

MINUTES

Key Largo Wastewater Treatment District (KLWTD) Board of Commissioner's Meeting

November 17, 2004 5:00 PM

Key Largo Civic Club, 209 Ocean Bay Drive

The KLWTD Board of Commissioners met for a regular meeting on November 17, 2004 at 5:00 PM. Present were Chairman Charles Brooks, Commissioners Gary Bauman, Andrew Tobin, Claude Bullock, and Glenn Patton. Also present were General Manager Charles Fishburn, Board Clerk Carol Simpkins, District Counsel Thomas Dillon (via phone), Financial Officer Martin Waits, and all appropriate District staff.

Commissioner Gary Bauman led the Pledge of Allegiance.

OATH OF OFFICE

Judge Reagan Ptomey administered the oath of office to re-elected Commissioner Gary Bauman, and newly elected Commissioners Claude Bullock and Glenn Patton.

ANNUAL ELECTION OF OFFICERS

Election of Chairman

Motion: Commissioner Andrew Tobin made a motion to nominate Commissioner Charles Brooks for Chairman.

Vote on motion:

Board Member	Yes	No	Other
Commissioner Andrew Tobin	X		
Commissioner Charles Brooks	X		
Commissioner Glenn Patton	X		
Commissioner Claude Bullock	X		
Chairman Gary Bauman	X		

Motion passed 5 to 0

Election of Vice-Chairman

Motion: Commissioner Glenn Patton made a motion to nominate Commissioner Gary Bauman for Vice-Chairman.

Vote on motion:

Board Member	Yes	No	Other
Commissioner Andrew Tobin	X		
Commissioner Charles Brooks	X		
Commissioner Glenn Patton	X		
Commissioner Claude Bullock	X		
Chairman Gary Bauman	X		

Motion passed 5 to 0

Election of Secretary-Treasure

Motion: Commissioner Glenn Patton made a motion to nominate Commissioner Andrew Tobin for Secretary Treasure.

Vote on motion:

Board Member	Yes	No	Other
Commissioner Andrew Tobin	X		
Commissioner Charles Brooks	X		
Commissioner Glenn Patton	X		
Commissioner Claude Bullock	X		
Chairman Gary Bauman	X		

Motion passed 5 to 0

ADDITIONS/DELETIONS TO THE AGENDA.

Motion: Chairman Charles Brooks made a motion to approve the agenda. The motion was seconded by Commissioner Andrew Tobin.

Vote on motion:

Board Member	Yes	No	Other
Commissioner Gary Bauman	X		
Commissioner Claude Bullock	X		

Commissioner Glenn Patton	X		
Commissioner Andrew Tobin	X		
Chairman Charles Brooks	X		

Motion passed 5 to 0

MINUTES

Motion: Commissioner Gary Bauman made a motion to approve the minutes of November 3, 2004. The motion was seconded by Commissioner Andrew Tobin.

Vote on motion:

Board Member	Yes	No	Other
Commissioner Gary Bauman	X		
Commissioner Claude Bullock	X		
Commissioner Glenn Patton	X		
Commissioner Andrew Tobin	X		
Chairman Charles Brooks	X		

Motion passed 5 to 0

PUBLIC COMMENT: The following persons addressed the Commission: Cris Beaty of Key Largo wished the current KLWTD Board well.

CHIEF FINANCIAL OFFICERS REPORT

Pending Payments

Financial Officer Martin Waits presented the pending payments schedule for November 17, 2004.

Motion: Commissioner Andrew Tobin made a motion to approve the pending payments list subject to the availability of the funds for November 17, 2004. Commissioner Glenn Patton made the second.

Vote on motion:

Board Member	Yes	No	Other
Commissioner Gary Bauman	X		
Commissioner Claude Bullock	X		
Commissioner Glenn Patton	X		
Commissioner Andrew Tobin	X		
Chairman Charles Brooks	X		

Motion passed 5 to 0

LEGAL COUNSEL REPORT

District Counsel Thomas Dillon explained that he had included the Agency Marketing Services, Inc. liability policy in the agenda package for the Boards information. Mr. Dillon does not think that there is any reason to change insurance companies at this time.

Mediator

Mr. Dillon suggested that Mr. Watson be chosen as the District’s mediator. The Haskell Co. has recommended Mr. Watson also.

Commissioner Andrew Tobin expressed concern over the mediation process taking on a life of it own.

Motion: Commissioner Andrew Tobin made a motion to appoint Mr. Watson as mediator on the Haskell Co. Delay Claim. Motion was seconded by Commissioner Gary Bauman.

Vote on motion:

Board Member	Yes	No	Other
Commissioner Gary Bauman	X		
Commissioner Claude Bullock	X		
Commissioner Glenn Patton	X		
Commissioner Andrew Tobin	X		
Chairman Charles Brooks	X		

Motion passed 5 to 0

Haskell Delay Claim

District Counsel Thomas Dillon requested that the Board award a contract to Trauner Consulting Services, Inc. to provide expert consulting services to District Counsel in connection with the Haskell Delay Claim. Mr. Dillon projects that he will only be asking Trauner Consulting to prepare as-planned and as-built schedules and to perform schedule analysis. He pointed out that the District is not hiring Trauner to prove a point, what they are hiring Trauner for is to give the District an unbiased expert opinion and analysis of the facts.

Commissioner Andrew Tobin would like to see a \$10,000 cap in the contract. He can not support the contract until it has a provision in it that says that the District will direct what they are going to do and the District will not be billed for anything unless the District Counsel has authorized the work.

Motion: Commissioner Andrew Tobin made a motion to authorize the General Manager, Charles F. Fishburn, to sign the Trauner Consulting Services, Inc. contract. Motion seconded by Commissioner Gary Bauman.

Revised Motion: Commissioner Andrew Tobin revised his motion to authorize the General Manager, Charles F. Fishburn, to sign a Trauner Consulting Services, Inc. contract in concept only (with District Counsel Thomas Dillon revising the original contract to provide that Trauner will work only at Mr. Dillon's direction and have a cap of \$10,000). Revised Motion seconded by Commissioner Gary Bauman.

Vote on motion:

Board Member	Yes	No	Other
Commissioner Gary Bauman	X		
Commissioner Claude Bullock	X		
Commissioner Glenn Patton	X		
Commissioner Andrew Tobin	X		
Chairman Charles Brooks	X		

Motion passed 5 to 0

ENGINEERS REPORT

KLTV Construction Update

Ed Castle stated that the KLTV is moving along with 150 feet of pipe being laid each day. The Treatment Plant site is close to being cleared. Mr. Castle is working with the Army Corp of Engineers through PBS&J in supplying them with the information on the entire island of Key Largo concerning the location of the vacuum/lift station sites. This information will be used in

the Environmental Assessment that the Army Corp. of Engineers is doing for the Island of Key Largo.

The Lake Surprise/Sexton Cove Project is coming along according to schedule and funding could be available April 1, 2005.

Commissioner Gary Bauman requested that a presentation be given to the Board on the pros and cons of Design Build versus Design Bid Build. Staff will make the presentation at the December 15, 2004 meeting on all of the major available methods of project delivery.

Ed Castle requested clarification from the Board on whether he should continue working on a document to produce a Request for Qualifications. The Board directed him to continue working to produce the documentation for a Request for Qualifications for Engineering and Design Services.

GENERAL MANAGER'S REPORT

Key Largo Park

Notice to Proceed to Higgins, Inc. D.N. Higgins, Inc. responded on November 12, 2004 saying that they will be giving the District a change order by November 24, 2004. General Manager Charles Fishburn stated that he is not encouraged. He may be recommending that the collection system job be rebid.

Roovac Purchase Order

Higgins and Haskell are still willing to move forward with Roovac Germany direct. Price is still an issue. Roovac now has new pits and larger values.

District Counsel Thomas Dillon stated that Pittsburgh is completely out of the picture now.

Commissioner Andrew Tobin expressed concern with doing business with a company with a track record that is so bad. He does not feel comfortable about going with Roovac.

District Counsel Thomas Dillon stated that it is a Haskell problem and they need to fix it and find a right solution. He has concerns about taking actions that would relieve Haskell Company of their obligations to perform the contract and procure the parts and install them.

Ed Castle is concerned with changing technologies.

Commissioner Gary Bauman stated that he is ready to go with Airvac now.

The Board by consensus directed staff to bring back a cost proposal by Airvac.

Rate Study

General Manager Charles Fishburn requested that a letter of first assignment for Public Resources Management Group Inc. be sent out requesting:

1. The District desires an opinion regarding charging of a fixed monthly rate for each house, RV site, hotel room, etc, regardless of whether it is occupied, and a fixed monthly rate for a lot for which the owner has requested a connection but which has not yet been improved with a structure. Expand this discussion to include how to charge businesses that do not fit the dwelling unit concept while still avoiding water flow based rates, (e.g. restaurants, laundromats etc.)
2. The District desires the same opinion relative to system development charges for homes RV sites, hotel rooms, etc.

Commissioner Andrew Tobin made the following suggestions to the letter.

1. There should be a hypothetical and a project that says, project expenses, projected number of customers, projected rates that have been put out to the public (\$35/\$2,7000), the number of hook ups, a brief break down of residential and businesses, and a brief analysis of flow.
2. Ask PRMG if there is legal precedent and support for the theory that a lot, house, and a RV site can be all flat rated and then ask for the pros and cons of the idea.
3. How would the businesses be charged.

Commissioner Glenn Patton suggest that the Board have a work shop on the rates to see what the rest of Monroe County is doing.

Commissioner Andrew Tobin requested that District Counsel Thomas Dillon research if the District establishes an interim rate for the first phase of the District's plan can the District change it at a latter date. If the rate can be changed then it would be very easy to change at a latter date.

Mr. Fishburn clarified that he is talking about setting EDU's and then changing the EDU's at a latter date.

Motion: Commissioner Glenn Patton made a motion to table the first assignment letter for PRMG. Motion seconded by Commissioner Gary Bauman.

Vote on motion:

Board Member	Yes	No	Other
Commissioner Gary Bauman	X		
Commissioner Claude Bullock	X		
Commissioner Glenn Patton	X		
Commissioner Andrew Tobin	X		
Chairman Charles Brooks	X		

Motion passed 5 to 0

Chairman Charles Brook suggested that the Board have a workshop on the rates that is put together by staff to that would cover setting the rates for not just KLTV but for the rest of the Island by studying what the rest of the country is doing. He also reminded the Board that the \$2,700 hook up fee was set in the FEMA Grant Agreement and can not be changed for the KLTV Project.

The Board by consensus directed staff to set up an information discussion on rates during the December 1, 2004 meeting. Commissioner Glenn Patton will work with staff to gather information for the meeting.

COMMISSIONER COMMENTS

Chairman Charles Brooks reported on the Bond Money meeting that took place in Key West on Monday, November 15, 2004. The Key Largo Wastewater Treatment District should be getting 20 million of the Bond Money and it will probably be available around April 1, 2005. The money will have to be spent within three years.


Commissioner Glenn Patton informed the Board that he has been working with the Board Clerk on setting up the Web Site.

ADJOURNMENT


After a motion by Commissioner Gary Bauman and seconded by Commissioner Andrew Tobin to adjourn the meeting adjourned at 7:55 PM.

INTENTIONALLY LEFT BLANK

The KLWTD minutes of November 17, 2004 were approved on December 1 2004.



Chairman Charles Brooks

The seal is circular with a blue border. Inside the border, the words "Klamath Falls Water Treatment District" are written in a circular path. In the center of the seal, the word "Seal" is written in a large, bold, serif font.

Carol Simpkins, CMC
Board Clerk

17-01-2004

[Handwritten signature]



[Handwritten signature]

Chief Executive Officer
District Council