Monroe county housing authority. He had just finished work on the Islamorada and Little Venice projects and that he is also working with Stock Island. He is presently visiting affected mobile home parks to explain the process because there is widespread confusion. Mr. Bell has worked on implementation plans and because of the needs of FEMA funding he has become involved with George Garrett and has drafted a generic implementation plan for BOCC approval. Mr. Bell stated that a commitment of funds for the 90/70 rules is needed. A mitigation requirement of FEMA states that 90% of the cost for the very low-income residents up to $3000 must be covered and the low-income percentage is 70%.

Chairman Tobin asked if KLWTD has the option to use grant money to make up the difference to pay hook up fees. Mr. Bell stated the KLWTD plan needs to be consistent with the county plan.

Chairman Tobin asked Mr. Bell if he could help with identifying who needs help. Mr. Bell stated that at this time yes he could and funding sources would be identified in the future. The BOCC decides where the funding for the difference is to come from and they need to commit it at public meeting and the County must pick up the low to very low. Chairman Tobin asked if there was any obligation to get to the County to let them know there is a funding problem. Mr. Bell stated that George Garrett is aware of the problem and an item is being drafted for presentation to the BOCC on 10/15.

Commissioner Bauman asked about the maximum amount of assistance stated by Mr. Bell of $3,000 adding that the fee in Key Largo will be $2,700 for hook-up and un-know/V septic tank decommissioning fees. Mr. Bell is looking at options that will work for KLWTD. Mr. Sheets stated that FEMA only wants to know that we have a plan; by Phase II FEMA we need to know how it will be funded.

Commissioner Brooks asked how many units does the County expect to qualify and if it is determined by property value. Mr. Bell stated that the program is defined on income not on property value. Commissioner Brooks asked what happens if CDBG doesn't have enough money to help all the qualified people. Mr. Bell stated that the number of households who qualify share a set amount of funds.

Mr. Sheets stated that the provision of the County helping with a low-income program is not new and that in the interlocal it states that the County must assist with a low-income plan.

Mr. Bell needs to do additional research, information has been requested from the property appraiser, however qualifying residents is in the future, after the plan is developed.

Commissioner Brooks asked if a plan would be ready by November. Mr. Sheets stated that we would have a document that will describe our plan by November. Commissioner Brooks noted that with the document the KLWTD would have met one of the two requirements to have the FEMA Environmental Assessment public hearing.

Commissioner Wilkinson asked if the KLWTD needs an interlocal with Mark Bell for him to do this work. Mr. Sheets stated that if the Board gives approval to write a letter to George Garrett to have FKAA be the drafter and administrator of the low-income program that staff would assist Mr. Bell in any way to complete the surveys and other items required and the need for a formal agreement would be explored.

Mr. Bell stated the income limits for low income was $36,150 for one person ($56,500 is medium income) and very low is $22,600 for one person. Discussion ensued on the medium income amount for the area and the disparity between HUD figures and census data.

Chairman Tobin asked if the direction from the Board is to have the manager pursue Mr. Bell's assistance further and give permission to write a letter and bring it back for approval to request the County act as coordinator and to prepare the implementation plan and coordinate the low-income program.

Commissioner Brooks made a motion to approve and direct the general manager to prepare the letter and mail it to George Garrett of the FKAA. Chairman Tobin requested that copies of the letter be forwarded to the Board Members. Commissioner Wilkinson seconded the motion for discussion. Chairman Tobin stated that it is not good Board Policy to motion on all directives. Commissioner Wilkinson disagrees stating that if it is not in a motion it is one person's opinion. The Chair called for a vote. All were in favor and the motion was unanimously approved.

2. Other Items

Mr. Sheets stated that he would make his other items part of item J. 1.

Commissioner Bauman asked about the mitigation of the plant site that is required by FEMA. Mr. Sheets stated all that is required is to identify where we are doing the replacement of trees. George Garrett is also helping with that issue. The KLWTD needs to commit funding for the program, however the issue of funding will be answered once the amount of the mitigation is known. Mr. Sheets stated that the issue is being resolved and the KLWTD doesn't need to purchase land, only commit to fund the replacement of the mitigation site. Chairman Tobin stated that he had spoke with Mark Rush who will send copies of the purchase agreements and surveys and what restrictions are involved.

Commissioner Wilkinson made a motion to receive status reports as a general managers item on every agenda prior to the FEMA public hearing concerning the FEMA Environmental Assessment, the Low Income Plan and the Site Mitigation. Discussion ensued. Commissioner Brooks seconded the motion. All were in favor and the motion was unanimously approved.

H. Legal Counsel's Report

There was no legal counsel's report given.

I. Engineer's Report

Mr. Castle stated that the evaluation of Airvac and Roevac would continue this week and he is looking forward to the presentation planned for next week.

Commissioner Bauman asked when the recommendation on the processes would be complete. Mr. Castle anticipates that final reports would be done by the end of the week.

Chairman Tobin recessed the meeting at 5:10 p.m.

Chairman Tobin reconvened the meeting at 5:15 p.m.

J. Commissioner's Items

1. Discussion of the Selection and Recommendation Process Regarding Specific Technologies for the KLP and KLTV Projects -- Chairman Tobin

Chairman Tobin brought the item to the floor and stated that the USBF/SBR issue is now officially on the table as a result of the email to the manager that stated the manager understood that there was going to be a recommendation other than USBF and that the Board requires information immediately and because popular opinion has been to use USBF and when it became apparent that there was an issue concerning the two technologies it was decided that the Board needed information immediately. Chairman Tobin noted that he copied his fellow commissioners with his email to the manager. Chairman Tobin prepared another email a few minutes later requesting that the manager please provide a written recommendation with citations to specific studies and that the vendors were to be copied also. Chairman Tobin stated that he was

looking forward to the debate so that it would further educate the Board. However, Chairman Tobin stated that somehow his attempt to get the item out on the table under the sunshine was construed as manipulation. He is unsure what is best and doesn't know enough about the technologies at present. Chairman Tobin stated that he has seen an email copied to Teresa Tinker because something wasn't debated in the public. Chairman Tobin stated that he doesn't have an agenda on this item and doesn't have a preference on a system because he doesn't have all the information on it and in terms of an open debate next week or if there will be presentations or summaries before the meeting or if engineers will provide recommendations is yet to be determined. Chairman Tobin is open for suggestions and concluded that after the discussion a vote should be taken on getting to the next phase. Chairman Tobin opened the floor for further comments.

Commissioner Wilkinson stated that as he recalls Chairman Tobin was uncomfortable with making the decision and action wasn't taken. Chairman Tobin recalled that it was because Commissioner Brooks was uncomfortable and added that Commissioner Wilkinson had the opportunity to attend the kickoff meeting so he had more information and that Commissioner Wilkinson had heard additional information that would be presented that would surprise the Board because there was not a forgone conclusion. Mr. Sheets stated that he doesn't want to give incomplete data to avoid leading the Board to the wrong conclusion and that information on initial costs and ongoing costs needs to be provided. Also the engineer (WEC) and manager need to bring a recommendation to the board after staff has reviewed the information. The Board needs facts in front of them to make an informed decision because the staff doesn't vote the Board does. The staff gathers and provides information along with their experience for the Boards consideration.

Commissioner Wilkinson stated that in the minutes Chairman Tobin requested the item be on the agenda for the next meeting, but the Board didn't decide, it was the Chairman with no motion made.

Chairman Tobin stated that he welcomes a debate and he was only trying to meet the deadlines with the contract in mind. Mr. Sheets stated that the first kickoff meeting was on 8/19 and that on 9/8 it was the project team meeting on the conceptual plan. Mr. Sheets doesn't want to recommend until all questions are answered and that is why information hasn't been forwarded and he is concerned that the information would not be ready for a 10/8 meeting and the information is to important to give piece mill and in not enough time to review it and that he would rather it be late than wrong. Mr. Sheets requested that he be able to tell the staff how to make the presentation in form and substance and that the issue of the Haskell change proposal should not crowd the agenda the technology issue will take a good 4-5 hours.

Chairman Tobin stated that the draft minutes had Commissioner Wilkinson giving a report that he is ready to recommend Roevac. Commissioner Brooks wants facts and supporting data. Chairman Tobin stated that was the beginning of the debate but his and Jerry's concerns are the same that a public discussion is needed.

Commissioner Brooks stated that he is concerned after talking with Mr. Sheets. It was noted that the contract states Haskell will make the recommendation to the Board but

he can't find it in the contract and that during the evaluation process with Haskell they had stated they prefer the SBR system from the beginning which causes concerns. Commissioner Brooks tried to find out from Haskell what the repercussions were if board wants USBF. Commissioner Brooks stated that they had weighted during the evaluation process that one vendor was as good as Haskell and Haskell was made aware that Haskell was told the Board likes USBF and he is concerned with Haskell's position as the licensed PE. Commissioner Brooks stated that at the last meeting the issue to be decided by the Board was the treatment process. Commissioner Brooks brought several articles outlining the Stock Island confusion and he doesn't want it to happen in KLWTD. Commissioner Brooks stated that the Board needs to make a decision and give direction to avoid confusion.

Commissioner Brooks believes he can't hire someone and walk away and let them run things and it worries him that KLWTD could become that way. Commissioner Brooks feels it is his responsibility to look out for the residents. Commissioner Brooks has reviewed documents supporting USBF stating that it will work and be half the cost. Commissioner Brooks has some concerns with the Haskell conceptual design and the information provided by them. Commissioner Brooks wants each member of the Board to hear each side of the story along with presentations by the vendors adding that no SBR person has appeared before the Board. Commissioner Brooks stated that Commissioner Wilkinson has changed his views after being provided with additional information and as an elected official and with the issues involved with these processes he wants to get all the facts at the same time because he sees the problem of time delay and misunderstandings because not all Board members are informed at the same time. Commissioner Brooks stated that the contract outlines when the reports are to be given and the Boards role in the process. Commissioner Brooks would like to see the Chair suggest bringing the people in for the Board to discuss the processes with and to not rubber stamp what the staff tells them. Commissioner Brooks also wants to give the KLTV residents the opportunity to see the information so they are aware of the how and why of the KLWTD Board's decisions. Commissioner Brooks stated that we are looking into 200-300 thousand dollars to operate USBF and from his readings of the reports makes him think there may be trouble meeting the overhead of the "business" once the project is up and running. Looking at it as a business decision his feeling is he wants staff to bring him, and although he may not have time to review the material and bring all sides of the information to present it at a public meeting when the citizens can also be present.

Chairman Tobin suggested that invitees could be heard even if the meeting starts at 8am and goes to 8pm. Chairman Tobin wants to know more about the SBR system and per Commissioner Wilkinson there is some evidence that USBF can't be used. Chairman Tobin stated that before looking at a maintenance cost that might not be affordable on a system he wants more information.

Commissioner Wilkinson stated that it is hard to get facts; extended aeration was suggested to him and is not being considered, it appears to be functioning and meets AWT standards. Commissioner Wilkinson stated that hard facts are few but a PHD said he doesn't believe USBF could theoretically meet the standards. But this is one opinion. Commissioner Wilkinson has reviewed discharge monitor report that he had received on various plants for his own review. Chairman Tobin asked Commissioner

Wilkinson if he believes a full discussion is a good idea. Commissioner Wilkinson stated that the ISAM process information received was a new version of an old process and if the presentations don't include sales people but discussions with engineers all on common ground a presentation would be acceptable.

Commissioner Tobin stated that he agrees with Commissioners Brooks and Wilkinson and public debate is needed and that Teresa Tinker would like to be involved. We agree a full debate is needed with no sales pitch but the vendors should be there because for a debate there input would help to make an informed decision.

Commissioner Bauman stated that after discussions with Representative Sorenson that there are issues and he says taking time to get the details and to be sure of the decision before making it is the proper thing to do.

Commissioner Brooks interjected that from his conversation with Mr. Sheets that the presentation would make clear the pros and cons of both sides and it should not just be a recommendation. Commissioner Bauman interjected that why would the Board not want to take the years of experience of the engineers to make an informed decision. Commissioner Brooks stated for objectivity that Haskell stands to gain $300,000 plus if they go with SBR he doesn't want Haskell to negate the warranties or the length of them. Chairman Tobin stated that the contract was amended to state that statutory and implied warranties applied. Discussion ensued on contract points. Mr. Terry Lewis stated that there is language in the contract that the decision was at the discretion of the Board and Haskell had language inserted that they would accept the decision of the Board. Discussion ensued on contract points.

Chairman Tobin asked Commissioner Brooks why he doesn't want a recommendation. Commissioner Brooks doesn't want it to look like the Board went against someone's recommendation. Mr. Lewis suggested that a recommendation from your engineer would point out the pros and cons in the recommendation and he believes a one agenda item meeting to make sure all questions are answered prior to voting was in order. Commissioner Wilkinson stated that concerning the recommendation, he questioned why did the Board hire an engineer if you don't want the engineers recommendation and if you want the project warranted you don't want the contractor to use it going against the recommendation as a defense if the Board goes contrary to the engineer's opinion. Chairman Tobin believes a recommendation is needed by the professionals if it just a pros and cons list that would also provide a conclusion based on experience. The Board would weight the staff recommendation if we choose a process not recommended by the engineer and the contract would stand. Chairman Tobin wants all the facts and a recommendation. Discussion ensued concerning the implication of the Board approving a treatment process other than the one recommended by the contractor and what the affects would be on the warranty.

Chairman Tobin asked the manager if a debate could be schedule for the next meeting. Mr. Sheets stated that for the staff to be properly prepared it would be unlikely. Discussion ensued concerning moving the scheduled local legal counsel interviews to the first meeting in November.

Chairman Tobin requested that the manager draft a presentation agenda to include brief presentations by the treatment system vendors. Mr. Sheets stated that briefing documents would be made part of the presentation and recommendation. Chairman Tobin stated that it should include analysis of initial costs, installation cost, with a separate financial presentation in addition to the systems ability to meet standards. Commissioner Wilkinson would like the recommendation to say the system's standard must consistently meet the standards of the DEP. Chairman Tobin would like to have the district engineer give a critique of the FKAA cost analysis that Commissioner Brooks shared with the Board. Mr. Fishburn stated that he would forward a copy of the FKAA document to WEC. Commissioner Bauman doesn't believe vendor presentations are necessary only the engineers and the chemists of the firms need be present. Commissioner Bauman would like to know if the systems could meet the 5.5.3.1. standards and believes that WEC should present first, then Brown & Caldwell then the vendors, general manager and a conclusion by WEC. Then a financial presentation from the construction engineer, WEC and the general manager concluding with a decision being made.

Chairman Tobin requested that the people listed in his previous email be invited to attend.

Commissioner Bauman made a motion to cancel the advertised special meeting that was to be held on October 8, 2003 and to hold the regularly scheduled meeting on October 15, 2003. Commissioner Wilkinson seconded the motion. The motion was approved unanimously.

2. Discussion of the Haskell Change Proposal Combining the KLP and KLTV Projects – Chairman Tobin

Commissioner Brooks asked if the Haskell Change Proposal would be on the 10/15 agenda. Chairman Tobin asked if a decision needs to be made prior to a discussion on what houses are to be included. Chairman Tobin stated that he had discussed the KLWTD situation with a former water and sewer planner was of the opinion that KLWTD needs to work with the County to integrate the system as part of the growth plan and that she is willing to work with the Board on the project. Chairman Tobin stated that KLWTD wants as many edu's as possible so costs go down and efficiency goes up. Mr. Sheets stated that the design work has to be done to answer these questions and that Haskell plans to bring back a mini design build to see if the idea will work before the costs are formulated. Chairman Tobin asked for a timetable on the Haskell Change Proposal. Mr. Sheets stated that he would like it on the November 5th agenda at the latest. Commissioner Tobin asked that the manager also come back with a funding plan. Chairman Tobin requested that the Haskell Change Proposal be placed as an action item for the October 15, 2003 meeting.

Chairman Tobin questioned the need for a meeting every week. Mr. Sheets stated that with the meaty issues before the Board that a once a week meeting schedule becomes inefficient and it doesn't give staff the time to prepare. Mr. Sheets suggests once a month meetings. Commissioner Bauman stated that the Board should be ready to decide the technology issues as soon as possible.

Chairman Tobin asked if a preliminary report on the Haskell proposal would be included with the agenda packet. Mr. Sheets stated that the agenda packet would include a preliminary report and the Board should call the engineers with any questions.

ADITIONAL ITEMS

Chairman Tobin brought additional item J.3. to the floor concerning changing a section of statute 189 in regards to the advertisement of special district meetings. Chairman Tobin had sent an email to the FASD per Representative Sorenson after the Representative had received a letter from Commissioner Wilkinson requesting he pursue an amendment to Statute 189. Representative Sorenson stated that he would consider sponsoring an amendment after talking with the FASD for their opinion and the item will be in limbo until the Board takes further action while the FASD looks it over and thinks about it.

Chairman Tobin brought additional item J.4. to the floor and stated that the upcoming KLWTD Board officers elections are scheduled to be conducted annually. Discussion ensued on the procedure and when the elections should be held. It was suggested that the election be held on November 5th and the officers be seated on November 19th.

Commissioner Brooks made a motion to hold the KLWTD Board officers election on November 5, 2003 and to seat the officers on November 19, 2003. Commissioner Bauman seconded the motion. All were in favor and the motion was unanimously approved.

Chairman Tobin presented a ballot for the Florida Special Districts Association, which included a recommended a slate. Chairman Tobin requested that Commissioner Brooks complete the ballot and forward to the FSDA. Discussion ensued on the attendance of a Board member at the upcoming FSDA conference. Discussion ensued and Chairman Tobin stated that it was up to Commissioner Brooks to decide on attending.

Chairman Tobin adjourned the meeting at 5:45 p.m.

KLWTD Board Meeting
November 5, 2003

Item F – 2

Secondary Treatment Process Selection and discussion of the Fluidyne and USBF warranty issue.

Weiler Engineering Corporation

Memo

To: Charles Sweat

From: Ed Castle

Date: 10/29/2003

Re: Treatment Plant Warranties

Attached please find the recommendations from WEC regarding modifications to the warranties provided by Fluidyne and Purestream.

I spoke with Peter Kinsley of The Haskell Company today regarding the warranties. He has requested and received the modified warranty from Fluidyne, but he had not contacted Nos Espat, the Purestream representative. Peter was to forward the Fluidyne warranty for inclusion in the agenda package.

I have placed a call to Nos Espat regarding the Purestream warranty. I left a voice mail requesting the information and a call back, but have not heard from him as of this time. I will continue to try to contact him. We may need to include the modified Purestream warranty as a handout since it is unlikely that we will receive the material before the 4:00 deadline for inclusion in the agenda. I will forward the Purestream warranty as soon as I receive it.

THE WEILER ENGINEERING CORPORATION

"Excellence in Engineering"

6630 Front Street, Stock Island
Key West, Florida 33040
(305) 295-3301 ph
(305) 295-0143 fax

October 29, 2003

Charles Sweat
Government Services Group
614 N. Wymore Road
Winter Park, Florida 32789

RE: Treatment Process Warranty

Charles:

At the October 17, 2003 meeting of the Key Largo Wastewater Treatment District Board, Andy Tobin requested that the comments made by the Fluidyne representative regarding on-going support be incorporated into the Fluidyne warranty. He requested that the Purestream representative do the same. These revised warranties are to be presented at the November 5th Board meeting. I suggest that each vendor be requested to address the following:

- Length of full warranty coverage and what is included, i.e. site visits, laboratory testing, equipment and chemicals, travel and lodging expenses
- Support services after expiration of warranty and associated costs, i.e. phone consultation, site visits, travel and lodging. I suggest that the vendor may propose a certain number of man-hours annually at no cost. Identify the duration of these ongoing services, such as 5 years, 15 years, unlimited, etc.

I WEC can be of further assistance regarding the warranty issues, please feel free to contact me or Jeff Weiler.

Sincerely,

Ed Castle, P.E.
Project Manager

CC: Jeff Weiler

KLWTD Board Meeting
November 5, 2003

Item F – 3

KLWTD Work Authorization
WEC 03-01 (Amendment 1)
for the KLTV Project

MEMORANDUM TO THE BOARD

TO: KEY LARGO WASTEWATER DISTRICT BOARD OF COMMISSIONERS

CC: CHARLES SWEAT, DAVID MILES

FROM: ROBERT SHEETS, GENERAL MANAGER

SUBJECT: AMENDMENT TO WEC SCOPE OF SERVICES FOR THE KLTV

DATE: OCTOBER 8, 2003

KLWTD WORK AUTHORIZATION WEC 03-01 (Amendment 1)

Attached for your review and consideration is an amendment to the Weiler Engineering Corporation (WEC) scope of services as outlined in Work Authorization WEC 03-01 for Key Largo Trailer Village (KLTV) and approved by the Key Largo Wastewater Treatment District Board at the August 27, 2003 meeting.

Amendment 1 will reduce WEC's "Detailed Observation" amount by $47,250 (approximately 556 hours at $85/hr). The removed 556 hours will be added to the GSG scope of services, at $75/hr, for the provision of a local On-Site Representative/Inspector.

This amendment is contingent upon the KLWTD Board approving the Haskell "Change Proposal" No. 1 in which Brown & Caldwell will become the engineer of record for the Key Largo Park. Please also reference the associated Amendment 1 to GSG's Work Authorization GSG 03-01. Management recommends approval of this amended work authorization.

WEC Current and Amended Fee Breakdown (KLTV)

	Current Amount	Amended Amount
Design Phase	$22,030	$22,030
Construction Administration	$57,355	$57,355
Detailed Observation	$137,230	$89,980
Total	**$216,615**	**$169,365**

If you have any questions or require additional information, please do not hesitate to contact me.

Key Largo Trailer Village
WEC 03-01

October 8, 2003

Weiler Engineering's Scope of Services – Key Largo Trailer Village

The Key Largo Wastewater Treatment District (KLWTD) is currently in the beginning phase of constructing a wastewater treatment plant and collection system for the Key Largo Trailer Village (KLTV), located approximately at mile marker 102 in Key Largo. The system is designed to serve 445 current and 5 future residential EDUs and 61 developed and 56 future commercial EDUs, yielding a total service of 567. Boyle Engineering, under contract with the Florida Keys Aqueduct Authority, previously completed the preliminary design for this project.

The KLWTD requires design review services for the new wastewater treatment plant, vacuum pump station and vacuum collection system. The Weiler Engineering Corporation (WEC), on behalf of the District, will:

- Review Engineering Design Reports, shop drawings, pay requests, change orders, and operations & maintenance submittals and preliminary, as well as final construction plans.
- Provide a technical and value engineering review of construction plans and specifications prior to submittal for permitting, and construction.
- Attend meetings as may be required for pre-submittal of the permit applications, along with meetings involving the KLWTD and other consultants.
- Respond to Requests for Clarification by the Contractor, as well as serve as the District's liaison to the Design/Build (DB) Consultant, The Haskell Company, for other construction issues.
- Participate in start-up of the treatment plant and collection system.
- Review record drawings, and final close-out documents provided by the Engineer of Record and the Contractor.

WEC will rely on information provided by the District Manager's, Government Services Group's (GSG), staff and the design engineer for the DB Consultant to provide construction observation services that include:

- Preparing daily, weekly, and monthly inspection reports;
- Maintaining construction record field data; and
- Generating construction progress reports as required by the District.

A breakdown of service cost is detailed in "Exhibit B". Upon the District's authorization to proceed, WEC's services during design and construction will include those outlined above and more specifically as follows:

Basic Services

Data Acquisition Phase

Initially, within the first thirty days after the approval is given to proceed, WEC will coordinate with KLWTD, GSG, Contractors and other Consultants to:

1. Review all Design data and information available for the project provided by the District and Boyle Engineering;
2. Provide assistance with the preparation of the "Notice to Proceed" for the construction contract;
3. Attend a kickoff meeting with all parties involved and coordinate the responsibilities of each party for construction at the KLTV;
4. Make recommendations to KLWTD regarding modification to the Scope of Services for Engineering Consultants and/or to the Construction Contracts, if applicable; and
5. Update the schedule for the project and provide a summary status report to the District.

Study and Report Phase

A. WEC shall:

1. Consult with KLWTD to define and clarify KLWTD's requirements for the Project and review available data.

2. Identify, consult with, and analyze requirements of governmental authorities having jurisdiction to approve the portions of the Project including but not limited to mitigating measures identified in the environmental assessment.

3. Identify and evaluate alternate solutions available to KLWTD for completion of the project.

4. Review the Preliminary Design Report (PDR) prepared by the DB consultant.
5. Provide comments, requests for additional information and recommendations to the DB Consultant for final inclusion in the PDR.

B. WEC's services under the Study and Report Phase will be considered complete on the date when the final copies of the revised PDR have been accepted and approved by the KLWTD.

Preliminary Design Phase

A. After acceptance by KLWTD of the PDR, selection by KLWTD of a recommended solution and indication of any specific modifications or changes in the scope, extent, character, or design requirements of the Project desired by KLWTD, and upon written authorization from KLWTD, WEC shall:

1. Review Preliminary Design Phase documents consisting of final design criteria, preliminary drawings, outline specifications and written descriptions of the Project.

2. Review necessary field surveys and topographic and utility mapping for design purposes.

3. Advise KLWTD if additional reports, data, information, or services are necessary and assist KLWTD in obtaining such reports, data, information, or services.

4. Review an adjusted opinion of probable cost and make recommendations to the KLWTD.

5. Provide comments, request for additional information and recommendations to DB Consultant for final inclusion in the Preliminary Design Phase documents.

B. WEC's services under the Preliminary Design Phase will be considered complete on the date when final copies of the Preliminary Design Phase documents have been accepted and approved by the KLWTD.

Final Design Phase

A. After acceptance by KLWTD of the Preliminary Design Phase documents and revised opinion of probable construction cost, WEC shall:

1. Review final Drawings and Specifications indicating the scope, extent, and character of the Work to be performed and furnished by Contractor.
2. Review technical criteria, written descriptions, and design data provided by the DB Consultant for KLWTD's use in filing applications for permits from or approvals of governmental authorities having jurisdiction to review or approve the final design of the Project and assist KLWTD in consultations with appropriate authorities.

3. Advise KLWTD of any adjustments to the opinion of probable construction cost and any adjustments to total project costs known to WEC or provided by DB consultant.

4. Receive the Final Design Documents and provide comments, requests for additional information and recommendations to DB Consultant for final inclusion in the Final Design Phase documents.

B. WEC's services under the Final Design Phase will be considered complete on the date when the submittals have been accepted and approved by the KLWTD.

Construction Phase

WEC's services during construction will include specifically the following:

1. *General Administration of Construction Contract*. Consult with KLWTD and act as KLWTD's representative as provided in the Agreement and the Construction Contract between the KLWTD and the Contractor. All of KLWTD's instructions to Contractor will be issued through WEC, who shall have authority to act on behalf of KLWTD in dealings with Contractor to the extent provided in the Contract for Consulting/Professional Services except as otherwise provided in writing.

2. *Pre-Construction Conference*. Participate in a Pre-Construction Conference prior to commencement of Work at the Site.

3. *Visits to Site and Observation of Construction*. Make visits to the Site at intervals appropriate to the various stages of construction, as WEC deems necessary, in order to observe as an experienced and qualified design professional the progress and quality of the Work.

4. *Defective Work*. Recommend to KLWTD that Contractor's work be disapproved and rejected while it is in progress if, on the basis of such observations, WEC believes that such work will not produce a completed Project that conforms generally to the Contract Documents or that it will prejudice the integrity of the design concept of the completed Project as a functioning whole as indicated in the Contract Documents.

5. *Clarifications and Interpretations-Field Orders*. Review clarifications and interpretations of the Contract Documents as appropriate to the orderly completion of Contractor's work and make recommendations to KLWTD.

6. *Change Orders and Work Change Directives*. Recommend Change Orders and Work Change Directives to KLWTD, as appropriate.

7. *Shop Drawings and Samples*. Review and approve or take other appropriate action in respect to shop drawings, samples and other data which Contractor and DB CONSULTANT is required to submit.

8. *Substitutes and "or-equal."* Evaluate and determine the acceptability of substitute or "or-equal" materials and equipment proposed by Contractor.

9. *Inspections and Tests*. Assure that the DB Consultant has required such special inspections or tests of Contractor's work as deemed reasonably necessary, and receive and review all certificates of inspections, tests, and approvals required by Laws and Regulations or the Contract Documents.

10. *Disagreements between KLWTD and Contractor*. Render formal written decisions on all claims of KLWTD and Contractor relating to the acceptability of Contractor's work or the interpretation of the requirements of the Contract Documents pertaining to the execution and progress of Contractor's work.

11. *Applications for Payment*. Review Contractor's Applications for Payment and all accompanying support documentation.

12. *Contractor's Completion Documents*.

    a. Review maintenance and operating instructions, schedules, and guarantees received from DB Consultant.

    b. From DB Consultant, receive bonds, certificates, or other evidence of insurance not previously submitted and required by the contract documents which are to be assembled by Contractor to obtain final payment.

    c. WEC shall transmit these documents to KLWTD.

14. *Substantial Completion*. Promptly after notice from Contractor that the entire work is ready for its intended use, in company with DB Consultant and Contractor, conduct an inspection to determine if the Work is Substantially Complete. If after considering any objections of KLWTD, WEC considers the Work Substantially Complete, WEC shall review a certificate of Substantial Completion delivered by the DB Consultant to KLWTD.

15. *Final Notice of Acceptability*. Conduct a final inspection to determine if the completed Work of Contractor is acceptable so that WEC may recommend, in writing, final payment to Contractor.

Duration of Construction Phase:

The fees for this project have been calculated based on the construction schedule provided by the Contractor and the project being completed concurrently with the Key Largo Park project. The Construction Phase will commence with the execution of the first Construction Agreement for the KLTV Project or any part thereof and will terminate upon written recommendation by WEC for final payment to Contractors and acceptance by KLWTD.

Key Largo Trailer Village
WEC 03-01

EXHIBIT B

Amended Scope of Services, dated October 1, 2003
KLTV

The KLWTD shall pay WEC for Basic Services, including Post-Construction Phase services, if any, as follows:

A Lump Sum amount of $169,365 based on the following assumed distribution of compensation:

Design Phase	**$ 22,030**
Construction Administration	**$ 57,355**
Detailed Observation	**$ 89,980**

1. WEC may alter the distribution of compensation between individual phases noted herein to be consistent with services actually rendered, but shall not exceed the total Lump Sum amount unless approved in writing by the KLWTD.

2. The Lump Sum includes compensation for WEC's services and services of WEC's Consultants, if any. Appropriate amounts have been incorporated in the Lump Sum to account for labor, overhead, profit, and Reimbursable Expenses.

3. The portion of the Lump Sum amount billed for services will be based upon WEC's estimate of the proportion of the total services actually completed during the billing period to the Lump Sum and, with the exception of the Design Phase, proportionate to the percent complete of the Construction Contract.

4. The Lump Sum is conditioned on Contract Times to complete a portion of the Work running concurrently within the time frame allocated for the Key Largo Park project and outlined in the schedule included with the construction contract between KLWTD and the Haskell Company. It is understood that the construction contract with the Haskell Company for this Project specifies approximately 13 months for construction and WEC's fees for Detailed Observation have been calculated based on this schedule and the time WEC feels necessary to assure the District a satisfactory project. Should the Contract Times to complete the Work be extended beyond this period, the total compensation to WEC shall **not** be adjusted unless KLWTD

recovers compensation such as Liquidated Damages or the extension of time is a result of approved changes in the Work.

5. If more prime contracts are awarded for Work for this Project other than identified herein, WEC shall be compensated accordingly.

WORK AUTHORIZATION WEC 03-01 (Amendment 1)

a

(Construction or Contract for Consulting/Professional Services) Agreement
Between the

Key Largo Wastewater Treatment District (KLWTD),
a legal entity and public body created by
Chapter 02-337, Laws of Florida, 2003

and

(The Weiler Engineering Corporation)

SCOPE OF SERVICE: **Engineering Services for the Key Largo Trailer Village**

PROJECT COST: **$169,365 – Amended**
($47,250 decrease)

PROJECT SCHEDULE: **From project commencement to project Completion**

Administrative Fee to Government Services Group, Inc. (3% if applicable): **N/A**

NOTICE/PROJECT MANAGER OF CONSULTANT:

Jeff Weiler, President	**Andrew Tobin, Chair**
The Weiler Engineering Corporation	**KLWTD**
20020 Veterans BLVD, Suite 7-9	**Post Office Box 491**
Port Charlotte, FL 33954	**Key Largo, FL 33037**

Certification that Sufficient Funds are Available:

David R. Miles	**Cris Beaty**
Chief Financial Officer	**KLWTD Secretary**

Dated this ____ day of _____, 2003.

KLWTD Board Meeting
November 5, 2003

Item F – 4

KLWTD Work Authorization
WEC 03-02 (Amendment 1)
for the KLP Project

MEMORANDUM TO THE BOARD

TO: KEY LARGO WASTEWATER DISTRICT BOARD OF COMMISSIONERS

CC: CHARLES SWEAT, DAVID MILES

FROM: ROBERT SHEETS, GENERAL MANAGER

SUBJECT: AMENDMENT TO WEC SCOPE OF SERVICES FOR THE KLP

DATE: OCTOBER 8, 2003

KLWTD WORK AUTHORIZATION WEC 03-02 (Amendment 1)

Attached for your review and consideration is an amendment to the Weiler Engineering Corporation ("WEC") scope of services as outlined in Work Authorization WEC 03-02 for Key Largo Park ("KLP") and approved by the Key Largo Wastewater Treatment District Board at the August 27, 2003 meeting.

Amendment 1 reduces WEC's "Detailed Observation" amount by $27,750 (approximately 326 hours at $85/hr). The removed 326 hours will be added to the GSG scope of services, at $75/hr, for the provision of a local On-Site Representative/Inspector.

This amendment is contingent upon the KLWTD Board approving the Haskell "Change Proposal" No. 1 in which Brown & Caldwell will become the engineer of record for KLP. Please also reference Amendment 1 to GSG's Work Authorization GSG 03-01. Management recommends approval of this amended work authorization.

WEC Current and Amended Fee Breakdown (KLP)

	Current Amount	Amended Amount
Design Phase	$10,500	$10,500
Construction Administration	$62,070	$62,070
Detailed Observation	$55,440	$27,690
Total	**$128,010**	**$100,260**

If you have any questions or require additional information, please do not hesitate to contact me.

Key Largo Park
WEC 03-02

October 8, 2003

Weiler Engineering's Scope of Services – Key Largo Park

The Key Largo Wastewater Treatment District (KLWTD) is currently in the beginning phase of constructing a collection system for the Key Largo Park (KLP), located approximately at mile marker 102 in Key Largo. The wastewater treatment facility associated with this collection system will be constructed concurrently as a separate project with the Key Largo Trailer Village (KLTV). The KLP collection system is designed to serve a total of 283 residential EDUs to include 226 current and 57 future units. Boyle Engineering has completed the design and permitting for this project and the KLWTD has, at this time, negotiated a Contract with Douglas Higgins, Inc. to construct the system.

The KLWTD requires design review services for the vacuum pump station and vacuum collection system. The Weiler Engineering Corporation (WEC), on behalf of the District, will:

- Review of shop drawings, pay requests, change orders, and operations & maintenance submittals;
- Respond to Requests for Clarification by the Contractor, as well as serve as KLWTD's liaison to the Contractor for other construction issues;
- Provide a technical and value engineering review of construction plans and specifications prior to submittal for permitting, and construction.
- Attend meetings as may be required for pre-submittal of the permit applications, along with meetings involving the KLWTD and other consultants.
- Participate in start up of the treatment plant and collection system.
- Review record drawings, and final close-out documents provided by the Engineer of Record and the Contractor.

WEC will rely on information provided by the District Manager's, Government Services Group's (GSG) staff and the design engineer for the design-Build (DB) team to provide construction observation services that include:

- Preparing daily, weekly, and monthly inspection reports;
- Maintaining construction record field data; and
- Preparing monthly, as well as, final progress reports to the KLWTD.

A breakdown of service cost is outlined in "Exhibit B". Upon KLWTD's authorization to proceed, WEC's services during design and construction will include those outlined above and more specifically as follows:

Basic Services

Data Acquisition Phase

Initially, within the first thirty days after the approval is given to proceed, WEC will coordinate with GSG, Contractors and other Consultants to:

1. Review all Design data and information available for the project provided by the District and Boyle Engineering;
2. Provide assistance with the preparation of the "Notice to Proceed" with the Construction Contract;
3. Attend a kickoff meeting with all parties involved and coordinate the responsibilities of each party for both projects, KLP and KLTV;
4. Upon review of the available information and coordination with the other Consultants and Contractors and the District, make recommendations to the District regarding modification to the Scope of Services for Engineering Consultants and/or to the Construction Contracts if applicable; *and*
5. Update the schedule for the KLP project and provide a summary status report to the KLWTD.

Study and Report Phase

A. WEC shall:

1. Consult with KLWTD to define and clarify KLWTD's requirements for the Project and review available data.

2. Identify, consult with, and analyze requirements of governmental authorities having jurisdiction to approve the portions of the Project including but not limited to mitigating measures identified in the environmental assessment.

3. Identify and evaluate alternate solutions available to KLWTD for completion of the project.

4. Review the Preliminary Design Report (PDR) prepared by the DB consultant.

5. Provide comments, requests for additional information and recommendations to DB CONSULTANT for final inclusion in the PDR.

B. WEC's services under the Study and Report Phase will be considered complete on the date when the final copies of the revised PDR have been accepted and approved by the KLWTD.

Preliminary Design Phase

A. After acceptance by KLWTD of the PDR, selection by KLWTD of a recommended solution and indication of any specific modifications or changes in the scope, extent, character, or design requirements of the Project desired by KLWTD, and upon written authorization from KLWTD, WEC shall:

1. Review Preliminary Design Phase documents consisting of final design criteria, preliminary drawings, outline specifications and written descriptions of the Project.

2. Review necessary field surveys and topographic and utility mapping for design purposes.

3. Advise KLWTD if additional reports, data, information, or services are necessary and assist KLWTD in obtaining such reports, data, information, or services.

4. Review an adjusted opinion of probable cost and make recommendations to the KLWTD.

5. Provide comments, request for additional information and recommendations to DB Consultant for final inclusion in the Preliminary Design Phase documents.

B. WEC's services under the Preliminary Design Phase will be considered complete on the date when final copies of the Preliminary Design Phase documents have been accepted and approved by the KLWTD.

Final Design Phase

A. After acceptance by KLWTD of the Preliminary Design Phase documents and revised opinion of probable construction cost, WEC shall:

1. Review Final Drawings and Specifications indicating the scope, extent, and character of the Work to be performed and furnished by Contractor.

2. Review technical criteria, written descriptions, and design data provided by the DB Consultant for KLWTD's use in filing applications for permits from or approvals of governmental authorities having jurisdiction to review or approve the final design of the Project and assist KLWTD in consultations with appropriate authorities.

3. Advise KLWTD of any adjustments to the opinion of probable construction cost and any adjustments to total project costs known to WEC or provided by DB consultant.

4. Receive the Final Design Documents and provide comments, requests for additional information and recommendations to DB Consultant for final inclusion in the Final Design Phase documents.

B. WEC's services under the Final Design Phase will be considered complete on the date when the submittals have been accepted and approved by the KLWTD.

Construction Phase

WEC's services during construction will include specifically the following:

1 *General Administration of Construction Contract*. Consult with KLWTD and act as KLWTD's representative as provided in the Contract for Consulting/Professional Services and the Construction Contract between the KLWTD and the Contractor. KLWTD's Instructions to Contractor will be issued through WEC, who shall have authority to act on behalf of KLWTD in dealings with Contractor to the extent provided in the Contract for Consulting/Professional Services except as otherwise provided in writing.

2 *Pre-Construction Conference*. Participate in a Pre-Construction Conference prior to commencement of work at the KLP.

3 *Visits to Site and Observation of Construction*. Make visits to the KLP Site at intervals appropriate to the various stages of construction, as WEC deems necessary, in order to observe as an experienced and qualified design professional the progress and quality of the work.

4 *Defective Work*. Recommend to KLWTD that Contractor's work be disapproved and rejected while it is in progress if, on the basis of such observations, WEC believes that such work will not produce a completed Project that conforms generally to the Contract Documents or that it will prejudice the integrity of the design concept of the completed Project as a functioning whole as indicated in the Contract Documents.

5 *Clarifications and Interpretations; Field Orders*. As necessary, issue necessary clarifications and interpretations of the Contract Documents. Such clarifications and interpretations will be consistent with the intent of and reasonably inferable from the Contract Documents. WEC may issue Field Orders authorizing minor variations from the requirements of the Contract Documents.

6 *Change Orders and Work Change Directives*. Recommend Change Orders and Work Change Directives to KLWTD, as appropriate, and prepare Change Orders and Work Change Directives as required.

7 *Shop Drawings and Samples*. Review and approve or take other appropriate action in respect to Shop Drawings and Samples and other data which Contractor is required to submit.

8 *Substitutes and "or-equal."* Evaluate and determine the acceptability of substitute or "or-equal" materials and equipment proposed by Contractor.

9 *Inspections and Tests*. Require such special inspections or tests of Contractor's work as deemed reasonably necessary, and receive and review all certificates of inspections, tests, and approvals required by Laws and Regulations or the Contract Documents.

10 *Disagreements between KLWTD and Contractor*. Render formal written decisions on all claims of KLWTD and Contractor relating to the acceptability of Contractor's work or the interpretation of the requirements of the Contract Documents pertaining to the execution and progress of Contractor's work.

11 *Applications for Payment*. Review contractor's applications for payment and all accompanying support documentation.

12 *Contractor's Completion Documents*.

a. Review maintenance and operating instructions, schedules, and guarantees received from DB Consultant.

b. From DB Consultant, receive bonds, certificates, or other evidence of insurance not previously submitted and required by the contract documents which are to be assembled by Contractor to obtain final payment.

c. WEC shall transmit the above-referenced documents to KLWTD.

16 *Substantial Completion*. Promptly after notice from Contractor that the entire Project is ready for its intended use, in company with KLWTD and Contractor, conduct an inspection to determine if the Work is Substantially Complete. If, after considering any objections of KLWTD, WEC considers the work Substantially Complete, WEC shall deliver a certificate of Substantial Completion to KLWTD and Contractor.

17 *Final Notice of Acceptability of the Work*. Conduct a final inspection to determine if the completed Work of Contractor is acceptable so that WEC may recommend, in writing, final payment to Contractor.

Duration of Construction Phase:

The fees for this project have been calculated based on the construction schedule provided for by the contractor and the project being completed concurrently with the KLTV project. The Construction Phase will commence with the execution of the first Construction Agreement for the KLP or any part thereof and will terminate upon written recommendation by WEC for final payment to Contractors and acceptance by KLWTD.

Key Largo Park
WEC 03-02

EXHIBIT B

Scope of Services, dated October 1, 2003
KLP

The KLWTD shall pay WEC for Basic Services, including Post-Construction Phase services, if any, as follows:

A Lump Sum amount of **$100,260** based on the following assumed distribution of compensation:

a.	Design Phase	**$ 10,500**
b.	Construction Administration	**$ 62,070**
c.	Detailed Observation	**$ 27,690**

1. WEC may alter the distribution of compensation between individual phases noted herein to be consistent with services actually rendered, but shall not exceed the total Lump Sum amount unless approved in writing by KLWTD.

2. The Lump Sum includes compensation for WEC's services and services of WEC's Consultants, if any. Appropriate amounts have been incorporated in the Lump Sum to account for labor, overhead, profit, and Reimbursable Expenses.

3. The portion of the Lump Sum amount billed for services will be based upon WEC's estimate of the proportion of the total services actually completed during the billing period to the Lump Sum and, with the exception of the Design Phase, proportionate to the percent complete of the Construction Contract.

4. The Lump Sum is conditioned on contract times to complete the work running concurrently within the time frame allocated for the KLTV Project and outlined in the schedule included with the construction contract between the KLWTD and the Haskell Company. It is understood that the construction contract with Douglas Higgins, Inc. for the KLP Project specifies approximately 9 months for construction and WEC's fees for Detailed Observation have been calculated based on this schedule and the time WEC feels necessary to assure KLWTD a satisfactory project. Should the contract times to complete the work be extended beyond this period, the total compensation to WEC shall **not** be adjusted unless KLWTD is entitled to compensation such as Liquidated Damages, or the extension of time is a result of approved changes in the work.

6. If more prime contracts are awarded for work designed or specified by WEC for this Project other than identified herein, the WEC shall be compensated.

WORK AUTHORIZATION WEC 03-02 (Amendment 1)

a

(Construction or Contract for Consulting/Professional Services) Agreement Between the

Key Largo Wastewater Treatment District (KLWTD),
a legal entity and public body created by
Chapter 02-337, Laws of Florida, 2003

and

(The Weiler Engineering Corporation)

SCOPE OF SERVICE: **Engineering Services for the Key Largo Park**

PROJECT COST: **$100,260 – Amended**
($27,750 decrease)

PROJECT SCHEDULE: **From project commencement to project completion**

Administrative Fee to Government Services Group, Inc. (3% if applicable): **N/A**

NOTICE/PROJECT MANAGER OF CONSULTANT:

Jeff Weiler, President	**Andrew Tobin, Chair**
The Weiler Engineering Corporation	**KLWTD**
20020 Veterans BLVD, Suite 7-9	**Post Office Box 491**
Port Charlotte, FL 33954	**Key Largo, FL 33037**

Certification that Sufficient Funds are Available:

David R. Miles	**Cris Beaty**
Chief Financial Officer	**KLWTD Secretary**

Dated this ____ day of _____, 2003.

KLWTD Board Meeting
November 5, 2003

Item F – 5

KLWTD Work Authorization
GSG 03-01 (Amendment 1)
for the KLP & KLTV Project

MEMORANDUM TO THE BOARD

TO: KEY LARGO WASTEWATER DISTRICT BOARD OF COMMISSIONERS

CC: CHARLES SWEAT, DAVID MILES

FROM: ROBERT SHEETS, GENERAL MANAGER

SUBJECT: PROPOSED GSG SCOPE OF SERVICE CHANGE

DATE: OCTOBER 28, 2003

KLWTD WORK AUTHORIZATION GSG 03-01 (Amendment 1) CAPITAL PROJECT AND GRANTS ADMINISTRATION AND MANAGEMENT

Amendment 1 serves to modify the scope of services for Government Services Group ("GSG"), as outlined in GSG 03-01, which was approved by the Key Largo Wastewater Treatment District ("KLWTD") Board on July 30, 2003. Increased in the GSG scope, are the amount of comprehensive construction inspection and observation hours to be allocated to the Key Largo Park ("KLP") and Key Largo Trailer Village ("KLTV"). The amended increase will provide KLWTD Management with the services of a local On-Site Representative (Project Manager) able to conduct necessary construction inspections and better respond to time-critical issues. Furthermore, this will allow District Management to take a more pro-active role, through daily on-site involvement, in assuring the successful completion of the aforementioned wastewater projects.

Amendment 1 acts, in part, to redistribute 882 hours of inspection services from the Weiler Engineering Corporation ("WEC") KLP and KLTV scope of services to the GSG scope for on-site inspection services. Please see the two associated amended WEC scopes of service for a detail of the reduction.

The only changes, as indicated in this amendment, will be an overall increase of 882 hours for the Local On-Site Representative (Project Manager) and a reduction from $90 to $75 in the hourly rate charged for this service. The 69 inspection hours, currently included in the fixed fee amount for the KLP, will be increased by 294 hours and the 139 inspection hours, currently included in the fixed fee amount for the KLTV, will be increased by 588 hours. The total amount observation and inspection hours, to support construction inspection services, will increase from 208 to 1,090 at $75/hr.

The amendment will increase the approved fee of $150,000 by $63,030, resulting in a total combined project fee of $213,030. The amendments will result in a net savings to the KLWTD of $11,970. Management recommends approval of this amended work authorization. The tables provided detail the amended GSG fixed fees.

In addition GSG has modified this agreement to reflect the direction of the Board and have added a statement requiring GSG to submit monthly time sheets with all invoices although this is a fixed fee contract. Also, a provision has been added that stipulates that GSG will notify the District if Mr. Charles Fishburn is no longer employed in the capacity of Local Inspection Services Manager.

GSG Amended Monthly Fixed Fee

	Key Largo Park	Key Largo Trailer Village
Current Monthly Fixed Fee	$2,081.25	$4,168.75
Amended increase	$874.54	$1,751.71
Total monthly Fixed Fee (Previously $6,250)	$2,955.79	$5,920.46
	$8,876.25	

Please see the following page for the amended monthly fixed-fee schedule.

GSG Amended Monthly Fixed Fee Schedule

Month & Year	Key Largo Park	Key Largo Trailer Village	Total
September-03	$ 2,955.79	$ 5,920.46	$ 8,876.25
October-03	2,955.79	5,920.46	8,876.25
November-03	2,955.79	5,920.46	8,876.25
December-03	2,955.79	5,920.46	8,876.25
January-04	2,955.79	5,920.46	8,876.25
February-04	2,955.79	5,920.46	8,876.25
March-04	2,955.79	5,920.46	8,876.25
April-04	2,955.79	5,920.46	8,876.25
May-04	2,955.79	5,920.46	8,876.25
June-04	2,955.79	5,920.46	8,876.25
July-04	2,955.79	5,920.46	8,876.25
August-04	2,955.79	5,920.46	8,876.25
September-04	2,955.79	5,920.46	8,876.25
October-04	2,955.79	5,920.46	8,876.25
November-04	2,955.79	5,920.46	8,876.25
December-04	2,955.79	5,920.46	8,876.25
January-05	2,955.79	5,920.46	8,876.25
February-05	2,955.79	5,920.46	8,876.25
March-05	2,955.79	5,920.46	8,876.25
April-05	2,955.79	5,920.46	8,876.25
May-05	2,955.79	5,920.46	8,876.25
June-05	2,955.79	5,920.46	8,876.25
July-05	2,955.79	5,920.46	8,876.25
August-05	2,955.79	5,920.46	8,876.25
Totals	**$ 70,938.96**	**$ 142,191.04**	**$ 213,030.00**

GSG
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 • E-mail: gsg@govserv.com

KLWTD WORK AUTHORIZATION GSG 03-01 (Am. No. 1)

SCOPE OF SERVICE
CAPITAL PROJECT AND GRANTS ADMINISTRATION AND MANAGEMENT
Fixed Fee

This Scope of Service will set forth the intentions and agreements between the Key Largo Wastewater Treatment District (the "District") and Government Services Group, Inc. ("GSG") acting as a District Manager ("Manager") in regard to the provisions by GSG of Capital Project and Grants Administration Management and other "Additional Services" contemplated in Article III of the Management Services Agreement entered between the parties in March 2003.

The Parties agree as follows:

GSG shall perform the Capital Project Administration Services described in this Memorandum for Key Largo Park ("KLP") and Key Largo Trailer Village ("KLTV") authorized by the District. Fees for services provided by the Manager on behalf of the District pursuant to this agreement shall be on a ***fixed fee basis consistent with the monthly amounts contained in this agreement.***

Services Provided: As part of the project and construction administration fee, GSG shall perform the following tasks:

- Financial Management: As part of the grant administration and financial management functions to be performed by the Manager, GSG will perform the following financial administration and reporting tasks:

    a. Review payment requests and change orders from contractors, engineers, and consultants as the "owner's" representative and approve correct invoices for payment that are within the delegated approval authority of the District Manager, or recommend approval/disapproval to the Board of Directors for those items in excess of the delegated approval authority. *(Task FM 1)*

    b. Disburse funds on behalf of the District in payment of correct invoices, after securing appropriate disbursement authorization from the Board of Directors or District Manager. All disbursements will be conducted in accordance with District policy. This includes preparation of all documentation to place approval authorizations on Board of Director's agendas. *(Task FM 2)*

c. Prepare grant reimbursement requests and reports, to include assembling back-up documentation and obtaining necessary signatures of contractors, engineers, District Manager and operating officials, and District elected officials. Submit grant reimbursement documentation, respond to inquiries, prepare supplemental data and reports, and meet with grant representatives of Federal, State of Florida, Monroe County, South Florida Water Management District and other government entities as required. *(Task FM 3)*

d. Post grant receipts to accounting records and deposit receipts in District bank account(s). *(Task FM 4)*

e. Prepare monthly, quarterly, and annual programmatic and financial reports for grantor governments (including, but not limited to FEMA, FDEP, FDCA, SFWMD) and the Board of Directors, as stated in grant documents. *(Task FM 5)*

f. Prepare accounting records and reports for District external auditors, and to meet the federal and State of Florida single audit act requirements. Insure grant documentation is maintained consistent with statute and governing grant agreements. Meet with and provide documentation to auditors from grantor governments, as required. *(Task FM 6)*

g. Maintain cash liquidity of the Key Largo Wastewater Treatment District construction projects, and recommend interim financial funding sources to the Board of Directors for approval, to insure construction completion is not inhibited by funding shortfalls. *(Task FM 7)*

h. Prepare financial closeout of all grant funds and prepare final grant reports to all grantors and Board of Directors, enter fixed assets in accounting records, set up depreciation schedules, and complete all financial activity to close projects. *(Task FM 8)*

- Construction Management: As part of the construction management functions, GSG will manage activities of the consulting engineers, contractors and other professionals to facilitate timely completion and permitting of Key Largo Park and Key Largo Trailer Village. In addition, any issues regarding easements and right of ways will be reviewed and dealt with by GSG under direction of the Board of Directors. These following tasks will be conducted as necessary and reasonably required with regard to construction of capital projects.

  a. Issue interpretations and clarifications of contract documents during construction. *(Task CM 1)*

b. Evaluate a request for substitutions or deviations there from. *(Task CM 2)*

c. Prepare any additional work orders. *(Task CM 3)*

d. Monitor any required project records. *(Task CM 4)*

e. Conduct comprehensive inspections of projects. *(Task CM 5)*

(Note) These efforts will be coordinated with the District's Engineer of Record to insure that there is no overlap or redundancy of efforts.

f. Develop list of items needing completion or correction. *(Task CM 6)*

g. Negotiate all contact with engineers and other consultants regarding scope and costs of necessary change orders. *(Task CM 7)*

h. Provide proof of compliance to State and Federal grant funding entities. *(Task CM 8)*

i. Meet with, on an ongoing basis, the professional selected by the District to insure that design concepts, construction standards, timeframes and budgets are adhered to according to contract commitments. *(Task CM 9)*

j. Assist in the resolution of conflicts, problems or other activities relative to projects authorized by the District. The disputes may include, contract issues, change orders, service interruption issues, coordination with other utilities for government entities and customer relations. *(Task CM 10)*

k. Coordinate and maintain involvement with a community information program regarding the KLP and KLTV. This will include meetings and discussions with the residents to insure that they are continually informed as to the progress of the projects. *(Task CM 11)*

l. Conduct close out procedures at the conclusion of each capital project. Including, a report to the District outlining the logical costs of these facilities, impact on operations and maintenance, customer service, wastewater capacity, storage facilities, distribution facilities, buildings and other infrastructure. This report will be prepared in concert with the District's Engineer and the Contractor. *(CM 12)*

- Presentations: The District Manager will attend and participate in all presentations required to insure that the District's projects are on schedule and that appropriate information is being maintained to track and monitor such compliance. Periodic meetings within the neighborhood groups with the engineers and contract managers to explain the purpose of the project,

interruptions that may occur and a point of contact for customer complaints or anticipated concerns. In addition, the District Manager anticipates presentations and meetings with local governmental entities and other interested parties to provide necessary information regarding the progress of these projects.

Reimbursement to Government Services Group, Inc.: Payment for services rendered consistent with this agreement shall be on a fixed fee basis as described in the following chart. The functions performed under this scope of effort apply jointly to the Key Largo Park and the Key Largo Trailer Village projects. For purposes of accounting, each ERC of benefiting property will share equally in these costs. Key Largo Park with 283 out of 850 total ERC's would be assigned 33.3 percent of costs. Key Largo Village with 567 out of 850 total ERC's would be assigned 66.7 percent of costs. ***GSG will submit monthly a copy of all time sheets to reflect all hours spent in carrying out this work authorization.***

Changes in Personnel

GSG will notify the district immediately if the personnel assigned as local inspection services manager changes. The District may then direct GSG to continue performing this function, but reserves the right to approve new personnel assignments. If the district decides to have local inspection services performed by other parties then GSG will submit an amendment to Work Authorization GSG 03-01 immediately.

Month & Year	Expenses Key Largo Park	Key Largo Trailer Village	Total
September-03	$ 2,955.79	$ 5,920.46	$ 8,876.25
October-03	2,955.79	5,920.46	8,876.25
November-03	2,955.79	5,920.46	8,876.25
December-03	2,955.79	5,920.46	8,876.25
January-04	2,955.79	5,920.46	8,876.25
February-04	2,955.79	5,920.46	8,876.25
March-04	2,955.79	5,920.46	8,876.25
April-04	2,955.79	5,920.46	8,876.25
May-04	2,955.79	5,920.46	8,876.25
June-04	2,955.79	5,920.46	8,876.25
July-04	2,955.79	5,920.46	8,876.25
August-04	2,955.79	5,920.46	8,876.25
September-04	2,955.79	5,920.46	8,876.25
October-04	2,955.79	5,920.46	8,876.25
November-04	2,955.79	5,920.46	8,876.25
December-04	2,955.79	5,920.46	8,876.25
January-05	2,955.79	5,920.46	8,876.25
February-05	2,955.79	5,920.46	8,876.25
March-05	2,955.79	5,920.46	8,876.25
April-05	2,955.79	5,920.46	8,876.25
May-05	2,955.79	5,920.46	8,876.25
June-05	2,955.79	5,920.46	8,876.25
July-05	2,955.79	5,920.46	8,876.25
August-05	2,955.79	5,920.46	8,876.25
Totals	**$ 70,938.96**	**$ 142,191.04**	**$ 213,030.00**

***The fixed fee total will not exceed $8,876.25 per month or exceed the cumulative total of $213,030.00.**

KLWTD Board Meeting
November 5, 2003

Item F – 6

Haskell Change Proposal for the KLP & KLTV Project

MEMORANDUM TO THE BOARD

TO: KEY LARGO WASTEWATER DISTRICT BOARD OF COMMISSIONERS

CC: CHARLES SWEAT, DAVID MILES

FROM: ROBERT SHEETS, DISTRICT MANAGER

SUBJECT: PROPOSED CHANGES TO THE HASKELL SCOPE OF SERVICE

DATE: OCTOBER 10, 2003

The Key Largo Trailer Village (KLTV) and Key Largo Park (KLP) wastewater projects were originally developed by the Florida Keys Aqueduct Authority around two separate FEMA funding sources for "unmet needs". Upon the Key Largo Wastewater Treatment District's (KLWTD's) assumption of responsibilities for these projects, and after careful deliberation, the Board awarded a design-build contract for the KLTV collection system and treatment plant, to the Haskell Company. Concurrently, the Higgins Corporation, a partner to Haskell in the KLTV, was independently contracted for constructing the portion of the KLP designed by Boyle Engineering. The Weiler Engineering Corporation (WEC) was contracted to be the KLWTD consulting engineer, with a scope of service that authorized WEC to provide additional engineer of record services for the balance of the KLP.

As these projects near realization, it is becoming increasingly clear that diligence requires both the KLP and KLTV be consolidated under one design-build team contract. This strategic change will create a sole source of responsibility, through one project guarantor, to better ensure the successful completion of both wastewater projects.

For review and consideration of the KLWTD Board is a summary of the Haskell Company "Change Proposal #1", which increases the scope of services to include engineering services for the KLP. The change is reflected by an increase of $80,332 in associated engineering fees. Please reference amendment #1 to the WEC scope of services as outlined in Work Authorization WEC 03-02 for KLP.

District Management recommends approval of "Change Proposal #1" to the Haskell Company Contract. Approval will allow Brown & Caldwell, of the Haskell Company Design-Build Team, to become engineer of record for the KLP. If you have any questions or require further clarification, please do not hesitate to contact me.

THE HASKELL COMPANY
AMERICA'S DESIGN-BUILD LEADER®

Peter M. Kinsley
Division Leader - Water

September 16, 2003

Re: Wastewater Management System For
The Key Largo Trailer Village Area
Key Largo, Florida
Change Proposal No. 1 – **Revision 1**
Issue No. 02-001 – Key Largo Park
Design and Construction

Mr. Robert Sheets
Government Services Group, Inc.
1500 Mahan Drive
Suite 250
Tallahassee, Florida 32308

Dear Mr. Sheets:

The Haskell Company is pleased to submit Change Proposal No. 1 – Revision 1, which provides three alternatives for providing engineering and construction services for the Key Largo Park project. Enclosed, please find the cost breakdown, scope description and supporting documentation for your review and consideration.

Alternate A – Service to All Occupied Lots in Key Largo Park and Sunset Waterways
Our total lump sum add for this work is Two Million Five Hundred Twenty-Eight Thousand Four Hundred and Twenty-Three Dollars and Zero Cents ($2,528,423.00).

Alternate B – Service to All Occupied Lots in Key Largo Park and Sunset Waterways and Access without Valve Pits for All Unoccupied Lots in Key Largo Park and Sunset Waterways
Our total lump sum add for this work is Two Million Nine Hundred Thirty-Three Thousand Six Hundred and Ninty-Four Dollars and Zero Cents ($2,933,694.00).

Alternate C – Service to All Occupied and Unoccupied Lots in Key Largo Park and Sunset Waterways
Our total lump sum add for this work is Three Million Three Hundred Thirty-One Thousand Three Hundred and Twenty-Eight Dollars and Zero Cents ($3,331,328.00).

The cost included in Change Proposal No. 1 – Revision 1 represent the total lump sum add for the work described only, and similarly, takes into account only the schedule impact resultant of this change, if any. Be advised that the cost and schedule impacts associated with the effects of multiple changes, trade stacking, acceleration as a result of excessive changes, etc. are not considered in the work herein described and priced. The Haskell Company reserves the right to review these potentially unforeseen impacts, should they occur, at a later date.

Should you have any questions or require further information, please do not hesitate to contact me at (904) 357-4868.

Sincerely,

Peter M. Kinsley

Enclosures

cc: Issue No. 02-001
Mr. Will English, The Haskell Company

THE HASKELL COMPANY

ARCHITECTURE • ENGINEERING • CONSTRUCTION • REAL ESTATE SERVICES

CHANGE PROPOSAL SUMMARY NO.: 1 - Alternate A

PROJECT NAME:	Wastewater Management System for the Key Largo Trailer Village Area	PROJECT NO:	THC - 6701643
LOCATION:	Key Largo, Florida	DATE:	9/16/2003
OWNER:	Key Largo Wastewater Treatment District (KLWTD)	DRAWING NO:	Not Applicable
ISSUE NO.:	02-001 - Key Largo Park Design and Construction	SPEC. SECTION:	Not Applicable

REFERENCE RFI NO.: _____ WORK DIRECTIVE NO.: _____ RFP NO: KLWTD Letter dated 8/28/03

DESCRIPTION: Per the request of the KLWTD, provide engineering and construction services for the Key Largo Park project under the terms and conditions of the Key Largo Trailer Village project. Change Proposal No. 1 provides the KLWTD with a single source of responsibility for the overall project. The Haskell Company would be the project guarantor with engineering and construction being performed by our subcontractors Brown and Caldwell and DN Higgins. The Value Engineering study performed by The Haskell Team has identified savings that our being passed onto the KLWTD in order to offset the cost of redesign and construction management.

PRICING INFORMATION

1. DIRECT LABOR

1.A PRODUCT LABOR:

SKILL/TRADE	MAN-HOURS		RATE	COST
Project Director	40.00	MH	$ 90.00	$ 3,600.00
Project Manager	320.00	MH	$ 70.00	$ 22,400.00
Superintendent	320.00	MH	$ 70.00	$ 22,400.00
Foreman	0.00	MH	$ 45.00	$ -
Operator	0.00	MH	$ 45.00	$ -
Millwright	0.00	MH	$ 35.00	$ -
Carpenter	0.00	MH	$ 35.00	$ -
Laborer	0.00	MH	$ 30.00	$ -
			SUBTOTAL (1)	$ 48,400.00

MATERIALS AND EQUIPMENT

	DESCRIPTION	QUANTITY	UNIT PRICE	COST
2.A INCORPORATED IN WORK:	Extended GCs	1	$ 21,563.00	$ 21,563.00
			$ -	$ -
			$ -	$ -
			$ -	$ -
			$ -	$ -
			$ -	$ -
			$ -	$ -
2.B EQUIPMENT:			$ -	$ -
			$ -	$ -
			$ -	$ -
			$ -	$ -
			$ -	$ -
			$ -	$ -
2.C SALES TAX:	Sales Tax (LS)	1	$ -	$ -
			SUBTOTAL (2)	$ 21,563.00

3. SUBCONTRACTORS

	NAME	DESCRIPTION OF WORK	COST
3.A DIRECT:	DN Higgins, Inc.	Vacuum Sewer System Installation	$ 2,080,930.00
	DN Higgins, Inc.	Overhead Cost (15% on Savings)	$ 106,660.00
3.B LOWER TIER:	Not Applicable	Not Applicable	
		SUBTOTAL (3)	$ 2,187,590.00

4. CONSULTANTS	NAME	DESCRIPTION OF WORK	COST
	Brown and Caldwell	Vacuum Sewer System Engineering	$ 80,332.00
		SUBTOTAL (4)	$ 80,332.00

5. FEE STRUCTURE	NAME	COST	PERCENT	FEE
A. Contractor				
1. Direct Labor:		$ 48,400.00	5%	$ 2,420.00
2. Material and Equipment:		$ 21,663.00	5%	$ 1,078.15
B. Subcontractors:		$ 2,187,590.00	5%	$ 109,379.50
C. Consultants		$ 80,332.00	5%	$ 4,016.60
			SUBTOTAL (5)	$ 116,894.25
			SUBTOTAL (1-5)	$ 2,454,779.25
D. Bonds and Insurance			3.00%	$73,643.38
TOTAL COST OF THIS CHANGE PROPOSAL (All deductions shown in parentheses):			TOTAL	$ 2,528,423

EXTENSION OF CONTRACT TIME:

As part of this Change Proposal, the Contractor requests an extension of Contract Time of ___60___ days.

Justification:

The contractual completion date will not be jeopardized with the performance of the work associated with Change Proposal No. 1. The additional work does however extend the construction schedule by two months and absorb 60 days of float provided in the original project schedule. The cost of personnel and on-site provisions associated with two additional months of construction have been included in the Total Cost of the Change Proposal. In addition, a time extension of 60 days has been requested to recover lost float.

RECORD DOCUMENTS: As part of this Change Proposal, the Contractor shall provide applicable record drawing information affected by this change.

Signed: _____

Title: Project Director Date: 9/16/2003

Contractor: The Haskell Company

RECOMMENDATION by ENGINEER: (Forward to Owner for Review)

Change Proposal 1, Alternate A provides service to all occupied lots in Key Largo Park and Sunset Waterways, as illustrated in the conceptual design documents prepared by Brown and Caldwell. Service to unoccupied lots is specifically excluded.

See conceptual design documents for specific scope of work included in Change Proposal No. 1.

Signature of Engineer: _____ Date: _____

ACCEPTANCE BY OWNER: (return to engineer for processing)

Signature of Owner's Authorized Representative: _____ Date: _____

_____Engineer to prepare necessary change order _____Engineer to Re-negotiate change proposal as noted above _____Other as above

OWNER:	CONTRACTOR:	PROJECT:
	FIELD:	NO.:
ENGINEER:	OTHER:	DATE:

THE HASKELL COMPANY

ARCHITECTURE • ENGINEERING • CONSTRUCTION • REAL ESTATE SERVICES

CHANGE PROPOSAL SUMMARY
NO. : 1 - Alternate B

PROJECT NAME:	Wastewater Management System for the Key Largo Trailer Village Area	PROJECT NO:	THC - 6701643
LOCATION:	Key Largo, Florida	DATE:	9/16/2003
OWNER:	Key Largo Wastewater Treatment District (KLWTD)	DRAWING NO:	Not Applicable
ISSUE NO.:	02-001 - Key Largo Park Design and Construction	SPEC. SECTION:	Not Applicable

REFERENCE RFI NO.: _____ WORK DIRECTIVE NO.: _____ RFP NO: KLWTD Letter dated 8/28/03

DESCRIPTION: Per the request of the KLWTD, provide engineering and construction services for the Key Largo Park project under the terms and conditions of the Key Largo Trailer Village project. Change Proposal No. 1 provides the KLWTD with a single source of responsibility for the overall project. The Haskell Company would be the project guarantor with engineering and construction being performed by our subcontractors Brown and Caldwell and DN Higgins. The Value Engineering study performed by The Haskell Team has identified savings that our being passed onto the KLWTD in order to offset the cost of redesign and construction management.

PRICING INFORMATION

1. DIRECT LABOR

1.A PRODUCT LABOR:

SKILL/TRADE	MAN-HOURS		RATE	COST
Project Director	40.00	MH	$ 90.00	$ 3,600.00
Project Manager	320.00	MH	$ 70.00	$ 22,400.00
Superintendent	320.00	MH	$ 70.00	$ 22,400.00
Foreman	0.00	MH	$ 45.00	$ -
Operator	0.00	MH	$ 45.00	$ -
Millwright	0.00	MH	$ 35.00	$ -
Carpenter	0.00	MH	$ 35.00	$ -
Laborer	0.00	MH	$ 30.00	$ -
			SUBTOTAL (1)	$ 48,400.00

MATERIALS AND EQUIPMENT

	DESCRIPTION	QUANTITY	UNIT PRICE	COST
2.A INCORPORATED IN WORK:	Extended GCs	1	$ 21,563.00	$ 21,563.00
			$ -	$ -
			$ -	$ -
			$ -	$ -
			$ -	$ -
			$ -	$ -
			$ -	$ -
2.B EQUIPMENT:			$ -	$ -
			$ -	$ -
			$ -	$ -
			$ -	$ -
			$ -	$ -
			$ -	$ -
2.C SALES TAX:	Sales Tax (LS)	1	$ -	$ -
			SUBTOTAL (2)	$ 21,563.00

3. SUBCONTRACTORS

	NAME	DESCRIPTION OF WORK	COST
3.A DIRECT:	DN Higgins, Inc.	Vacuum Sewer System Installation	$ 2,521,790.00
	DN Higgins, Inc.	Overhead Cost (15% on Savings)	$ 40,531.00
3.B LOWER TIER:	Not Applicable	Not Applicable	
		SUBTOTAL (3)	$ 2,562,321.00

4. CONSULTANTS	NAME	DESCRIPTION OF WORK	COST
	Brown and Caldwell	Vacuum Sewer System Engineering	$ 80,332.00
		SUBTOTAL (4)	$ 80,332.00

5. FEE STRUCTURE	NAME	COST	PERCENT	FEE
A. Contractor				
1. Direct Labor:		$ 48,400.00	5%	$ 2,420.00
2. Material and Equipment:		$ 21,563.00	5%	$ 1,078.15
B. Subcontractors:		$ 2,562,321.00	5%	$ 128,116.05
C. Consultants:		$ 80,332.00	5%	$ 4,016.60
			SUBTOTAL (5)	$ 135,630.80
			SUBTOTAL (1-5)	$ 2,848,246.80
D. Bonds and Insurance			3.00%	$85,447.40
TOTAL COST OF THIS CHANGE PROPOSAL (All deductions shown in parentheses):			TOTAL	$ 2,933,694

EXTENSION OF CONTRACT TIME:

As part of this Change Proposal, the Contractor requests an extension of Contract Time of 0 days.

Justification:

The contractual completion date will not be jeopardized with the performance of the work associated with Change Proposal No. 1. The additional work does however extend the construction schedule by two months and absorb 60 days of float provided in the original project schedule. The cost of personnel and on-site provisions associated with two additional months of construction have been included in the Total Cost of the Change Proposal. In addition, a time extension of 60 days has been requested to recover lost float.

RECORD DOCUMENTS: As part of this Change Proposal, the Contractor shall provide applicable record drawing information affected by this change.

Signed:

Title: Project Director Date: 9/16/2003

Contractor: The Haskell Company

RECOMMENDATION by ENGINEER (Forward to Owner for Review)

Change Proposal 1, Alternate B provides service to all occupied lots in Key Largo Park and Sunset Waterways and access to the vacuum system for all unoccupied lots in Key Largo Park and Sunset Waterways as illustrated in the conceptual design documents prepared by Brown and Caldwell. Vacuum service lines to unoccupied lots are specifically included while required vacuum valve pits are specifically excluded.

See conceptual design documents for specific scope of work included in Change Proposal No. 1.

Signature of Engineer: Date:

ACCEPTANCE BY OWNER: (return to engineer for processing)

Signature of Owner's Authorized Representative: Date:

_____Engineer to prepare necessary change order _____ Engineer to Re-negotiate change proposal as noted above _____Other as above

OWNER:	CONTRACTOR:	PROJECT:
	FIELD:	NO.:
ENGINEER:	OTHER:	DATE:

THE HASKELL COMPANY

ARCHITECTURE • ENGINEERING • CONSTRUCTION • REAL ESTATE SERVICES

CHANGE PROPOSAL SUMMARY

NO. : 1 - Alternate C

PROJECT NAME:	Wastewater Management System for the Key Largo Trailer Village Area	PROJECT NO:	THC - 6701643
LOCATION:	Key Largo, Florida	DATE:	9/16/2003
OWNER:	Key Largo Wastewater Treatment District (KLWTD)	DRAWING NO:	Not Applicable
ISSUE NO.:	02-001 - Key Largo Park Design and Construction	SPEC. SECTION:	Not Applicable

REFERENCE RFI NO.: _____ WORK DIRECTIVE NO.: _____ RFP NO: KLWTD Letter dated 8/28/03

DESCRIPTION: Per the request of the KLWTD, provide engineering and construction services for the Key Largo Park project under the terms and conditions of the Key Largo Trailer Village project. Change Proposal No. 1 provides the KLWTD with a single source of responsibility for the overall project. The Haskell Company would be the project guarantor with engineering and construction being performed by our subcontractors Brown and Caldwell and DN Higgins. The Value Engineering study performed by The Haskell Team has identified savings that our being passed onto the KLWTD in order to offset the cost of redesign and construction management.

PRICING INFORMATION

1. DIRECT LABOR

1.A PRODUCT LABOR:

SKILL/TRADE	MAN-HOURS		RATE	COST
Project Director	40.00	MH	$ 90.00	$ 3,600.00
Project Manager	320.00	MH	$ 70.00	$ 22,400.00
Superintendent	320.00	MH	$ 70.00	$ 22,400.00
Foreman	0.00	MH	$ 45.00	$ -
Operator	0.00	MH	$ 45.00	$ -
Millwright	0.00	MH	$ 35.00	$ -
Carpenter	0.00	MH	$ 35.00	$ -
Laborer	0.00	MH	$ 30.00	$ -
			SUBTOTAL (1)	$ 48,400.00

MATERIALS AND EQUIPMENT

	DESCRIPTION	QUANTITY	UNIT PRICE	COST
2.A INCORPORATED IN WORK:	Extended GCs	1	$ 21,563.00	$ 21,563.00
			$ -	$ -
			$ -	$ -
			$ -	$ -
			$ -	$ -
			$ -	$ -
			$ -	$ -
2.B EQUIPMENT:			$ -	$ -
			$ -	$ -
			$ -	$ -
			$ -	$ -
			$ -	$ -
			$ -	$ -
2.C SALES TAX:	Sales Tax (LS)	1	$ -	$ -
			SUBTOTAL (2)	$ 21,563.00

3. SUBCONTRACTORS

	NAME	DESCRIPTION OF WORK	COST
3.A DIRECT:	DN Higgins, Inc.	Vacuum Sewer System Installation	$ 2,929,990.00
3.B LOWER TIER:	Not Applicable	Not Applicable	
		SUBTOTAL (3)	$ 2,929,990.00

4. CONSULTANTS	NAME	DESCRIPTION OF WORK	COST
	Brown and Caldwell	Vacuum Sewer System Engineering	$ 80,332.00
		SUBTOTAL (4)	$ 80,332.00

5. FEE STRUCTURE	NAME	COST	PERCENT	FEE
A. Contractor				
1. Direct Labor:		$ 48,400.00	5%	$ 2,420.00
2. Material and Equipment:		$ 21,563.00	5%	$ 1,078.15
B. Subcontractors:		$ 2,929,990.00	5%	$ 146,499.50
C. Consultants		$ 80,332.00	5%	$ 4,016.60
			SUBTOTAL (5)	$ 154,014.25
			SUBTOTAL (1-5)	$ 3,234,299.25
D. Bonds and Insurance			3.00%	$97,028.98
TOTAL COST OF THIS CHANGE PROPOSAL (All deductions shown in parentheses):			TOTAL	$ 3,331,328

EXTENSION OF CONTRACT TIME:

As part of this Change Proposal, the Contractor requests an extension of Contract Time of 0 days.

Justification:

The contractual completion date will not be jeopardized with the performance of the work associated with Change Proposal No. 1. The additional work does however extend the construction schedule by two months and absorb 60 days of float provided in the original project schedule. The cost of personnel and on-site provisions associated with two additional months of construction have been included in the Total Cost of the Change Proposal. In addition, a time extension of 60 days has been requested to recover lost float.

RECORD DOCUMENTS: As part of this Change Proposal, the Contractor shall provide applicable record drawing information affected by this change.

Signed:

Title: Project Director Date: 9/16/2003

Contractor: The Haskell Company

RECOMMENDATION by ENGINEER (Forward to Owner for Review)

Change Proposal 1, Alternate C provides service to all occupied and unoccupied lots in Key Largo Park and Sunset Waterways as illustrated in the conceptual design documents prepared by Brown and Caldwell. Vacuum service lines and required vacuum valve pits for unoccupied lots are specifically included.

See conceptual design documents for specific scope of work included in Change Proposal No. 1.

Signature of Engineer: Date:

ACCEPTANCE BY OWNER: (return to engineer for processing)

Signature of Owner's Authorized Representative: Date:

_____ Engineer to prepare necessary change order _____ Engineer to Re-negotiate change proposal as noted above _____ Other as above

OWNER:	CONTRACTOR:	PROJECT:
	FIELD:	NO.:
ENGINEER:	OTHER:	DATE:

THE HASKELL COMPANY
ARCHITECTS / ENGINEERS / CONTRACTORS

GENERAL CONDITIONS ESTIMATE
Design & Permitting - Concurrent
Construction - 2 Additional Months
DATE:

DESCRIPTION	COST CODE	QUANTITY	U/M	LABOR		MAT & SUBCONTRACTS		
				UNIT COST	EXTENSION	UNIT COST	EXTENSION	
PROJECT MANAGEMENT								
Project Director	01110	0.0	WK	3,600.00	0	0.00	0	$0
Project Manager	01111	0.0	WK	2,800.00	0	0.00	0	$0
Assistant Project Manager	01112	0.0	WK	1,800.00	0	0.00	0	$0
Superintendent	01121	0.0	WK	2,800.00	0	0.00	0	$0
PROJECT OFFICE								
Superintendent's Office	01521	2.0	MTH		0	350.00	700	$700
Delivery/set up/knock down/block & level	01521	0.0	LS		0	0.00	0	$0
Steps & Decking	01521	2.0	MTH		0	100.00	200	$200
Superintendent Office Furniture	01533	0.0	LS		0	0.00	0	$0
Copier- Super, Office	01532	0.0	EA		0	0.00	0	$0
Computers/Printers/Software	01532	0.0	LS		0	0.00	0	$0
Fax Machine	01532	0.0	EA		0	0.00	0	$0
OFFICE SUPPLIES								
UPS Service	01531	2.0	MTH		0	250.00	500	$500
Postage	01531	2.0	MTH		0	100.00	200	$200
Office Supplies - Superint. Office		2.0	MTH		0	100.00	200	$200
Blueprinting & Mass Copying Services		1.0	LS		0	1,000.00	1,000	$1,000
TRAVEL, LODGING & MEALS								
Construction Travel (PM)	01342	2.0	TRIP		0	500.00	1,000	$1,000
Construction Travel (Superintendents)	01342	2.0	TRIP		0	300.00	600	$600
PCE Travel	01343	0.0	TRIP		0	0.00	0	$0
P.O.C./Director Travel	01342	2.0	TRIP		0	500.00	1,000	$1,000
Meals & Entertainment	01348	2.0	MTH		0	100.00	200	$200
SUBSISTENCE								
Personnel Moving Expense	01822	0.0	EACH		0	0.00	0	$0
Superintendent Subsistence	01811	2.0	MTH		0	1,687.00	3,374	$3,374
PCE Subsistence	01813	0.0	MTH		0	0.00	0	$0
PM Car Allowance		2.0	MTH		0	500.00	1,000	$1,000
STORAGE & FABRICATION								
Superintendent Office Build Out		0.0	LS		0	0.00	0	$0
Storage Trailers		0.0	EA		0	0.00	0	$0
On-Site Storage		0.0	MTH		0	0.00	0	$0
ENGINEERING & LAYOUT								
Field Engineering Crews (2 Each)	01917	0.0	WK		0	0.00	0	$0
Survey & Baselines	01921	0.0	LS		0	0.00	0	$0
Survey Layout Supplies	01911	0.0	MTH		0	0.00	0	$0
MATERIAL TESTING								
Soil Testing	01411	0.0	LS		0	0.00	0	$0
Concrete Testing	01413	0.0	LS		0	0.00	0	$0
Laboratory Testing	01413	0.0	LS		0	0.00	0	$0
SUBMITTALS								
As-Built Drawings	01225	0.0	LS		0	0.00	0	$0
COMMUNICATIONS								
Watts Service		0.0	MTH		0	0.00	0	$0
Telephone Service		2.0	MTH		0	400.00	800	$800
Maint. Offices phone lines		0.0	LS		0	0.00	0	$0
Computer Modem/Data Line		2.0	MTH		0	300.00	600	$600
Cellular Phone / Radios		4.0	MTH		0	250.00	1,000	$1,000
Aerial Photos		2.0	MTH		0	75.00	150	$150
Progress Photos/Video Taping	01353	2.0	MTH		0	200.00	400	$400
Final Photos	01354	0.0	LS		0	0.00	0	$0
Project Signs		0.0	EACH		0	0.00	0	$0
Project Web Site		0.0	LS		0	0.00	0	$0
Project Radios		0.0	LS		0	0.00	0	$0
TEMPORARY UTILITIES								
Utility Deposits & Connections	01511	0.0	LS		0	0.00	0	$0
Temporary Electric Installation	01511	0.0	LS		0	0.00	0	$0
Temporary Electric Service	01511	2.0	MTH		0	500.00	1,000	$1,000
Power Consumption at Commissioning	01511	0.0	LS		0	0.00	0	$0
Temporary Water/Tanker	01518	0.0	MTH		0	0.00	0	$0
Temporary Water Installation	01518	0.0	LS		0	0.00	0	$0
Temporary Water Service	01518	2.0	MTH		0	100.00	200	$200
Initial System Fill - Water ($0.01/7 USG)	01518	0.0	GAL		0	0.00	0	$0
MISC. EXPENSES								
Overtime Expense		0.0	HR		0	0.00	0	$0
Misc. Trailer Lighting		0.0	LS		0	0.00	0	$0
Permit Fees		2.0	MTH		0	500.00	1,000	$1,000
Site Layout		0.0	LS		0	0.00	0	$0
Project Specific Bonus		0.0	LS		0	0.00	0	$0
TEMP. WATER / SANITARY								
Drinking Water/Ice/Coffee	01535	2.0	MTH		0	125.00	250	$250
Temporary Toilets- Trailers	01541	2.0	MTH		0	200.00	400	$400

THE HASKELL COMPANY
ARCHITECTS / ENGINEERS / CONTRACTORS

GENERAL CONDITIONS ESTIMATE
Design & Permitting - Concurrent Construction - 2 Additional Months

DATE:

DESCRIPTION	COST CODE	QUANTITY	U/M	LABOR UNIT COST	LABOR EXTENSION	MAT & SUBCONTRACTS UNIT COST	MAT & SUBCONTRACTS EXTENSION	
Temporary Toilets- Site	01541	2.0	MTH		0	200.00	400	$400
PROTECTION								
Temporary Splash Guards - AT/SBR	01551	0.0	SF		0	0.00	0	$0
Temp. Barricades	01551	0.0	LS		0	0.00	0	$0
Temp. Walls for dust (visqueen)	01552	0.0	SF		0	0.00	0	$0
Temp. Heat & Ventilation		0.0	MTH		0	0.00	0	$0
Guardrails	01551	0.0	LF		0	0.00	0	$0
Stairs & Ladders		0.0	LS		0	0.00	0	$0
Flagmen		0.0	HR		0	0.00	0	$0
Protect Finish Work	01551	0.0	LS		0	0.00	0	$0
Job-Site Fireprotection		0.0	LS		0	0.00	0	$0
Temporary Walks	01551	0.0	SF		0	0.00	0	$0
MANDATORY SAFETY EQUIP								
Safety Glasses	01556	0.0	EA		0	0.00	0	$0
Hard Hats	01556	0.0	EA		0	0.00	0	$0
Back Supports	01556	0.0	EA		0	0.00	0	$0
Drug Testing	01825	0.0	EA		0	0.00	0	$0
Safety Equipment & Supplies	01556	2.0	MTH		0	100.00	200	$200
Safety Awards Program	01831	0.0	% LBR		0	0.00%	0	$0
SITE SECURITY								
Temporary Fence	01553	0.0	LF		0	0.00	0	$0
Alarm Service	01554	0.0	MTH		0	0.00	0	$0
Guard Service/Fire Watch	01554	0.0	HR		0	0.00	0	$0
TEMPORARY FACILITIES								
Road Maintenance	01524	0.0	LS		0	0.00	0	$0
Roads (lay down and trailer area)	01524	0.0	LS		0	0.00	0	$0
CLEAN-UP								
Daily Cleanup - Job Site	01543	0.0	WK		0	0.00	0	$0
Trash Hauling & Dump Charges - Job Site	01542	0.0	WK		0	0.00	0	$0
Clean Up - Office Trailers	01543	0.0	MTH		0	0.00	0	$0
Road Clean Up	01524	0.0	WK		0	0.00	0	$0
CLOSE-OUT								
Punchlist	01440	0.0	LS		0	0.00	0	$0
Warranty Trip		0.0	LS		0	0.00	0	$0
COMP. OWNED EQUIPMENT								
Company Owned Trucks	01611	2.0	MTH		0	800.00	1,600	$1,600
Company Owned Other Equipment	01612	2.0	MTH		0	100.00	200	$200
Equipment Rental Insurance		1.0	LS		0	38.70	39	$39
EQUIPMENT OUTSIDE VEND								
Non-Company Owned Trucks/Trailers	01621	0.0	MTH		0	0.00	0	$0
Non-Company Owned Other Equipment	01622	0.0	MTH		0	0.00	0	$0
EQUIP. FUEL & MAINTENANCE								
Maintenance & Repairs	01660	2.0	MTH		0	125.00	250	$250
Equipment & Truck Fuel	01632	2.0	MTH		0	300.00	600	$600
Industrial Gases	01631	0.0	MTH		0	0.00	0	$0
NON-POWER TOOLS								
Expendable Tools	01641	0.0	LS		0	0.00	0	$0
FREIGHT								
Freight & Unloading	01356	0.0	LS		0	0.00	0	$0
MAT'L. HANDLING EQUIP								
Crane	01623	0.0	DY		0	0.00	0	$0
Material Hoist	01624	0.0	LS		0	0.00	0	$0
Hull	01622.	0.0	MTH		0	0.00	0	$0
Scaffolding	01622	0.0	MTH		0	0.00	0	$0
PERMITS, LICENSES & INS								
DEP Permit	01311	1.0	LS		0	2,500.00	2,500	$2,500
County Permit	01312	0.0	LS		0	0.00	0	$0
DOT Permit	01312	0.0	LS		0	0.00	0	$0
SFWMD Perimt	01312	0.0	LS		0	0.00	0	$0
Resedential Permit	01312	0.0	LS		0	0.00	0	$0
Plumbing Permit	01312	0.0	LS		0	0.00	0	$0
Permit Expediting	01312	0.0	LS		0	0.00	0	$0
Licenses	01315	0.0	LS		0	0.00	0	$0
SURETY BONDS								
Sub Guard	01332	0.0	LS		0	0.00	0	$0
Performance & Payment Bond	01331	0.0	LS		0	0.00	0	$0
General Liability Insurance	01331	0.0	LS		0	0.00	0	$0
Builder's Risk Insurance	01331	0.0	LS		0	0.00	0	$0
LEGAL SERVICES								
Legal Expense	01351	0.0	LS		0	0.00	0	$0
LABOR BURDEN								
Payroll, Taxes, & Insurance	01841	0.0	% LBR		0	0.00%	0	$0
Admin. Premium	01843	0.0	% LBR		0	0.00%	0	$0

THE HASKELL COMPANY
ARCHITECT / ENGINEER to / CONTRACTORS

GENERAL CONDITIONS ESTIMATE
Design & Permitting Concurrent
Construction - 2 Additional Months

DATE

DESCRIPTION	COST CODE	QUANTITY	U/M	LABOR		MAT & SUBCONTRACTS		
				UNIT COST	EXTENSION	UNIT COST	EXTENSION	
PCE Burden	01842	0.0	%LBR		0	0.00%	0	$0
TOTALS>>>>>>>>					$0		$21,563	$21,563
COST PER MONTH @ 2 MONTHS =								$10,781.50

Largo Park Wastewater System w/o Vac[illegible] ots

Item	Item Description	Quantity	Unit	Unit Price	Amount
	VACUUM & GRAVITY SEWER MAINS				
1	3-inch Vacuum Sewer Main	0	LF	55.00	0.00
2	4-inch Vacuum Sewer Main	9385	LF	60.00	563,100.00
3	6-inch Vacuum Sewer Main	2370	LF	65.00	154,050.00
4	8-inch Vacuum Sewer Main	1280	LF	70.00	89,600.00
5	10-inch Vacuum Sewer Main	1400	LF	75.00	105,000.00
6	8-inch Gravity Sewer Main 0 to 6 feet deep	3900	LF	80.00	312,000
7	8-inch Gravity Sewer Main 6 to 8 feet deep	0	LF	85.00	0
	DIVISION VALVES				
8	4-inch Division Valves	25	EA	450.00	11,250.00
9	6-inch Division Valves	4	EA	550.00	2,200.00
10	8-inch Division Valves	1	EA	750.00	750.00
11	10-inch Division Valves	0	EA	900.00	0.00
	VACUUM PIT & BUFFER TANK ASSEMBLIES				
12	Type 1 Vacuum Pits Complete W/O Valve	60	EA	4,500.00	270,000.00
12A	Double Valve Vacuum Pit	13	EA	8,000.00	104,000.00
13	Type 3 Vacuum Pits Complete Vac Valve 7 feet deep	0	EA		
14	Type 3 Vacuum Pits Complete w/o Vac Valve 8 feet deep	0	EA		0.00
15	Type 3 Vacuum Pits Complete w/o Vac Valve 9 feet deep	0	EA		0.00
16	Buffer Tanks Complete	0	EA		0.00
	GRAVITY AND VACUUM LATERALS				
17	6-inch Gravity Laterals Connected to 8-inch Gravity Sewer Main	1,705	LF	50.00	85,250.00
18	6-inch Gravity Laterals Connected to Vac Pits	830	LF	70.00	58,100.00
19	3-inch Vac Service Connection	650	LF	55.00	35,750.00
20	Line Access Point (any size main)	32	EA	500.00	16,000.00
21	Line Access Manhole	0	EA	3,500.00	0.00
22	Furnish Vacuum System Spare Parts & Special Tools	1	LS	15,000.00	15,000.00
23	Trailer Mounted Vacuum Field Test Pump	1	LS	20,000.00	20,000.00
24	Vac Sewer Manufacturer (VSM) Representative	1	LS	40,000.00	40,000.00
25	Trench & Paving Restoration in US 1 R.O.W.	80	SY	150.00	12,000.00
26	Main Line Trench & Paving Restoration on Streets Outside of US 1 Righ of Way	10,212	SY	15.00	153,180.00
27	Lateral Trench & Paving Restoration on Streets Outside of US 1 Right of Way	1,685	SY	20.00	33,700.00

9/12/2003

BASE BID TOTAL 2,080,930.00

Key ' 'go Park Wastewater System with vacant s no pits

Item	Item Description	Quantity	Unit	Unit Price	Amount
	VACUUM & GRAVITY SEWER MAINS				
1	3-Inch Vacuum Sewer Main	0	LF	55.00	0.00
2	4-Inch Vacuum Sewer Main	12880	LF	60.00	772,800.00
3	6-Inch Vacuum Sewer Main	2370	LF	65.00	154,050.00
4	8-Inch Vacuum Sewer Main	1280	LF	70.00	89,600.00
5	10-Inch Vacuum Sewer Main	1400	LF	75.00	105,000.00
6	8-Inch Gravity Sewer Main 0 to 6 feet deep	4475	LF	80.00	358000
7	8-Inch Gravity Sewer Main 6 to 8 feet deep	0	LF	85.00	0
	DIVISION VALVES				
8	4-Inch Division Valves	32	EA	450.00	14,400.00
9	6-Inch Division Valves	4	EA	550.00	2,200.00
10	8-Inch Division Valves	1	EA	750.00	750.00
11	10-Inch Division Valves	0	EA	900.00	0.00
	VACUUM PIT & BUFFER TANK ASSEMBLIES				
12	Type 1 Vacuum Pits w/o Valve	60	EA	4,500.00	270,000.00
12A	Double Valve Vacuum Pit	13	EA	8,000.00	104,000.00
13	Type 3 Vacuum Pits Complete Vac Valve 7 feet deep	0	EA		
14	Type 3 Vacuum Pits Complete w/o Vac Valve 8 feet deep	0	EA		0.00
15	Type 3 Vacuum Pits Complete w/o Vac Valve 9 feet deep	0	EA		0.00
16	Buffer Tanks Complete	0	EA		0.00
	GRAVITY AND VACUUM LATERALS				
17	6-Inch Gravity Laterals Connected to 8-Inch Gravity Sewer Main	2,525	LF	50.00	126,250.00
18	6-Inch Gravity Laterals Connected to Vac Pits	830	LF	70.00	58,100.00
19	3-Inch Vac Service Connection	1,775	LF	55.00	97,625.00
20	Line Access Point (any size main)	32	EA	500.00	16,000.00
21	Line Access Manhole	0	EA	3,500.00	0.00
22	Furnish Vacuum System Spare Parts & Special Tools	1	LS	15,000.00	15,000.00
23	Trailer Mounted Vacuum Field Test Pump	1	LS	20,000.00	20,000.00
24	Vac Sewer Manufacturer (VSM) Representative	1	LS	40,000.00	40,000.00
25	Trench & Paving Restoration in US 1 R.O.W.	80	SY	150.00	12,000.00
26	Main Line Trench & Paving Restoration on Streets Outside of US 1 Righ of Way	12,925	SY	15.00	193,875.00
27	Lateral Trench & Paving Restoration on Streets Outside of US 1 Right of Way	3,607	SY	20.00	72,140.00

BASE BID TOTAL 2,521,790.00

Key Largo [illegible] Wastewater System with all vacant lots [illegible]ved with pits

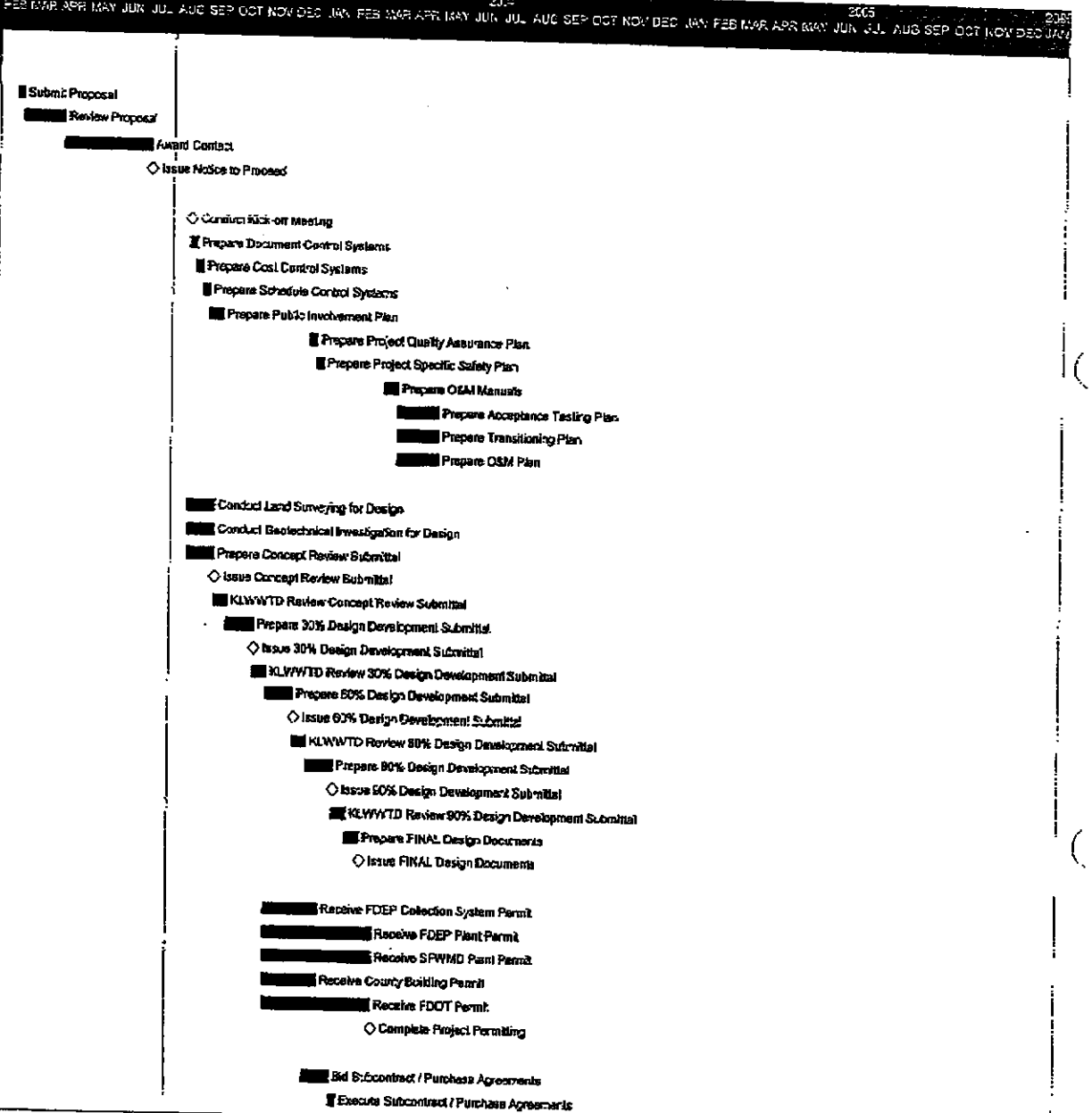
Item	Item Description	Quantity	Unit	Unit Price	Amount
	VACUUM & GRAVITY SEWER MAINS.				
1	3-inch Vacuum Sewer Main	0	LF	55.00	0.00
2	4-inch Vacuum Sewer Main	12880	LF	60.00	772,800.00
3	6-inch Vacuum Sewer Main	2370	LF	65.00	154,050.00
4	8-inch Vacuum Sewer Main	1280	LF	70.00	89,600.00
5	10-inch Vacuum Sewer Main	1400	LF	75.00	105,000.00
6	8-inch Gravity Sewer Main 0 to 6 feet deep	4475	LF	80.00	358000
7	8-inch Gravity Sewer Main 6 to 8 feet deep	0	LF	85.00	0
	DIVISION VALVES				
8	4-inch Division Valves	32	EA	450.00	14,400.00
9	6-inch Division Valves	4	EA	550.00	2,200.00
10	8-inch Division Valves	1	EA	750.00	750.00
11	10-inch Division Valves	0	EA	900.00	0.00
	VACUUM PIT & BUFFER TANK ASSEMBLIES				
12	Type 1 Vacuum Pits Complete W/O Valve	142	EA	4,500.00	639,000.00
12A	Double Valve Vacuum Pit Complete	13	EA	8,000.00	104,000.00
13	Type 3 Vacuum Pits Complete Vac Valve 7 feet deep	0	EA		
14	Type 3 Vacuum Pits Complete w/o Vac Valve 8 feet deep	0	EA		0.00
15	Type 3 Vacuum Pits Complete w/o Vac Valve 9 feet deep	0	EA		0.00
16	Buffer Tanks Complete	0	EA		0.00
	GRAVITY AND VACUUM LATERALS				
17	6-inch Gravity Laterals Connected to 8-inch Gravity Sewer Main	2,525	LF	50.00	126,250.00
18	6-inch Gravity Laterals Connected to Vac Pits	1,390	LF	70.00	97,300.00
19	3-inch Vac Service Connection	1,775	LF	55.00	97,625.00
20	Line Access Point (any size main)	32	EA	500.00	16,000.00
21	Line Access Manhole	0	EA	3,500.00	0.00
22	Furnish Vacuum System Spare Parts & Special Tools	1	LS	15,000.00	15,000.00
23	Trailer Mounted Vacuum Field Test Pump	1	LS	20,000.00	20,000.00
24	Vac Sewer Manufacturer (VSM) Representative	1	LS	40,000.00	40,000.00
25	Trench & Paving Restoration in US 1 R.O.W.	80	SY	150.00	12,000.00
26	Main Line Trench & Paving Restoration on Streets Outside of US 1 Righ of Way	12,925	SY	15.00	193,875.00
27	Lateral Trench & Paving Restoration on Streets Outside of US 1 Right of Way	3,607	SY	20.00	72,140.00

9/12/2003 **BASE BID TOTAL** 2,929,990.00

Key Largo Park Collection Systm ReDesign Services

TASK	DESCRIPTION	BC
1	Project Coordination	$0.00
2	Geotechnical Engineering	$0.00
3	Surveying	$0.00
4	Concept Review Submittal	$12,519.00
5	Design Development Progress Submittal (30 %)	$0.00
6	Design Development Progress Submittal (60 %)	$0.00
7	Pre-Final Design Submittal (90 %)	$0.00
8	Final Design Submittal	$0.00
9	Design Progress Submittal - Collection System (60%)	$27,752.80
10	Pre-Final Design Submittal (90%)	$20,663.80
11	Final Design - Collection System	$7,271.00
12	Permitting	$0.00
13	Plans	$0.00
14	Construction Phase Services	$12,124.60
	Subtotal	$80,331.40

Activity ID	Description	Original Duration	Early Start	Early Finish
General				
Proposal Development / Project Award				
1000	Submit Proposal	3	02/21/03	02/26/03
1005	Review Proposal	35	02/27/03	04/09/03
1010	Award Contract	33	04/10/03	07/08/03
1015	Issue Notice to Proceed	0		07/08/03
Project Controls / Planning				
1190	Conduct Kick-off Meeting	0		08/26/03
1200	Prepare Document Control Systems	5	08/19/03	08/26/03
1205	Prepare Cost Control Systems	5	08/25/03	08/02/03
1210	Prepare Schedule Control Systems	5	09/02/03	09/09/03
1215	Prepare Public Involvement Plan	10	09/09/03	09/23/03
1220	Prepare Project Quality Assurance Plan	5	12/23/03	12/30/03
1225	Prepare Project Specific Safety Plan	5	12/30/03	01/06/04
1230	Prepare O&M Manuals	10	09/09/04	09/23/04
1235	Prepare Acceptance Testing Plan	30	03/23/04	05/04/04
1240	Prepare Transitioning Plan	30	03/23/04	05/04/04
1245	Prepare O&M Plan	30	03/23/04	05/04/04
Design Development				
1105	Conduct Land Surveying for Design	20	08/19/03	09/16/03
1110	Conduct Geotechnical Investigation for Design	20	08/19/03	09/16/03
1115	Prepare Concept Review Submittal	20	08/19/03	09/16/03
1120	Issue Concept Review Submittal	0		09/16/03
1125	KLWWTD Review Concept Review Submittal	10	09/16/03	09/30/03
1130	Prepare 30% Design Development Submittal	20	09/30/03	10/28/03
1135	Issue 30% Design Development Submittal	0		10/28/03
1140	KLWWTD Review 30% Design Development Submittal	10	10/28/03	11/11/03
1145	Prepare 60% Design Development Submittal	20	11/11/03	12/09/03
1150	Issue 60% Design Development Submittal	0		12/09/03
1155	KLWWTD Review 60% Design Development Submittal	10	12/09/03	12/23/03
1160	Prepare 90% Design Development Submittal	20	12/23/03	01/20/04
1165	Issue 90% Design Development Submittal	0		01/20/04
1170	KLWWTD Review 90% Design Development Submittal	10	01/20/04	02/03/04
1175	Prepare FINAL Design Documents	10	02/03/04	02/17/04
1180	Issue FINAL Design Documents	0		02/17/04
Permitting				
1300	Receive FDEP Collection System Permit	40	11/11/03	01/06/04
1305	Receive FDEP Plant Permit	80	11/11/03	03/02/04
1310	Receive SFWMD Plant Permit	80	11/11/03	03/02/04
1315	Receive County Building Permit	40	11/11/03	01/06/04
1320	Receive FDOT Permit	80	11/11/03	03/02/04
1325	Complete Project Permitting	0		03/02/04
Procurement				
1400	Bid Subcontract / Purchase Agreements	20	12/23/03	01/20/04
1405	Execute Subcontract / Purchase Agreements	5	01/20/04	01/27/04



Start date	02/21/03 4:00PM
Finish date	07/30/05 3:56PM
Data date	08/01/03 4:00PM
Run date	08/05/03 2:00PM

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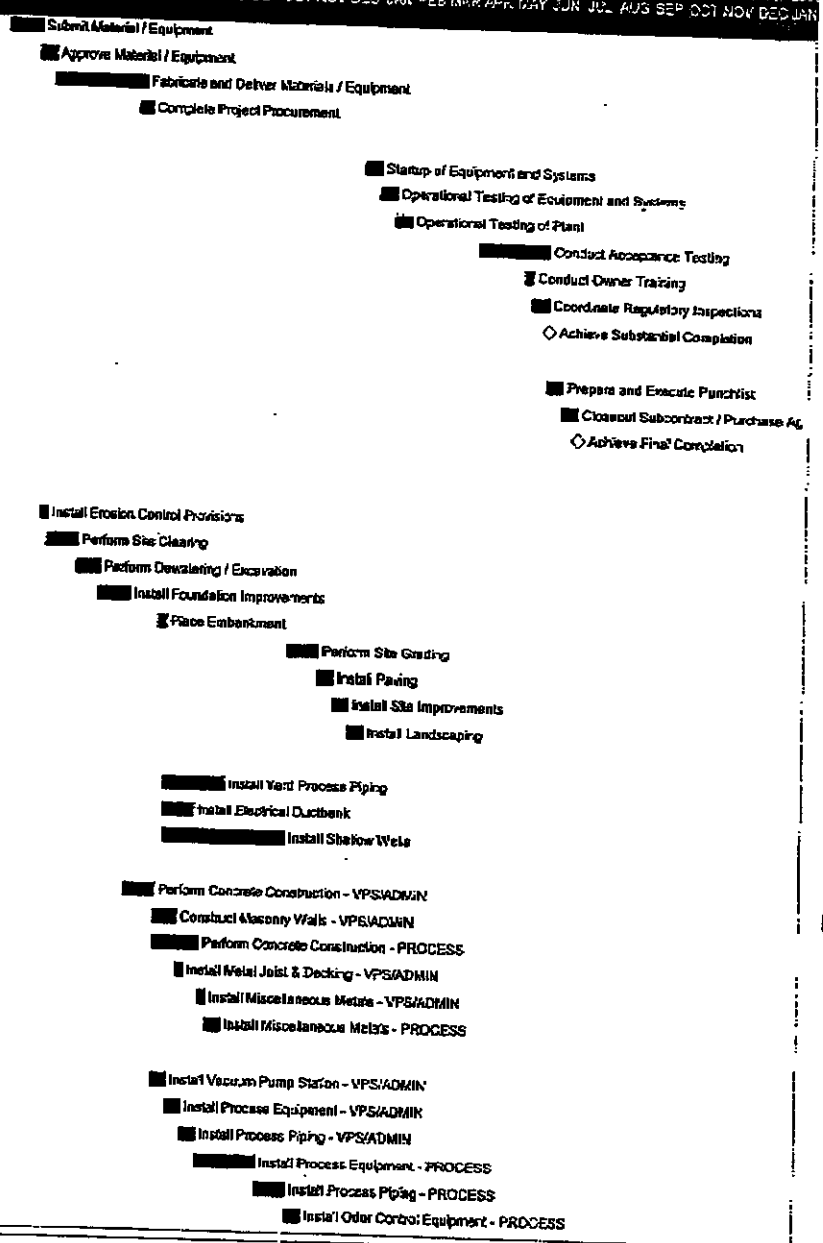
The Haskell Company

Key Largo Wastewater System Project

Change Proposal No. 1 - Schedule Impact

Activity ID	Description	Original Duration	Early Start	Early Finish
1410	Submit Material / Equipment	20	01/27/04	02/24/04
1415	Approve Material / Equipment	10	02/24/04	03/09/04
1420	Fabricate and Deliver Materials / Equipment	60	03/09/04	05/01/04
1425	Complete Project Procurement	0		05/01/04
Start-up / Operational Testing				
1500	Startup of Equipment and Systems	10	12/21/04	01/04/05
1505	Operational Testing of Equipment and Systems	10	01/04/05	01/18/05
1510	Operational Testing of Plant	10	01/18/05	02/01/05
1515	Conduct Acceptance Testing	45	04/04/05	06/06/05
1520	Conduct Owner Training	5	05/16/05	05/23/05
1900	Coordinate Regulatory Inspections	10	05/23/05	06/05/05
1525	Achieve Substantial Completion	0		06/06/05
Project Closeout				
1610	Prepare and Execute Punchlist	10	06/06/05	06/20/05
1615	Closeout Subcontract / Purchase Agreements	10	06/20/05	07/04/05
1620	Achieve Final Completion	0		07/04/05
Wastewater Treatment Plant				
Site Work				
2000	Install Erosion Control Provisions	5	03/02/04	03/09/04
2005	Perform Site Clearing	20	03/09/04	04/06/04
2040	Perform Dewatering / Excavation	15	04/06/04	04/27/04
2015	Install Foundation Improvements	20	04/27/04	05/25/04
2020	Place Embankment	5	06/22/04	06/28/04
2025	Perform Site Grading	20	10/19/04	11/16/04
2030	Install Paving	10	11/16/04	11/30/04
2035	Install Site Improvements	10	11/30/04	12/14/04
2040	Install Landscaping	10	12/14/04	12/28/04
Utilities				
2100	Install Yard Process Piping	40	06/29/04	08/24/04
2105	Install Electrical Ductbank	20	06/22/04	07/27/04
2110	Install Shallow Wells	60	06/29/04	10/19/04
Structural				
2200	Perform Concrete Construction - VPS/ADMIN	20	05/25/04	06/22/04
2205	Construct Masonry Walls - VPS/ADMIN	15	06/22/04	07/13/04
2210	Perform Concrete Construction - PROCESS	30	06/22/04	08/03/04
2215	Install Metal Joist & Decking - VPS/ADMIN	5	07/13/04	07/20/04
2220	Install Miscellaneous Metals - VPS/ADMIN	5	08/03/04	08/10/04
2225	Install Miscellaneous Metals - PROCESS	10	08/10/04	08/24/04
Mechanical				
2300	Install Vacuum Pump Station - VPS/ADMIN	10	06/22/04	07/05/04
2305	Install Process Equipment - VPS/ADMIN	10	07/06/04	07/20/04
2310	Install Process Piping - VPS/ADMIN	10	07/20/04	08/03/04
2315	Install Process Equipment - PROCESS	40	08/03/04	09/28/04
2320	Install Process Piping - PROCESS	20	09/28/04	10/26/04
2325	Install Odor Control Equipment - PROCESS	10	10/26/04	11/09/04



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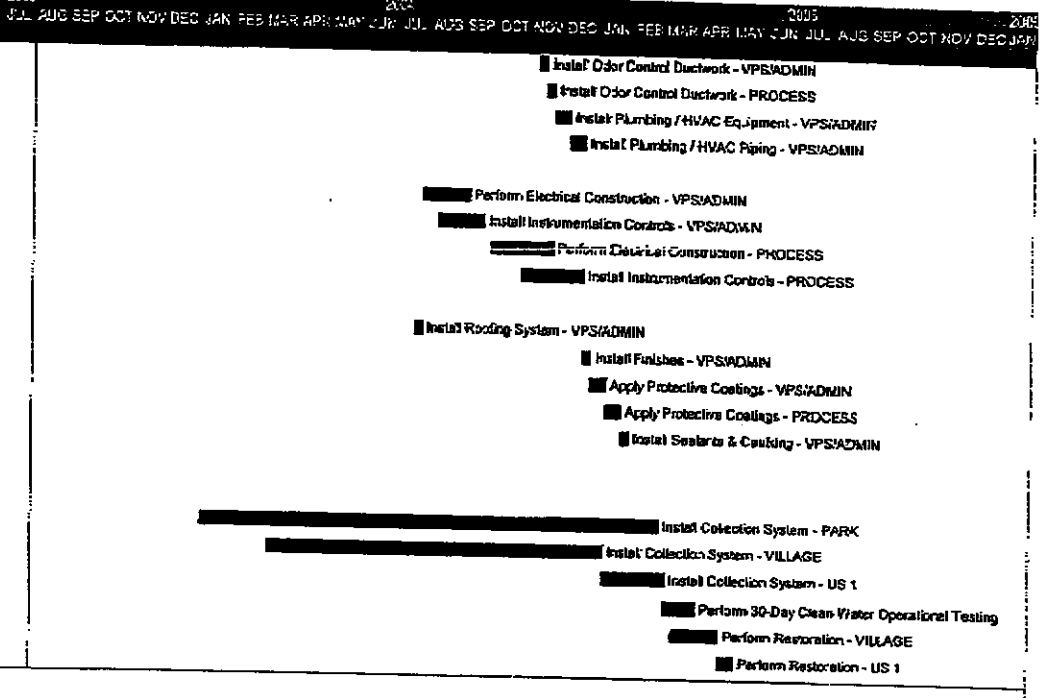
The Haskell Company

Key Largo Wastewater System Project

Change Proposal No. 1 - Schedule Impact

Activity ID	Description	Original Duration	Early Start	Early Finish
2330	Install Odor Control Ductwork - VPS/ADMIN	5	11/09/04	11/16/04
2335	Install Odor Control Ductwork - PROCESS	5	11/16/04	11/23/04
2340	Install Plumbing / HVAC Equipment - VPS/ADMIN	10	11/23/04	12/07/04
2345	Install Plumbing / HVAC Piping - VPS/ADMIN	10	12/07/04	12/21/04
Electrical / Instrumentation				
2400	Perform Electrical Construction - VPS/ADMIN	30	07/27/04	09/07/04
2405	Install Instrumentation Controls - VPS/ADMIN	30	08/10/04	09/21/04
2410	Perform Electrical Construction - PROCESS	40	09/23/04	11/23/04
2415	Install Instrumentation Controls - PROCESS	40	10/26/04	12/21/04
Architectural				
2500	Install Roofing System - VPS/ADMIN	5	07/20/04	07/27/04
2505	Install Finishes - VPS/ADMIN	5	12/21/04	12/28/04
2510	Apply Protective Coatings - VPS/ADMIN	10	12/28/04	01/11/05
2515	Apply Protective Coatings - PROCESS	10	01/11/05	01/25/05
2520	Install Sealants & Caulking - VPS/ADMIN	5	01/25/05	02/01/05
Collection System				
Utilities				
3000	Install Collection System - PARK	300	01/06/04	03/01/05
3000	Install Collection System - VILLAGE	220	03/08/04	01/10/05
3005	Install Collection System - US 1	40	01/10/05	03/07/05
3010	Perform 30-Day Clean Water Operational Testing	20	03/07/05	04/04/05
3015	Perform Restoration - VILLAGE	30	03/14/05	04/25/05
3020	Perform Restoration - US 1	10	04/25/05	05/09/05



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The Haskell Company

Key Largo Wastewater System Project

Change Proposal No. 1 - Schedule Impact

KLWTD Board Meeting
November 5, 2003

Item F – 7

Housing Assistance Implementation Plan – for the FEMA Environmental Assessment

MEMORANDUM TO THE BOARD

TO: Key Largo Board

FROM: Robert Sheets

SUBJECT: Key Largo Waste Water Treatment District
Housing Assistance Program/Implementation Plan

DATE: October 29, 2003

Attached for your review and consideration is the implementation plan prepared by Mark Dale with the Monroe County Housing Authority. This plan is described in the attached memorandum has been developed to meet all of the FEMA requirements and it complies with the County's standards for assistance.

Mark Bell with the County's Housing Authority will be present at the November 5 meeting to answer any questions specifically about the program. The Board should keep in mind that this is an implementation plan designed to meet FEMA standards. As you can see from the depth of detail provided by Mr. Bell, this plan goes beyond the eligibility requirements by FEMA and articulates the method in which determinations will be made and the funds will be distributed.

The District and the County will have to finalize an inter-local agreement addressing responsibilities once the District has approved the plan. Also, based on the acts taken by the Board on the 5th, the District Manager will draft a cover letter to accompany the plan to be submitted to Ms. Science Kilner at FEMA.

It is the District Manager's recommendation that the Board approve this plan for adoption as our Housing Assistance Program and submit to FEMA immediately for their inclusion in the environmental assessment process.

Key Largo Waste Water
Treatment District Implementation Plan

The Key Largo area is approximately 14.4 square miles in total size and lies in the upper keys approximately 40 miles south of Miami. Within the greater Key largo area, there three (3) communities that will be initially affected by this wastewater project: Key Largo Park, Key Largo Trailer Village, and Sunset Park. The 2000 Block Level population for the three (3) Key Largo communities was 712 (6.0% of the Key Largo CDP population of 11,886). The Block Level data includes only these communities and not the surrounding population included in the Block Group. FKAA service records show 645 residents (commercial and government users were deleted) for these three (3) communities are connected and use the water service. 36 % of these service recipients have residents other than Key Largo, Florida.

In the Programmatic Environmental Assessment (PEA), Section 3.7, FEMA discussed the Socioeconomics for the Key Largo CDP. U.S. Census (2000) data for the Key Largo CDP indicates that about 31% of families had Median Family Income (MFI) less than $35,000 per year and about 32% had MFIs between $35,000 and $59,999 per year. The remaining 37% had MFIs greater than $60,000. The corresponding average family size for the Key Largo CDP was 2.8 people. The estimated population under the poverty level for the Key Largo CDP is 996. For the Block Level population these three (3) Key Largo communities that are under the poverty level is 92 that represents 9.2%.

In 2003, the annual MFI for Monroe County was estimated at $56,500. The indicator known as the "poverty threshold" is set for the entire nation and, with the exception of Alaska and Hawaii, is not adjusted for local cost-of living differences. For the year 2003, the poverty threshold is set at an annual income of $15,250 for a household of three people (U.S. Census, 2003). In areas like the Keys, where the cost of living is higher than the national average, $15,250 consequently buys less, effectively making a household near the poverty threshold in the Keys poorer than similar households in areas where the cost of living is lower. The Monroe County Housing Authority currently uses the first two tiers of the U.S. Department of Housing and Urban Development's (HUD's) MFI-based income levels to administer its low-income assistance programs. To administer their programs fairly, HUD makes annual projections of MFI by county and adjusts for family size. The first two tiers of low- and very low-income levels are set as percentages of the county MFI. In 2003, the income limits for a family of three in Monroe County were $40,700 for the low-income level and $25,450 for the very low-income level.

Table below shows HUD's FY 2003 poverty, very low-and low-income levels for various family sizes in Monroe County.

	Number of People In Household				
	1	**2**	**3**	**4**	**5**
Low-Income	$31,650	$36,150	$40,700	45,200	$48,800
Very Low-Income	$19,800	$22,600	$25,450	$28,250	$30,500
Poverty	$11,850	$13,550	$15,250	$16,950	$18,300

Based on the above statistics, the FKAA estimates that up to 25% of homestead exempt property owners within the service area may be considered low- and very low-income (Note: A homestead exemption is a 3% annual limit on property tax increases, available to those property owners who are year-round county residents [FKAA, 2002]). As described in PEA Section 3.7, it has been determined that low- and very low-income service recipients would incur a financial hardship if their wastewater management costs increased.

The installation of systems that meet Florida Statutory Treatment Standards, under any of the alternatives, would improve water quality in shallow aquifers, canals, and near-shore marine waters, and to a lesser extent, off-shore marine waters as well. The resulting reduced fecal contamination and nutrient pollution would likely reduce adverse effects on public health. Low-income and minority populations are expected to benefit from these wastewater management improvements to the same degree as other Keys demographic populations.

Under the No Action Alternative, FEMA would not fund the Key Largo wastewater management projects. To comply with Florida Statutory Treatment Standards of 2010, residents and businesses would have to use other funding for improvements. As described in PEA Section 3.6.3 (Local Fees and Taxes), the No Action Alternative may result in higher wastewater management costs for Key Largo residents and businesses than would be expected with the benefit of FEMA funding. No disproportionately high or adverse effects on minority populations are expected, unless they are also low-income.

The No Action Alternative will not be considered, because under the No Action Alternative, households at or below the low-income level would incur financial hardship if their wastewater management costs increase to levels that approximate the affordability threshold cited in PEA Section 3.6.3.1.2, of near 2% of Median Household Income (approximately $75/month). Unmitigated, increased wastewater management costs would disproportionately and adversely affect low-income populations, as the increased financial burden would represent a higher percentage of their discretionary income.

Under Alternative 2, New Wastewater Treatment Plant Construction, the estimated system capital cost to service recipients, after grant funding has been applied, would be about $2,700, per EDU. In addition, property owners would pay for their abandonment and lateral costs, estimated to be between $1,500 and $5,000 per residence. The estimated monthly service operation and maintenance fee for continuing operation and maintenance of the WWTP would be about $35 per EDU, with no capital cost applied to the monthly service fee (Shelby, Pers. Comm., 2003).

Under Alternative 3, New Wastewater Transmission System Construction, costs to Key Largo service recipients are not expected to be comparable to those under Alternative 2. Alternative 3 is an environmentally sensitive and a cost prohibitive alternative that is a non-viable solution for Key Largo.

Executive Order (EO) 12898 (Environmental Justice), entitled "Federal Action to Address Environmental Justice in Minority Populations," directs Federal agencies "to make achieving environmental justice part of its mission by identifying and addressing, as appropriate, disproportionately high and adverse human health or environmental effects of its programs, policies, and activities on minority populations and low-income populations in the United States..." To reduce costs to low-income and very low-income service recipients in compliance with EO 12898, financial assistance guidelines have been developed.

Under this EO, FEMA has provided a minimum requirement to be met:

- Low-income property owners would receive assistance with at least 70% of their system capital cost; and 70% of their existing system abandonment and lateral costs, up to $3,000.

- Very low-income property owners would receive assistance with at least 90% of their system capital cost, and 90% of their existing system abandonment and lateral costs, up to $3,000.

The assistance guidelines presented above represent a minimum goal and will be required during project implementation in order for the Monroe County/FKAA to receive FEMA grant funding. Monroe County has adopted an Implementation Plan for utilization of county funds for the Key Largo program area and will meet the FEMA minimum requirements. This Implementation Plan is to be administered through the Monroe County Housing Authority (MCHA) for eligible households seeking assistance under this program. Costs to low-income service recipients may be further offset at the County's discretion. Further assistance could come from State grant funding made available from Community Development Block Grants, the State Housing Initiative Partnership Program, and/or a project contingency made available from existing State and Federal grant funding. The County has identified recently awarded CDBG funds that are available to help low-income wastewater service recipients throughout the county. However, because of the anticipated contracting to build the wastewater treatment facility, the present grant is expected to be exhausted and closed out before the treatment facility is completed. It is anticipated that the present CDBG Contract Agreement will be closed out in sufficient time to allow for another application to be applied for with DCA prior to sewer connection by the Key Largo residents.

The 90% / 70% assistance program set forth is designed to address the needs of low-income and very low-income property owners. FEMA does not have specific requirements under EO 12898 to assist low-income renters. The County will provide such assistance to homeowners that rent to income eligible tenants. The County intends to provide the same level of service to this renting population. With the implementation of the FEMA assistance program and the use of FEMA grant funding and Monroe County funding, no highly disproportionate or adverse affects would be felt by low-income or very-low income

As described in PEA Section 3.7, the estimated amount of assistance available to cover the system capital costs for homestead-exempt low- and very low-income property owners for Alternative 2 for Key Largo is shown on the next page.

Low-Income and Very Low-Income Funding Assistance for the System Capital Cost of $2,700

	Amount of Assistance % of Connection Fee Covered	Estimated System Capital Cost After Assistance	Estimated Annual Payment Assessed with Property Tax*
Low-Income Qualified Family	70%	$810.00	$65.00
Very Low-Income Qualified Family	90%	$270.00	$22.00

* Amortized annual payment of principal plus interest at 5.0% under a 20-year non-ad valorem special assessment. Actual interest rates at the time of assessment issuance will vary.

Low-income property owners would receive assistance with at least 70% of their system capital cost; and 70% of their existing system abandonment and lateral costs, up to $3,000. Very low-income property owners would receive assistance with at least 90% of their system capital cost, and 90% of their existing system abandonment and lateral costs, up to $3,000. Under Alternative 2, for low-income property owners, the estimated resulting system capital cost after assistance would be about $810 in one payment or about $65.00 a year for 20 years (about $1,300.00 total). For very low-income property owners, the estimated resulting system capital cost after assistance would be about $270 in one payment, or about $22.00 a year for 20 years (about $433.00 total).

Under both Alternative 2 and 3, property owners unable to pay their system capital cost in full at the time of availability of service would be able to make amortized annual payments of principal plus interest under a 20-year, non-ad valorem special assessment, which would be included on their annual property taxes (FKAA, 2003).

Because the property owner's total cost for abandonment and lateral costs will vary from one property to the next, it is not possible to estimate the final cost with the assistance program. Nevertheless, the assistance program would cover at least 90% of this cost for very low-income

property owners (up to $3,000 total) and at least 70% of this cost for low-income property owners (up to $3,000 total).

At this time, no programs would be available to help low- and very low-income populations with the payment of monthly operation and maintenance fees.

The Community Development Program Administrator, Special Programs Office (SPO), Monroe County Housing Authority (MCHA) will be administrator of this program and implement the program.

The Implementation Plan is administered according to the County's Housing Assistance Plan (HAP)(Amended).

In part, the HAP states that all funds awarded will be in the form of grants to the homeowners and loans to property owners providing rentals to qualified beneficiaries.

The process for selecting, accepting, reviewing and approving requests for assistance will be by advertisement in local newspapers of general circulation on at least four occasions. This process will provide a minimum sixty (60) day application period. Additional outreach activities shall include, press releases, announcements at public meetings and notification to the following: non-profit organizations, social service providers, local churches, daycare providers and organizations serving the elderly. Any subsequent application periods necessary shall meet the criteria outlined above.

Properties to be addressed shall meet all of the following criteria:

Priority #1

- Single family
- Owner occupied
- Primary residence
- Contain Housing Code, Housing Quality Standards or Health/Safety Violations or sewer connection requirements

Priority #2

- Property owners
- Single family or multifamily rental properties
- Occupied by qualified beneficiaries has sewer connection requirements.

Applications received within the application period(s) which meet the primary criteria above shall be prioritized based on the schedule outlined herein. Those household/projects receiving the greatest priority score shall be addressed until all available funding has been expended.

Priorities	
Elderly (one owner greater than 62 yrs.)	10
Disabled household member	10
Documented Multiple Housing Code violations	10
Very low income	05
Children in household (greater than 2)	05
Length of Ownership (greater than 15 yrs.)	05
(0-5yrs = 0; 6-10yrs = 2; 11-15yrs = 3; 16yrs+ = 5)	
Single head of household (2 or more persons)	05

Note: In the event of tie scores, very low-income households will receive priority.

The Monroe County will address sewer connections of property owners of single family or multifamily rental properties, occupied by qualified beneficiaries. In the event of funds availability and completion of all applicants under priority #1, the County will address the sewer connection under this process. Assistance will be provided as a loan. Applicants will execute a note secured by a mortgage on the subject property. The term of the note will be for five (5) years at zero (0) percent interest and requires no regular payments. The principal balance shall be forgiven by 1/5th annually on the anniversary date. The mortgage shall contain affordability covenants that require that during the term of the loan, the property shall be rented on an annual lease to very low- and low-income households subject to annual income certification.

Prior to starting the application process, a pre-application survey will be conducted to collect specific demographic data for the three (3) Key Largo communities. The data will assist in determining the number of participants and the level of funding that will be required to meet the FEMA mitigation requirements. This survey will also provide an advanced announcement of the funding assistance available to the residents.

At a later date, following the contracting for the construction of the wastewater treatment facility, the application process will begin. The process is based on of the County HAP. The application consists of: a cover letter; application instructions; application form for information on address, household composition, income level, and, status – owner-occupied, primary residence or owner renting to eligible tenant; release form; resident income certification form; social security consent for release of information form; statement of no tax return form. The SPO staff works with each applicant to ensure the forms are completed correctly, with the necessary supporting documents. After the application period has closed and all applications are completed, a letter from the SPO staff is sent to the applicant. The letter is provided to inform the applicant that they have a complete application and that the have or have not met the CDBG applicant eligibility requirements.

Once all applicant issues are resolved, an order-of-merit listing is prepared for approval by the CATF and forwarded to the BOCC for conflict of interest resolution and approval. Based on the funding allocated, and the number of applicants on the list, a household dollar amount will be awarded to each applicant.

When the funding for each household is known, the SPO staff sends a letter of commitment to the household that will include instructions on contracting a plumber to connect their home to the sewer system and their septic/cesspit abandonment. At this point the SPO staff works directly with the applicant to ensure timely payments are made to the plumbers and the contract requirements are being met, i.e., permits obtained, county inspections made, DOH certifications received for system abandonment, etc. Payments are for work completed.

To pay for this program, funding requests are made to DCA from a combination of the individual funding amount awarded to the eligible household and the plumbing contractor costs. The owners, primary-residence receives the money as a grant. The owners renting to income eligible tenants, receive their funding in the form of a promissory note, as stated in the HAP. The SPO staff coordinates all of the payments through the County.

KLWTD Board Meeting
November 5, 2003

Item F – 8

Proposed Agreement for Professional Service for Legal Counsel

MEMORANDUM TO THE BOARD

TO: Key Largo Board

FROM: Robert Sheets

SUBJECT: Proposed Agreement for Professional Services for Legal Counsel

DATE: October 29, 2003

Attached for your review and consideration is an Agreement between the Key Largo Wastewater Treatment District and Thomas M. Dillon to provide services as the District's legal counsel. As you can see, we have kept the contract simple yet both Mr. Brooks and I believe this addresses the essence of the agreement and arrangement between the District and Mr. Dillon. We have also included a termination provision and a requirement that all records and information be returned to the District upon notice of termination. It is Mr. Brooks and the District Manager's recommendation that this agreement be approved.

cc: Thomas M. Dillon
Faith Doyle

Agreement for Legal Services
By and Between
Thomas M. Dillon
And
Key Largo Wastewater Treatment District

THIS agreement is entered effective October __, 2003, by and between Thomas M Dillon (Attorney) and the Key Largo Wastewater Treatment District (District).

Attorney agrees promptly and diligently to provide legal services as requested by District in connection with District's business, as requested by District's Board of Commissioners and by individual Commissioners and other representatives of District who have been duly authorized by the Board of Commissioners to request legal services on behalf of District.

Attorney has acknowledged the need to conduct certain types of activities necessary to familiarize himself with Florida law, usages, customs, practices, and persons with who District conducts business. Attorney will perform these activities at no cost to District. For other services, District agrees to pay Attorney at the following rates:

1. For each public meeting of District, $100.00, to include review of the meeting notice and agenda, attendance at the meeting for the purpose of providing legal services, and review of the meeting minutes.

2. For other services, up to and including fifteen hours in any calendar month, $95.00 per hour.

3. For other services, in excess of fifteen hours in any calendar month, $135.00 per hour.

4. District shall reimburse Attorney for travel costs, including travel, meals, and lodging, at rates approved by District and consistent with Florida Statutes 112.061, provided that Attorney shall not charge for travel within or to Monroe County or Dade County, Florida.

After the close of each calendar month, Attorney shall deliver to District a detailed invoice showing charges and reimbursable expenses incurred in the preceding month. Payment shall be due within 45 days after receipt of an invoice. If any part of the charges or expenses is disputed, District shall promptly pay Attorney the undisputed amounts and advise Attorney of any amounts in dispute.

This is an "at-will" contract. Either party may terminate this contract upon thirty days' written notice to the other party. In case of termination, Attorney shall cooperate with District in transferring responsibility for legal issues to a successor attorney selected by

the District, and will return all documents and record of the District, and District shall compensate Attorney at the rates provided above for all services rendered prior to the effective date of termination.

District's contact for invoicing and general communications is:.

Robert E. Sheets
KLWTD General Manager
c/o Government Services Group, Inc.
1550 Mahan Drive, Suite 250
Tallahassee, FL 32308
Telephone: (850) 681-3717

Attorney's business contact information is:

Thomas M. Dillon
94220 Overseas Highway, #2B
Tavernier, FL 33070
Telephone: (305) 852-1996).

IN WITNESS WHEREOF the parties have signed this agreement on the dates opposite their names.

KEY LARGO WASTEWATER TREATMENT DISTRICT	THOMAS M. DILLON
By _____	_____
Its _____	Thomas M. Dillon
Date _____	_____

KLWTD Board Meeting
November 5, 2003

Item J – 4 a

J. Commissioner's Items

4. Discussion for possible action modifying/reducing the scope of the Key Largo Park project – Commissioner Wilkinson

    a. Detailed review of total costs of Alternate A, Alternate B and Alternate C. compared to available grant monies for the Key Largo Park without including any of the Recovery Capital Cost funds ($2,700 per EDU).

Commissioner Wilkinson's comments for J 4.a.

One of a medical doctor's creeds is "do no harm." Since this is not possible if we do any of the proposed wastewater projects, I wish to "do as little harm as possible." The harm that I see for the citizens of Key Largo with this "guinea pig project" without a history and long term track record (30 to 50 years) for vacuum collection methodology and the uncertainties of AWT treatment methodologies along with the mandated decommissioning of septic tanks all in "hurricane alley" could be financial ruin of the present property owners and enrichment of investment seekers.

Until proven otherwise, I am reversing my once grandiose concept of sewering all of KLP, US-1 businesses and Sunset Waterways. I wish to pursue an ultraconservative scope to absolutely insure a selected project completion and preserve maximum future funds. I recall Richard Smith of FDEP approving only the basic bid scope of 79 EDU's. The smaller Sunset Waterways of an estimated 22 EDU's may not over extend our actual available and remaining grant funds. An accurate figure of dedicated funds will be needed for this decision.

I am of the opinion there are not sufficient funds to do the proposed Alternate A and B without seriously jeopardizing our (the citizens) financial position. I do not understand why the cost of Alternate B without many valve pits is greater than Higgins' original bid of $2,792,000 plus his negotiated reduction in unit prices.

KLWTD Board Meeting
November 5, 2003

Item J – 4 b

J. Commissioner's Items

4. Discussion for possible action modifying/reducing the scope of the Key Largo Park project – Commissioner Wilkinson

   b. Reducing the scope of Key Largo Park project to the original 79 basic bid EDU's with the possibility of inclusion of Sunset Waterways subdivision and/or including or excluding the businesses along US-1.

Commissioner Wilkinson's comments for J 4.b.

The proposed $2,700 capital recover costs should be considered exactly as the Monroe County considers the repayment of the $914,000 loan - recovering and recycling for future projects. Our use of these funds should be to plan and be ready for future grants by having funds for a speedy engineering/management/operation plan for selected future projects and not as contingency for change orders, etc. I suggest that not even one dollar of the Capital Recovery dollars be spent for the two present projects.

KLWTD Board Meeting
November 5, 2003

Item J – 4 c

J. Commissioner's Items

4. Discussion for possible action modifying/reducing the scope of the Key Largo Park project – Commissioner Wilkinson

    c. Establish a specific percentage of fixed reserve grant funds for contingencies

Commissioner Wilkinson's comments for J 4.c.

While listening to the videotape of October 15, 2003 BOCC meeting, during the discussion of wastewater issues it was mentioned that it was customary to reserve 5 percent for contingencies. Since we are neophytes, our projects have been handed to us by the county/FKAA, original KLP plans unusable, exact funds and actual expenses are unknown, and lack of established track record and financial data for vacuum collection systems and AWT treatment processes, I suggest that as much as 10 percent be held in reserve for unknown events. Only the redesign costs for KLP should be approved carried forth Haskell change order (Engineer of Record).

FEMA PUBLIC NOTICE
DRAFT SUPPLEMENTAL ENVIRONMENTAL ASSESSMENT FOR THE PROPOSED *KEY LARGO TRAILER VILLAGE AND KEY LARGO PARK* WASTEWATER PROJECTS

The Federal Emergency Management Agency (FEMA) has received a grant application from the Florida Keys Aqueduct Authority, in coordination with Monroe County and the Key Largo Wastewater Board (Board); to fund construction of a wastewater plant and collection system serving Key Largo Trailer Village, Monroe County, Florida. The proposed project would be funded through FEMA 1249-DR Post Disaster - Unmet Needs funds, as noticed on August 6, 1999, in Vol. 64 No. 151 of the *Federal Register*. Matching funds will be provided through the Florida Division of Emergency Management (FDEM) and local sources. Additionally, the Florida Department of Environmental Protection (FDEP) is considering grant funding to the Board for construction of a wastewater collection system serving Key Largo Park, Monroe County, Florida. The FEMA funded wastewater plant noted above would also provide wastewater treatment for the Key Largo Park service area. The purpose of the projects is to improve nearshore water quality in the Key Largo area through better wastewater treatment; consistent with the Monroe County Sanitary Wastewater Master Plan and to meet State requirements (Chapter 99-395 Laws of Florida) by 2010 per the *Monroe County Year 2010 Comprehensive Plan.*

FEMA has completed a Programmatic Environmental Assessment (PEA) for Wastewater Management Improvements in the Keys, for various wastewater projects including Key Largo. A Programmatic Finding of No Significant Impact (FONSI) has been issued for the PEA. A Draft Supplemental Environmental Assessment (SEA) of the proposed action on Key Largo is now complete, which focuses on site/project specific issues. These documents were prepared pursuant to the National Environmental Policy Act (PL 91-190) and associated environmental statutes, as implemented by FEMA's regulations 44 CFR Part 10; and in accordance with Presidential Executive Order 11988 (Floodplain Management); as implemented in 44 CFR Part 9.

Project Alternatives:
Alternatives considered in the SEA include:

- No Action Alternative 1: No FEMA/FDEM grant funding would be applied to the Key Largo service areas, which would continue to use their existing wastewater treatment systems, and funding would have to be obtained from other sources to meet the State 2010 requirements and deadline;
- Action Alternative 2 (proposed): FEMA/FDEM grant funding is applied towards construction of a community wastewater collection system and treatment plant serving Key Largo Trailer Village; with the plant sited on the oceanside at Mile Marker 100.5 immediately northeast of Atlantic Drive, FDEP funding would be applied towards construction of a collection system serving Key Largo Park;
- Action Alternative 3: FEMA/FDEM/FDEP grant funding would be applied as described under Alternative 2, but the treatment plant would be sited on the oceanside near Mile Marker 98 at 97951 Overseas Highway;

Notice of Draft Supplemental Environmental Assessment Available for Comment:
The DSEA addresses the purpose and need of the proposed project, project alternatives considered, the affected environment, project and site-specific environmental consequences, and impact mitigation measures. Comments to the DSEA will be accepted from the affected public; local, state and federal agencies; and other interested parties in order to consider and appropriately scope and evaluate the likely effects of the proposed Key Largo project alternatives on the physical, biological, and social/built environment. Comments should be made in writing and sent to the FEMA official listed below or given at the public meeting. Comments will be accepted no later than December 19, 2003. The DSEA may be accessed as indicated below, the PEA and FONSI may also be accessed at these locations, however the public comment period for the latter two documents has passed.

- The DSEA may be viewed and downloaded at the following website: http://www.fema.gov/ehp/docs.shtm
- A copy of the DSEA will be available for viewing at the following public repository
  - Key Largo Branch Library, 101485 Overseas Highway, Key Largo

Public Meeting Notice:
A public meeting has been scheduled for the DSEA. The purpose of the meeting is to present the DSEA, discuss the issues and gather information, and receive public comments.

- DECEMBER 3, 2003 from 6:30 to 9:30pm – *location to be determined,* Key Largo

Point of Contact:
Ms. Science Kilner, Lead Environmental Specialist
FEMA Region IV
3003 Chamblee Tucker Road
Atlanta, Georgia 30341
Fax: (770) 220-5440

GSG
Government Services Group, Inc.

Government Services Group, Inc.
Dedicated to solving funding and service delivery issues in the public sector

614 North Wymore Road • Winter Park, FL 32789 • Phone (407) 629-6900 • Fax (407) 629-6963

Urgent

Fax Transmittal

TO: Robert Sheets

From: Tavitha

Subject: KLWTO DEP grant schedules

Date: 11-4-03 **Fax No.**

This transmittal consists of 5 *page(s). Please call 407-629-6900 if you have not received all pages indicated.*

Original FDEP LP0338

Grantee must ensure that all construction necessary for a complete and operable wastewater management system is undertaken in a timely manner.

C. PROJECT SCHEDULE:

Completion of Project activities below shall be accomplished before March 1, 2003 to comply with statutory requirements. The schedule for completion of Project activities under (6)(a) through (o) may be adjusted in the event that this Agreement is amended to provide for grant disbursements. All submittals shall be made by the Recipient's Grant Manager to the Department's Grant Manager.

(1) Creation of revenue generation system (rates, fees, and assessments) for recovery of capital costs and operation/maintenance costs (submittal to the Department is required).

(2) Establishment of an implementation plan for completing work on private property such as decommissioning on-site treatment and disposal systems and connection to the centralized collection system (submittal to the Department is required).

(3) Establishment of requirements for connection to the wastewater management system (submittal to the Department is required).

(4) Certification of availability of local share of the costs of the complete wastewater management system (submittal to the Department is required).

(5) Procurement of services for the following:

- (a) Utilities engineering
- (b) Legal
- (c) Financial
- (d) Administrative (record keeping and audit capability)
- (e) Construction bid evaluation and design/build proposal evaluation

(6) Submittal of a projected schedule for the following activities:

- (a) Updating the above **Section A** Project Budget information
- (b) Bid tabulation and award recommendation for Key Largo Park construction
- (c) Public notice and public participation in Project decisions
- (d) Procurement of services for Construction Management
- (e) Design/build contract award for Key Largo Trailer Village
- (f) Construction contract award for Key Largo Park
- (g) Initiate design/build activities for Key Largo Trailer Village
- (h) Initiate construction activities for Key Largo Park
- (i) Certification of availability of the all Key Largo Park wastewater collection/transmission system sites, including easements and rights-of-way

(j) Complete construction of Key Largo Park facilities

(k) Complete construction of Key Largo Trailer Village facilities

(l) Certification of initial collection of fees, charges, and assessments

(m) Solicit services of operating entity for wastewater management system

(n) Operations contract award

(o) Certification of wastewater management system operability

(7) Certification of availability of the treatment plant site, including injection well disposal (submittal to the Department is required)

(8) Certification of receipt of Key Largo Trailer Village design/build proposals

(9) Certification of receipt of Key Largo Park construction bids (submittal to the Department is required)

FDEP LP0338
Am No 1

system. Therefore, the Grantee must ensure that all construction necessary for a complete and operable wastewater management system is undertaken in a timely manner.

SECTION C. PROJECT SCHEDULE:

After activity items (1) through (3) have been completed, the schedule for completion of the remaining Project Work activities may be adjusted by mutual agreement of the Department and the Grantee. All submittals documenting completion of the activities shall be made by the Recipient's Grant Manager to the Department's Grant Manager.

AP (1) Formal Resolution for award of Key Largo Park construction contract not later than ~~April~~ MAY 14, 30, 2003.

AP MAY 14 (2) Formal Resolution for award of Key Largo Trailer Village design/build not later than ~~April 30~~, 2003.

(3) Update the above **Section A** (Project Budget) information based on proposed contract award amounts. Identification of the available Federal, State, and Local funding that will be required to accomplish construction not later than May 15, 2003.

(4) Complete all Key Largo Park permitting activities by June 30, 2003.

(5) Certification of availability of the all Key Largo Park wastewater collection/transmission system sites, including easements and rights-of-way not later than June 30, 2003.

(6) Initiate design/build work for Key Largo Trailer Village not later than July 15, 2003.

(7) Initiate construction for Key Largo Park not later than July 15, 2003.

(8) Formal adoption of District Rules or equivalent legal means for enforcing sewer connections, sewer use requirements, as well the imposition of wastewater utility tariffs and collections not later than March 1, 2004.

(9) Certification of establishment of Municipal Services Taxing Unit not later than March 1, 2004.

(10) Certification of initial collection of fees, charges, and assessments not later than May 30, 2004.

(11) Solicit services of operating entity for wastewater management system not later than June 30, 2004.

(12) Complete construction of Key Largo Park facilities not later than August 30, 2004.

(13) Start-up of wastewater treatment plant not later than September 30, 2004.

(14) Complete construction of Key Largo Trailer Village facilities not later than January 30, 2005.

(15) Certification of wastewater management system operability not later than February 28, 2005.

TDEP LP0338
Attachment 2

system. Therefore, the Grantee must ensure that all construction necessary for a complete and operable wastewater management system is undertaken in a timely manner.

SECTION C. PROJECT SCHEDULE:

The schedule for completion of the Project Work activities may be adjusted by mutual agreement of the Department and the Grantee. All submittals documenting completion of the activities shall be made by the Recipient's Grant Manager to the Department's Grant Manager.

(1) Provide certification of availability of the all Key Largo Park wastewater collection/transmission system sites, including easements and rights-of-way not later than July 30, 2003.

(2) Initiate design work for Key Largo Trailer Village not later than August 15, 2003.

(3) Procure the services of a construction manager not later than September 15, 2003.

(4) Identify number of Equivalent Residential Units to receive wastewater management service in Key Largo Park and in Key Largo Trailer Village not later than October 15, 2003.

(5) Update the above **Section A** (Project Budget) information, not later than November 15, 2003, based on costs incurred, contract award amounts, and change orders issued. Confirmation of the available Federal, State, and Local funding will be required.

(6) Initiate construction for Key Largo Park not later than November 15, 2003.

(7) Formally adopt District Rules or equivalent legal means for enforcing sewer connections, sewer use requirements, as well the imposition of wastewater utility tariffs and collections not later than March 1, 2004.

(8) Provide certification of establishment of the Municipal Services Taxing Unit not later than March 1, 2004.

(9) Solicit services of operating entity for wastewater management system not later than October 15, 2004.

(10) Provide certification of initial collection of fees, charges, and assessments not later than January 15, 2005.

(11) Complete construction of Key Largo Park facilities not later than January 15, 2005.

(12) Start-up of wastewater treatment plant not later than January 15, 2005.

(13) Complete construction of Key Largo Trailer Village facilities not later than July 15, 2005.

(14) Provide certification of wastewater management system operability not later than April 15, 2005.

Key Largo Wastewater Treatment District

Guest Sign In Sheet

Wednesday, November 5, 2003

****Please Print****

	Name & Company	E mail	Phone
1.	Joe Bell	ORACLEJOE@AOL	451-2799
2.	Stuart Oppenheim	soppenheim@brwncaldi.com	418-4090
3.	Brown and Caldwell		
4.	NosEspot Rabazza	BOOCZAR@AOL.com	813 6770041 813 3107030
5.	R. E. BURT KLTV	RootSSAR@email.com	305-451-4894
6.	Paul Kinsley Haskell	pmkinsle@thehaskellco.com	904/357-4868
7.	Vicky Fay	VICKYFAY@TERRANOVA.NET	451-5517
8.	Dottie & Tom Moses	tmoses@bellsouth.net	
9.	BURKE CANNON		852-6129
10.	Gibbs	Free Press	
11.	Chris Schrader	ecosysop@aol.com	852-1952
12.	John Hammerstrom	johnhammer@bellsouth.net	852-8722
13.	William English	William.English@Thehaskellco.com	904 759-8110
14.			
15.			
16.			
17.			
18.			
19.			
20.			

Thomas M. Dillon

Memo

To: Key Largo Wastewater Treatment District

From: Thomas M. Dillon

CC: GSG

Date: 11/5/2003

Re: Activity Report for 11/5/2003 Board Meeting

I met with the District Board at its public meeting of October 15, 2003, to outline my proposal to provide legal services to the District. I understand that the Board selected me as the District's attorney that same evening. I have drafted a contract to be approved by the Board, which is on tonight's agenda.

Since October 15, I have agreed to share office space with Diane McGuire in Suite 201 of the Bank of America Building, located at 99551 Overseas Highway, in Key Largo. I expect to begin occupying the office space within the next week and to obtain a business license within the same time frame.

Following is a list of the activities in which I have been engaged on behalf of the District since October 15:

- Attended the October 17, 2003 Special Meeting of the Board to learn about the USBF and SBR technologies.
- Participated in Working Group conference calls on October 27 and November 3.
- As part of my effort to get up to speed on District issues, met separately with Mr. Bauman, Mr. Tobin, and Mr. Brooks, reviewed the Monroe County Sanitary Wastewater Master Plan, and toured the areas in which the initial facilities will be constructed.
- Prepared a memorandum regarding the question whether GSG, as General Manager for the District, had a conflict of interest on account of its efforts to provide services to Monroe County.
- Prepared memoranda concerning the warranties offered by Fluidyne, Roediger, Purestream, and Randazza.
- Prepared a memorandum concerning procedures for election of officers.
- Prepared a memorandum concerning the permissibility of e-mail communications between Board members under the Government-in-the-Sunshine Act.
- Reviewed and approved as to form the Standard Engineering Contract form.

Following is a list of pending activities:

- Review the terms of the land transfer deed restriction proposed by Monroe County.
- Review the terms of a proposed agreement between the District and the Florida Keys Aqueduct Authority

In my presentation of October 15, I said that I believed that it was most appropriate for the District's attorney to provide legal services in response to requests from the Board as a whole or from individual Board members pursuant to a policy to be adopted by the Board. In fact, I have undertaken legal work on the basis of my belief that the Board required advice on the matters above, without a specific request from the Board as a whole. I trust that the Board will let me know if it believes that I should wait for specific requests from the Board as a whole.

As of yesterday, since October 15, I have spent approximately 17.4 hours of billable time at $95.00 per hour and 9.8 hours of non-billable time on District affairs.

THE HASKELL COMPANY
AMERICA'S DESIGN-BUILD LEADER®

Peter M. Kinsley
Division Leader - Water

October 31, 2003

Re: Wastewater Management System For
The Key Largo Trailer Village Area
Key Largo, Florida
Issue No. 01-003 – Secondary Treatment Process Selection – Notice of Delay

Mr. Robert Sheets
Government Services Group, Inc.
1500 Mahan Drive
Suite 250
Tallahassee, Florida 32308

Dear Mr. Sheets:

In response to Key Largo Wastewater Treatment District's postponement of secondary treatment process selection during the October 17, 2003 special board meeting, we offer the following:

- In accordance with Paragraph 6.2 of the Design-Build Agreement, The Haskell Company is hereby notifying the Key Largo Wastewater Treatment District that our firm is being delayed by causes beyond our control and that additional cost and or schedule compensation may be required. As this is a continuing delay, final determination of the cost and schedule impact associated with this issue will be pending selection of the secondary treatment process.

The Haskell Team remains committed to this very important project and will work diligently with the Key Largo Wastewater Treatment District to mitigate damages, to the furthest extent possible, associated with this situation. In order to minimize project delay, it is imperative that secondary treatment process selection occurs as soon as possible.

Should you have any questions or require further information, please do not hesitate to contact me at (904) 357-4868.

Sincerely,

Peter M. Kinsley

RECEIVED
NOV 03 2003

cc: Issue No. 01-003
Mr. Stuart Oppenheim, Brown and Caldwell
Mr. Walt Messer, DN Higgins, Inc.

Thomas M. Dillon

Memo

To: Key Largo Wastewater Treatment District

From: Thomas M. Dillon

CC: GSG

Date: 11/4/03

Re: Review of Standard Professional Services Contract

Note: This memorandum constitutes attorney work product and attorney communications.

Following are my comments on review of the Standard Professional Services Contract form used by the District. I used The Weiler Engineering Corporation contract (Weiler contract) as the template for my review, based on my understanding that this contract incorporates the standard terms used by the District.

Paragraph 14.3, line 2, contains erroneous references to "paragraph 15.7 entitled 'Required Insurance.'" The correct references are to paragraph 14.7.

Paragraph 14.7 establishes the required insurance limits. Is there some standard reference upon which these limits were based?

Except as noted above, I approve the Standard Professional Services Contract form as to form.

Thomas M. Dillon

Memo

To: Key Largo Wastewater Treatment District

From: Thomas M. Dillon

CC: GSG

Date: 11/3/03

Re: Procedure for election of officers

Note: This memorandum constitutes attorney work product and attorney communications.

I have reviewed Mr. Wilkinson's email of November 2, 2003 regarding the procedure for election of officers. I understand that the Board has not adopted election procedures, but intends to govern itself generally according to Robert's Rule of Order.

Robert's Rules provides general guidance in Rule 66, Nominations and Elections, in relevant part as follows:

> Before proceeding to an election to fill an office it is customary to nominate one or more candidates. This nomination is not necessary when the election is by ballot or roll call, as each member may vote for any eligible person whether nominated or not. When the vote is viva voce or by rising, the nomination is like a motion to fill a blank, the different names being repeated by the chair as they are made, and then the vote is taken on each in the order in which they are nominated, until one is elected. The nomination need not be seconded.

Since the Board has not, to my knowledge, adopted election procedures, it may be appropriate to develop them prior to the actual election.

I recommend that the Board consider a procedure similar to that proposed by Mr. Wilkinson, amended as follows:

- Nominations do not require a second, and a member should be permitted to nominate himself,
- The Board should establish and enforce a fixed amount of time for each candidate to state his platform/goals/direction,
- If the Board desires to allow closing or rebuttal presentations, the amount of time available for closing or rebuttal should be not more than 3-5 minutes,
- At the conclusion of all presentations, the Board should take a roll call vote to see if it can elect a nominee without further proceedings,
- If no nominee receives a majority vote, the nominees should be voted upon in the order of their nomination until one is elected, with no further debate or discussion.

Faith Doyle

From: Jerry Wilkinson [jerry142@terranova.net]
Sent: Sunday, November 02, 2003 2:45 PM
To: Faith Doyle; Robert Sheets
Cc: Tom Dillon; Cris Beaty; Charlie Brooks; Andy Tobin; Gary Bauman
Subject: Election of Board Officers

Robert:

Per your conversation and with the absence of any other approved procedure for the annual election of KLWTD Board governing officers, the apparent practice from the first year's operation, appearance that the Chair is not solely ceremonial or parliamentary, the board members are under the Sunshine Law, the appearance of being a "strong mayor" position, and the apparent position the media/press places on the Chairman; I wish to modify the November 5, 2003 agenda Item F.1. for the election of officers:

Round 1: The Board will poll itself for those who will accept the nomination for next year's chairman. (This establishes a possible slate.)

Round 2: Board members willing to serve as Chairman will state his/her platform/goals/direction, if any, that he/she wishes to pursue.

Round 3: Any closing or rebuttal comments.

Round 4: Nominations with a second and subsequent roll-call vote for the election of Chairman, Vice-Chairman and Secretary/Treasurer. If so desired, the same four rounds may be used for each elected officer/position.

If this is too late to modify the agenda (I assume it is), please provide printed copy to the Board members for consideration of agenda Item D.

I will be in Key West all day Monday.

Jerry

Thomas M. Dillon

Memo

To: Key Largo Wastewater Treatment District

From: Thomas M. Dillon

CC: None

Date: 11/3/2003

Re: Government Services Group, Inc. (GSG) Possible Conflict of Interest

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Note: This memorandum constitutes attorney work product and attorney communications.

At the request of Mr. Tobin, I have reviewed the question whether the efforts of GSG to do business with Monroe County (County) constitutes a conflict of interest and, if so, whether the District should, or must, terminate the GSG contract because of the conflict. As further shown below, it is my opinion based on the facts currently known to me, that there is no conflict of interest that would require the District to terminate its contract with GSG. However, if the District determines that GSG's ability to act on the District's behalf as a liaison with Monroe County has been, or may be, limited as a result of GSG's contract or discussions with the County, the District should consider whether it desires GSG to continue to act in that capacity, or to continue to provide services to the District at all. In any case, the District and GSG have the ability unilaterally to terminate the contract, with or without cause, on 90 days' written notice.

I. FACTS

A. GSG Contract.

Effective April 9, 2003, the District and GSG entered into a contract entitled "Management Services Agreement" (the contract) under which GSG agreed to provide specified services generally described as administrative, management, and consulting services to the District. Among other things, GSG agreed to:

> Serve as inter-governmental liaison between the District Board and local governments in which the District provides utility service as follows: (1) coordinate service extensions with the local government's comprehensive plan; (2) communicate with local public officials on all matters that pertain to the District; and (3) attend city and county governing board and staff meetings, when requested, to discuss District issues (Contract § 2.02(C)).

In addition, the contract provides that either the District or GSG may terminate the contract on 90 calendar days' written notice (Contract §4.06). Finally, the contract provides that:

> The General Manager [GSG] represents that it presently has no interest and shall acquire no interest, either direct or indirect, which would conflict in any manner with

> the performance of services hereunder. General Manager further represents that no persons having such interest shall be employed to perform those services (Contract § 4.07(A)).

Although the contract purports to limit GSG's responsibilities to the District to very specific duties, GSG's responsibilities for intergovernmental relations are broad: GSG is responsible for communicating with local public officials on all matters that pertain to the District. Clearly officials of the County are local public officials, and some of them may be persons with responsibilities related to District business and responsibilities.

Since the contract incorporates an express conflict of interest provision, I believe that a court reviewing the contract would conclude that the parties considered that provision to be a material part of the contract, breach of which would entitle the District to terminate the contract for cause. However, the contract does not provide a termination for cause procedure that is different from the procedure for termination without cause.

B. District relationships with the County

The District is an independent special district created under Chapter 189, Florida Statutes. The District has exclusive jurisdiction over the acquisition, development, operation, and management of a wastewater management system in and for the District, which is located entirely within the County. The District has the authority to assess ad valorem taxes and non-ad valorem assessments, and to issue bonds, but cannot create county or municipal debts. The District can enter into contracts with governmental entities, including the County, and other organizations. If the District ceases to do the business for which it was created, all of its property shall become the property of the County.

In general, the District and the County have common interests in providing wastewater management for the benefit of the Florida Keys. However, there are instances in which the interests of the District and the County may not coincide. For example, the District and the County have differing interests with regard to transfer of land from the County to the District, encroachment on county roads for District facilities, and a loan of money from the County to the District. In addition, since capital funds for the District will come, in part, from grants obtained by the County and distributed among various wastewater management authorities within the County, the District competes with the other authorities for those funds.

The District's success in providing wastewater management within its jurisdiction will depend, in part, on the relationship between the District and the County. The quality of that relationship will affect the success of the District in negotiating land transfers and permits from the County on terms acceptable to the District, as well as the success of the District in competing with other authorities for funds to be distributed by the County.

C. GSG Solicitation of County Business.

By letter dated May 6, 2003 GSG submitted a letter to Carol Cobb of the County proposing to provide services to the County with respect to its Solid Waste Assessment Program. The services described in Appendix A to the letter appear to deal exclusively with solid waste, and not wastewater. Robert Sheets has advised me by email that GSG has signed a contract with the County to perform these services. I do not view these services as being in conflict with GSG's obligations to the District.

In addition, Mr. Sheets has advised me that:

> GSG has no proposals outstanding with the County regarding wastewater. We have only had discussions regarding assisting the County in resolving the connection fee (cost) issue in Stock Island and helping the County attract more CDBG funds.

These discussions are of some concern because they constitute discussions about wastewater. If GSG were to contract with the County regarding wastewater issues, GSG will assume a position of trust with the County. I think that it will be difficult, if not impossible, for GSG to discharge its responsibilities to the District and to the County if GSG assumes advisory responsibilities in connection with the distribution of grant funds among the various authorities or in connection with other issues in which the District's position is not entirely consistent with that of the County.

II. CONCLUSIONS

I note first that the District and GSG have the right unilaterally to terminate the contract on 90 days' written notice with or without cause. The following discussion relates to the question whether there is cause to terminate the contract. The contract does not appear to provide a different procedure if termination for cause, as opposed to termination without cause.

The term "conflict of interest" has several meanings. The sense in which it is usually used is the case where an agent has a relationship of trust with a principal, who relies on the agent to act in the principal's best interest, but the agent instead uses her relationship of trust for self-enrichment to the detriment of her principal. In my view, if that type of conflict of interest were to occur, the District, as a steward of public funds, would have little or no alternative to terminating the agent's services.

Another type of conflict of interest occurs when an agent takes actions that might limit her ability to fulfill her duties to her principal. In that type of conflict, the District is not required to terminate the agent's services, but may do so if the District concludes that the limitation of the agent's ability to fulfill the principal's requirements has been damaged to an extent such that the District will not receive the full benefit of the agent's services.

I am not aware of any facts that would imply that GSG has done or contemplated anything that might result in enrichment of GSG to the detriment of the District. However, it is possible that, by entering into a contract with Monroe County, GSG may be less able to act effectively as an advocate before the County of the District's interests.

For instance, if the County were to retain GSG's service in connection with distributing grants for wastewater management, the County would properly expect GSG to use its judgment in recommending a priority among the potential grant recipients. At the same time, the District would properly expect GSG to make the best case possible for directing grant funds to the District to meet its construction needs. In that case, GSG's ability to act as an advocate for the District would be nil.

On the other hand, if GSG's function is to assist the County in applying for grant monies, and if GSG makes it clear to the County that GSG will advocate the grant of funds for District activities, and if GSG has no other role in the County's decision to allocate funds among the various districts, I do not believe that GSG's activities would be in conflict with its responsibilities to the District.

At present, it appears that GSG has not entered into a contract with the County to provide any services with regard to wastewater issues. GSG has advised the District that GSG has held discussions with the County about the possibility of GSG assisting the County in resolving Stock Island cost issues and assisting the County in obtaining additional grant funds. In my opinion, neither of these activities raises a conflict of interest that would require the District to terminate GSG's services under the contract.

If the District believes that such activities will conflict in any manner with GSG's performance of services under the contract, the District should so advise GSG. If GSG elects to go forward, anyway, and if the District concludes that GSG's effectiveness as a liaison with the County will be harmed as a result, the District should consider amending the contract to remove from GSG its liaison responsibilities. If the District believes that ending those responsibilities would defeat the purpose of the contract, then the District should consider terminating the contract.

RESOLUTION 2003 – 21

A RESOLUTION OF THE KEY LARGO WASTEWATER TREATMENT DISTRICT TO FACILITATE AND ENCOURAGE EFFICIENT AND EFFECTIVE COMMUNICATIONS BETWEEN THE BOARD AND THE GENERAL MANAGER

WHEREAS, The Key Largo Wastewater Treatment District Board of Commissioners desires to facilitate and encourage efficient and effective communication between the Board of Commissioners and the General Manager;

WHEREAS, The Board of Commissioners desires a resolution the outlines the basic protocol of the exchange of information between the General Manager and the Board of Commissioners;

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

1. When responding to individual Board member's request for information the General Manager will copy all Board members by letter or email.

2. In addition, the General Manager will keep the Board apprised as to the status of events concerning major projects or issues.

3. The General Manger will exercise professional judgment to insure that all Board Members receive the same information in a timely manner on all relevant Board issues.

PASSED AND ADOPTED this _____ day of _____, 2003.

KEY LARGO WASTEWATER TREATMENT DISTRICT GOVERNING BOARD

_____

Chair, Andrew Tobin

_____

Secretary, Cris Beaty

RESOLUTION 2003 – 21

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1. When responding to individual Board member's request for information the General Manager will copy all Board members by letter or email.

2. In addition, the General Manager will keep the Board apprised as to the status of events concerning major projects or issues.

3. The General Manger will exercise professional judgment to insure that all Board Members receive the same information in a timely manner on all relevant Board issues.

PASSED AND ADOPTED this _____ day of _____, 2003.

KEY LARGO WASTEWATER TREATMENT DISTRICT GOVERNING BOARD

_____

Chair, Andrew Tobin

_____

Secretary, Cris Beaty

RESOLUTION 2003 – 21

A RESOLUTION OF THE KEY LARGO WASTEWATER TREATMENT DISTRICT TO FACILITATE AND ENCOURAGE EFFICIENT AND EFFECTIVE COMMUNICATIONS BETWEEN THE BOARD AND THE GENERAL MANAGER

WHEREAS, The Key Largo Wastewater Treatment District Board of Commissioners desires to facilitate and encourage efficient and effective communication between the Board of Commissioners and the General Manager;

WHEREAS, The Board of Commissioners desires a resolution the outlines the basic protocol of the exchange of information between the General Manager and the Board of Commissioners;

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

1. When responding to individual Board member's request for information the General Manager will copy all Board members by letter or email.

2. In addition, the General Manager will keep the Board apprised as to the status of events concerning major projects or issues.

3. The General Manger will exercise professional judgment to insure that all Board Members receive the same information in a timely manner on all relevant Board issues.

PASSED AND ADOPTED this _____ day of _____, 2003.

KEY LARGO WASTEWATER TREATMENT DISTRICT GOVERNING BOARD

_____

Chair, Andrew Tobin

_____

Secretary, Cris Beaty

RESOLUTION 2003 – 21

A RESOLUTION OF THE KEY LARGO WASTEWATER TREATMENT DISTRICT TO FACILITATE AND ENCOURAGE EFFICIENT AND EFFECTIVE COMMUNICATIONS BETWEEN THE BOARD AND THE GENERAL MANAGER

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PASSED AND ADOPTED this _____ day of _____, 2003.

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3. The General Manger will exercise professional judgment to insure that all Board Members receive the same information in a timely manner on all relevant Board issues.

PASSED AND ADOPTED this _____ day of _____, 2003.

KEY LARGO WASTEWATER TREATMENT DISTRICT GOVERNING BOARD

_____

Chair, Andrew Tobin

_____

Secretary, Cris Beaty

Faith Doyle

From: Robert Sheets [rsheets@govserv.com]
Sent: Thursday, October 09, 2003 2:33 PM
To: 'Andrew M. Tobin'; Gary Bauman; Jerry Wilkinson; Charlie Brooks; Cris Beaty
Cc: LEWIS, TERRY; Faith Doyle
Subject: RE: New Policy

I will have Faith bring a resolution for consideration to the 15th meeting. If the Board decides to act on this it can placed on the Agenda for discussion or action.

-----Original Message-----
From: Andrew M. Tobin [mailto:Tobinlaw@terranova.net]
Sent: Thursday, October 09, 2003 1:33 PM
To: Gary Bauman; Jerry Wilkinson; Charlie Brooks; Cris Beaty; Andrew Tobin
Cc: LEWIS, TERRY; SHEETS, ROBERT
Subject: New Policy

Mr. Wilkinson;

I was willing to drop the matter of your accusations of manipulation by me for trying my best to schedule a public debate based on your statement the other night that "manipulation" was not intended as a negative slur until I read the Free Press article dated Oct. 8.

The article states: "Wilkinson later said he objected to Tobin's penchant for conducting business with the manager outside of the purview of the other four commissioners. " You were also quoted as saying: "What business has he conducted with the manager that we don't even know about. He is acting autocratically."

Aside from the fact that you have no cause to be suspicious, you should realize that comments that question the motives or integrity of one Board member are likely to undermine the integrity of the Board as a whole, and ultimately its ability to foster trust in the community.

As I understand the law, every private conversation that I, or any other Board member, has with the Manager is "conducting business outside of the purview of the other four commissioners." What you seem to overlook is that Board members (and not just the chairman) have the right and obligation to give direction to the Manager. We do that during public meetings and also in private conversations on a variety of issues sometimes just by telling the Manager what we think about issues.

As you will recall, we had a specific discussion on just this issue two months ago, namely, the extent of the power of an individual board member to ask or tell the Manager what to do. The answer was simple.

We all agreed that the Manager is the chief operating officer of our District, and as such he has the discretion to filter what we ask of him and the direction that we give him, until such time as he deems it appropriate to seek formal guidance from the Board. In other words, no one Board member has the authority to order the manager to do anything because he is the boss until we fire him.

Although inappropriate, your comments made me realize that we need to refine our policies to make sure that all Board members get the same information from the Manager at the same time. Therefore, I intend to seek the adoption of a resolution that requires the Manager to communicate in writing, or email with all Board members at the same time to the greatest extend possible. This of course is subject to time constraints, etc. Also under Florida Law, the policy if adopted will not apply to Board members who have the right to speak to whomever they please.

Andrew Tobin, Chairman

Key Largo Wastewater Treatment District
Board of Commissioner's Meeting Agenda
4:00 PM Wednesday, November 5, 2003
Key Largo Civic Club, 209 Ocean Bay Drive
Key Largo, Monroe County, Florida

A. Call to Order

B. Pledge of Allegiance

C. Public Comment

D. Additions, Deletions or Corrections to the Agenda

E. Minutes – Draft August 13, 2003; Draft August 27, 2003; Draft Sept. 3, 2003; Draft Sept. 17, 2003; Draft October 1, 2003

F. Action Items

1. Election of KLWTD Board Officers
2. Secondary Treatment Process Selection and discussion of the Fluidyne and USBF warranty issue
3. KLWTD Work Authorization WEC 03-01 (Amendment 1) with Weiler Engineering Corporation for the KLTV Project
4. KLWTD Work Authorization WEC 03-02 (Amendment 2) with Weiler Engineering Corporation for the KLP Project
5. KLWTD Work Authorization GSG 03-01 (Amendment 1) with Government Services Group, Inc. for the KLP & KLTV Projects
6. The Haskell Company Change Proposal No. 1
7. Housing Assistance Program -- Implementation Plan
8. Proposed Agreement for Professional Service for Legal Counsel

G. General Manager's Report

1. Status Report on the FEMA Environmental Assessment
    a. Low and Very-low Income Assistance Program
    b. Site Mitigation
3. Other Items

H. Legal Counsel's Report

1. Other Items

I. Engineer's Report

1. Other Items

J. Commissioner's Items

1. Discussion of Manager's improper conduct and criticism of District Engineer – Chairman Tobin
2. Discussion on the importance of having independent advice from District Manager, District Engineer and District Attorney – Chairman Tobin

3. Discussion of Resolution adopting the following positions as independent "Officers" of the District, to wit: -- Chairman Tobin

    a) District Manager
    b) District Engineer
    c) District Attorney

4. Discussion for possible action modifying/reducing the scope of the Key Largo Park Project: -- Commissioner Wilkinson

    a) Detailed review of total costs of Alternate A, Alternate B and Alternate C. Compared to available grant monies for the KLP without including any of the Recovery Capital Cost funds ($2,700 per EDU).
    b) Reducing the scope of the KLP Project to the original 79 Basic bid EDU's with a possibility of inclusion of Sunset Waterways subdivision and/or including or excluding the businesses along US-1.
    c) Establish a specific percentage of fixed reserve grant funds for contingencies.

5. Discussion of: -- Chairman Tobin

    a) Whether it is a conflict of interest for the Manager to accept employment on behalf of Monroe County in sewer related matters; and
    b) Whether the Board should exercise its right to terminate the Manager based on a conflict of interest in representing both KLWTD and Monroe County.

5. Other Items

M. Meeting Adjournment

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*** TX REPORT ***
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TRANSMISSION OK

TX/RX NO	0744
CONNECTION TEL	13058522065
CONNECTION ID	
ST. TIME	10/31 15:31
USAGE T	01'21
PGS. SENT	2
RESULT	OK

Faith Doyle

To: ThomasDillon@terranova.net
Subject: KLWTD info....

Contacts: Thomas M. Dillon

Hello Tom,

Here is some additional information .....

WEC final executed contract.pd...

KLWTD WA WEC 03-01.pdf

KLWTD WA WEC 03-02.pdf

These are the original Wieler Engineering documents, the first amendments to the work authorizations are up for consideration on the NOv. 5 meeting.....the 'books' go out Wednesday by 5:00 pm you will have yours for review on Thursday!!!!!!!!!!

more to follow.....

Faith Doyle
Clerk to the Board
c/o Government Services Group, Inc.
614 N. Wymore Road
Winter Park, FL 32789
Phone (407) 629-6900
Fax (407) 629-6963
Cell (321) 246-0059

Haskell - contract emailed
Higgins - contract emailed
Partially executed GSG w/minutes

Faith Doyle

From: Andrew Tobin [Tobinlaw@Terranova.net]
Sent: Thursday, October 16, 2003 3:17 PM
To: Faith Doyle
Subject: Tapes of Meetings

Faith;

Please send me a copy of the audio tape for the meeting where the Board approve Option B of the GSG work order.

I need this as soon as possible.

Thank you.

Andy

O 10/20 - send

Faith Doyle

From: - Vernis & Bowling of Miami, P.A. [JDever@Florida-law.com]
Sent: Thursday, October 16, 2003 11:43 AM
To: fdoyle@govmserv.com
Cc: Dirk M. Smits
Subject: Key Largo Wastewater Board Meeting

Good morning Faith. Mr. Smits asked me to check with you and see if it would be possible to obtain a copy of the audiotape from last night's meeting of the Board. Please let me know at your convenience. Thank you.

Jane Dever, Legal Assistant to Dirk M. Smits
Vernis & Bowling of the Florida Keys, P.A.
81990 Overseas Highway - 3rd Floor
Islamorada, FL 33036
Telephone: 305-664-4675 Ext. 21

10/20 - faxed to him per CLS

Faith Doyle

From: Robert Sheets [rsheets@govserv.com]
Sent: Thursday, October 30, 2003 10:57 AM
To: Faith Doyle
Subject: FW: Agenda

-----Original Message-----
From: Jerry Wilkinson [mailto:jerry142@terranova.net]
Sent: Wednesday, October 29, 2003 9:08 PM
To: Robert Sheets
Subject: Agenda

Robert:

Perhaps some of the below will be answered in the agenda packet. If not:

1) If Item F.6., Haskell Change Order, is the Engineer of Record "stuff," my item 4 should be discussed somehow simultaneously.

2) My Item 4. I wish that you provide detailed costs and sources especially with Item 4.a. If I recall correctly the last time Alternate B cost was more than Higgins originally bid and much more than after Higgins reduced their costs.

3) I assume you will disagree with Item J.2. just as you did when the same thing was proposed for Gartek. If you type well, I would prefer to read your reasons rather than rely on my memory over the phone.

4) Is there any backup for Item J.1.and 5.?

5) Reference proposed Procedures 1.03.b. I suggest that there be no agenda item without backup material. I do not see how a Sunshine Law guided board can be educated and prepared to make for good of the community decisions without rather detailed backup material BEFORE the meeting, or be mandatory that no action can be taken on an Item without backup material (be for discussion only and even then it will be one sided discussion.). Besides, the public should be extended the courtesy of knowing the substantiating material (content). Faith said today that staff is coming along with the procedures.

Jerry

Key Largo Wastewater Treatment District
Board of Commissioner's Meeting Agenda

4:00 PM Wednesday, November 5, 2003
Key Largo Civic Club, 209 Ocean Bay Drive
Key Largo, Monroe County, Florida

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B. Pledge of Allegiance

C. Public Comment

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4. KLWTD Work Authorization WEC 03-02 (Amendment 2) with Weiler Engineering Corporation for the KLP Project
5. KLWTD Work Authorization GSG 03-01 (Amendment 1) with Government Services Group, Inc. for the KLP & KLTV Projects
6. The Haskell Company Change Proposal No. 1
7. Housing Assistance Implementation Plan
8. Board Attorney Fee Agreement

G. General Manager's Report

1. Status Report on the FEMA Environmental Assessment
    a. Low and Very-low Income Assistance Program
    b. Site Mitigation
3. Other Items

H. Legal Counsel's Report

1. Other Items

I. Engineer's Report

1. Other Items

J. Commissioner's Items

1. Discussion of Manager's improper conduct and criticism of District Engineer – Chairman Tobin
2. Discussion on the importance of having independent advice from District Manager, District Engineer and District Attorney – Chairman Tobin
3. Discussion of Resolution adopting the following positions as independent "Officers" of the District, to wit: a) District Manager, b) District Engineer, and c) District Attorney — Chairman Tobin

4. Discussion for possible action modifying/reducing the scope of the Key Largo Park Project:
    a) Detailed review of total costs of Alternate A, Alternate B and Alternate C. Compared to available grant monies for the KLP without including any of the Recovery Capital Cost funds ($2,700 per EDU).
    b) Reducing the scope of the KLP Project to the original 79 Basic bid EDU's with a possibility of inclusion of Sunset Waterways subdivision and/or including or excluding the businesses along US-1.
    c) Establish a specific percentage of fixed reserve grant funds for contingencies.
5. Other Items

M. Meeting Adjournment

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Only Pete a
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DRAFT

Key Largo Wastewater Treatment District
Board of Commissioner's Meeting Agenda

4:00 PM Wednesday, November 5, 2003
Key Largo Civic Club, 209 Ocean Bay Drive
Key Largo, Monroe County, Florida

A. Call to Order

B. Pledge of Allegiance

C. Public Comment

D. Additions, Deletions or Corrections to the Agenda

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F. Action Items

1. Election of KLWTD Board Officers
2. Secondary Treatment Process Selection from Jeff
3. KLWTD Work Authorization WEC 03-01 (Amendment 1) with Weiler Engineering Corporation for the KLTV Project
4. KLWTD Work Authorization WEC 03-02 (Amendment 2) with Weiler Engineering Corporation for the KLP Project
5. KLWTD Work Authorization GSG 03-01 (Amendment 1) with Government Services Group, Inc. for the KLP & KLTV Projects
6. The Haskell Company Change Proposal No. 1
7. Housing assistance implementation plans fwd to T Dillon

G. General Manager's Report

1. Status Report on the FEMA Environmental Assessment
   a. Low and Very-low Income Assistance Program
   b. Site Mitigation
2. Discussion of Fluidyne warranty issue – discussion by Jeff w/memo warranty letter
3. Other Items

H. Legal Counsel's Report

1. Status of contract Board Attorney Fee Agreement ROBERT SHOULD THIS BE YOUR ITEM OR AN ACTION ITEM? to review then action

I. Engineer's Report

1. Other Items

J. Commissioner's Items

1. Discussion of Manager's improper conduct and criticism of District Engineer – Chairman Tobin
2. Discussion on the importance of having independent advice from District Manager, District Engineer and District Attorney – Chairman Tobin
3. Discussion of Resolution adopting the following positions as independent "Officers" of the District, to wit: a) District Manager, b) District Engineer, and c) District Attorney

Faith Doyle

From: Robert Sheets [rsheets@govserv.com]
Sent: Tuesday, October 28, 2003 6:09 PM
To: 'Andrew Tobin'; Faith Doyle
Cc: Dillon, Thomas; Jerry Wilkinson; Gary Bauman; Chris Beaty; Charles Brooks (E-mail); Robert Sheets
Subject: RE: Agenda

In light of the importance of this issue I would respectfully request we deal with this issue as soon as possible, which would be the November 5th meeting. What is the Board's pleasure??

-----Original Message-----
From: Andrew Tobin [mailto:Tobinlaw@Terranova.net]
Sent: Tuesday, October 28, 2003 5:59 PM
To: Faith Doyle
Cc: Dillon, Thomas; Jerry Wilkinson; Gary Bauman; Chris Beaty; Charles Brooks (E-mail); Andy Tobin; Robert Sheets
Subject: Agenda

Faith;

Please add the following to the agenda for November 19th.

Discussion: A) Whether it is a conflict of interest for the Manager to accept employment on behalf of Monroe County in sewer related matters; and B) Whether the Board should exercise its right to terminate the Manager based on a conflict of interest in representing both KLWTD and Monroe County.

Thank you,

Andy

Andrew M. Tobin
P.O. Box 620
Tavernier, FL 33070
305-852-3388
Tobinlaw@Terranova.net <mailto:Tobinlaw@Terranova.net>

Faith Doyle

From: Jerry Wilkinson [jerry142@terranova.net]
Sent: Monday, October 20, 2003 10:15 PM
To: Robert Sheets; Faith Doyle
Cc: Peter Kinsley; Jeff Weiler; Cris Beaty; Charlie Brooks; Andy Tobin; Gary Bauman
Subject: November 5 agenda

Robert and Faith:

Request the following be placed on the agenda before the action of the carried forth Haskell change order (Engineer of Record):

"Commissioner's Items

"X. Discuss for possible action modifying/reducing the scope of the Key Largo Park project:

a. Detailed review of total costs of Alternate A, Alternate B and Alternate C. compared to available grant monies for the Key Largo Park without including any of the Recovery Capital Cost funds ($2,700 per EDU).

b. Reducing the scope of Key Largo Park project to the original 79 Basic bid EDU's with the possibility of inclusion of Sunset Waterways subdivision and/or including or excluding the businesses along US-1.

c. Establish a specific percentage of fixed reserve grant funds for contingencies."

Backup material for X.a. One of a medical doctor's creeds is "do no harm." Since this is not possible if we do any of the proposed wastewater projects, I wish to "do as little harm as possible." The harm that I see for the citizens of Key Largo with this "guinea pig project" without a history and long term track record (30 to 50 years) for vacuum collection methodology and the uncertainties of AWT treatment methodologies along with the mandated decommissioning of septic tanks all in "hurricane alley" could be financial ruin of the present property owners and enrichment of investment seekers.

Until proven otherwise, I am reversing my once grandiose concept of sewering all of KLP, US-1 businesses and Sunset Waterways. I wish to pursue an ultraconservative scope to absolutely insure a selected project completion and preserve maximum future funds. I recall Richard Smith of FDEP approving only the basic bid scope of 79 EDU's. The smaller Sunset Waterways of an estimated 22 EDU's may not over extend our actual available and remaining grant funds. An accurate figure of dedicated funds will be needed for this decision.

I am of the opinion there are not sufficient funds to do the proposed Alternate A and B without seriously jeopardizing our (the citizens) financial position. I do not understand why the cost of Alternate B without many valve pits is greater than Higgins' original bid of $2,792,000 plus his negotiated reduction in unit prices.

Backup data for X.b. The proposed $2,700 capital recover costs should be considered exactly as the Monroe County considers the repayment of the $914,000 loan - recovering and recycling for future projects. Our use of these funds should be to plan and be ready for future grants by having funds for a speedy engineering/management/operation plan for selected future projects and not as contingency for change orders, etc. I suggest that not even one dollar of the Capital Recovery dollars be spent for the two present projects.

Backup data for X.c. While listening to the videotape of October 15, 2003 BOCC meeting, during the discussion of wastewater issues it was mentioned that it was customary to reserve 5 percent for contingencies. Since we are neophytes, our projects have been handed to us by the county/FKAA, original KLP plans unusable, exact funds and actual expenses are unknown, and lack of established track record and financial data for vacuum collection systems and AWT treatment processes, I suggest that as much as 10 percent be held in reserve for unknown events. Only the redesign costs for KLP

should be approved carried forth Haskell change order (Engineer of Record).

10/28/03