

MINUTES OF REGULAR MEETING
OF THE
BOARD OF DIRECTORS
FLORIDA KEYS AQUEDUCT AUTHORITY

HELD ON

MAY 24, 2022

Florida Keys Aqueduct Authority
1100 Kennedy Drive
Key West, Florida 33040

11:00 A.M.

The following MEMBERS were present:

J. Robert Dean. Chairman
Richard J. Toppino. Vice-Chairman
Antoinette M. Appell. Secretary/Treasurer
Cara Higgins. Member
Nicholas W. Mulick. Member

Kerry Shelby. Executive Director
Greg Veliz. Deputy Executive Director
Robert T. Feldman. General Counsel
Timothy Esquinaldo. Internal Auditor
Cindy Kondziela. Director of Finance
David Hackworth. Director of Capital Projects
Jolynn Reynolds. Director of Engineering
Jay Miller. Director of Wastewater Operations

A LIST OF ATTENDANCE IS RETAINED WITH THE PERMANENT RECORD OF THIS MEETING.

REGULAR MEETING

The Regular Meeting was called to order by Chairman Dean at 11:00 a.m.

Pam Albury presented the invocation and Chairman Dean led the Pledge of Allegiance.

APPROVAL OF MINUTES

On motion of Mr. Toppino, seconded by Mrs. Appell, the Board unanimously approved the Minutes from the Regular Board Meeting on May 10, 2022, as presented.

APPROVAL OF AGENDA

By consensus, the Board unanimously approved Agenda.

Ms. Higgins declared a conflict of interest on item OOC-01 on the Regular Agenda.

CONSENT AGENDA WATER /WASTEWATER

On motion of Mrs. Appell, seconded by Mr. Toppino the Board unanimously approved the following items by Consent:

1. OOC – 01. Approval of payment to Bryant, Miller & Olive for professional services rendered and expenses incurred for the month of April 2022 regarding defense of declaratory judgment, Maschal vs FKAA and Monroe County (\$180.00)

REGULAR AGENDA ITEMS

EXECUTIVE DEPARTMENT

EO-01. EXECUTIVE DIRECTOR'S REPORT

The Board accepted the Executive Director's Report with additional comments as presented.

401 A Plan:

Mr. Shelby reported that The Authority's employee benefits advisor, OneDigital, has recommended that implementation of a 401 (a) retirement plan to supplement the 457 (b) plan. He explained that the 401 (a) plan would be available for employee contributions when an employee is leaving employment with the Authority and is due a payout for accrued annual or sick leave. Mr. Shelby added that this payout could be contributed directly to the 401 (a) plan and neither the employee nor the Authority would pay payroll taxes and the payout would not be subject to income taxes to the employee and the funds can be withdrawn immediately by the employee without

penalty if they are age 59 ½ or it may be rolled over into the 457 (b) plan or remain in the 401 (a) plan.

Mr. Shelby advised that this benefit will be of use to many of our retiring employees and provide them with another retirement planning tool.

By consensus, the Board unanimously concurred.

EO-02. APPROVAL OF REVISIONS TO THE TUITION REFUND PROGRAM FOR A MAXIMUM ALLOWED REIMBURSEMENT UNDER EACH DEGREE, BASED ON IN-STATE TUITION RATES, AS FOLLOWS: ACCREDITED COURSE WORK: \$2,000.00 PER FISCAL YEAR ASSOCIATES DEGREE: \$5,600.00 MAXIMUM NOT TO EXCEED \$2,800.00 PER FISCAL YEAR. BACHELOR'S DEGREE: \$14,000.00 MAXIMUM NOT TO EXCEED \$6,300.00 OER FISCAL YEAR. MASTER DEGREE: \$25,000.00 MAXIMUM

On recommendation of Mr. Shelby and motion of Ms. Higgins, seconded by Mr. Mulick, the Board approved revisions to the Tuition Refund Program for a maximum allowed reimbursement under each degree, based on in-state tuition rates, as follows: Accredited Course work: \$2,000.00 per fiscal year Associates Degree: \$5,600.00 maximum not to exceed \$2,800.00 per fiscal year. Bachelor's Degree: \$14,000.00 maximum not to exceed \$6,300.00 per fiscal year. Master Degree: \$25,000.00 maximum.

On recommendation of Mr. Shelby and motion of Ms. Higgins, seconded by Mr. Mulick the Board amended and approved item EO-02 to include the following pay back schedule:

If separation of employment occurs within the following time frames for these Degrees: two (2) years for an Associates Degree, three (3) years for a Bachelor's Degree, and four (4) years for a Master's Degree then the employee shall repay the FKAA 100% of tuition and book costs previously reimbursed.

OFFICE OF COUNSEL

OOC-01. APPROVAL OF PAYMENT TO ALLEN, NORTON & BLUE, P.A. FOR APRIL 2022 (\$6,587.50)

On recommendation of Mr. Feldman and motion of Mrs. Appell, seconded by Mr. Toppino, the Board approved payment to Allen, Norton & Blue, P.A. for April 2022 in the amount of \$6,587.50.

DIVISION OF ADMINISTRATION

DOA-01. SUMMARY OF FINANCIAL INFORMATION FOR APRIL 2022

Ms. Kondziela reported that operating expenses are 3% under the current amended budget, total cash balance is \$81 million and unrestricted cash for future projects is \$34.4 million.

DIVISION OF CAPITAL PROJECTS

Mr. Toppino declared a conflict of interest on item DOCP-02 on the Regular Agenda.

DOCP-01. MONTHLY REPORT ON CURRENT CAPITAL IMPROVEMENT PROGRAM (CIP) PROJECTS

Mr. Hackworth presented an update on the following projects:

- Cathodic Protection System Repair and Improvements
- United Street Water Main Replacement
- Duck Key Utility Relocates

DOCP-02. APPROVAL TO REJECT ALL BIDS FOR FCAA 2362-21 DUCK KEY INNER ISLAND DISTRIBUTION UPGRADE

On recommendation of Mr. Hackworth and motion of Ms. Higgins, seconded by Mrs. Appell, the Board approved to reject all bids for FCAA 2362-21 Duck Key Inner Island Distribution Upgrade.

DIVISION OF ENGINEERING

DOE-01. APPROVAL OF BUDGET AMENDMENT IN THE AMOUNT OF \$150,000 FOR FY2022 AND AWARD OF CONTRACT FOR PROJECT #4093-21, "CONSENT ORDER PROGRAM MANAGEMENT" TO JACOBS ENGINEERING GROUP, INC. (IN THE AMOUNT NOT-TO EXCEED OF \$1,103,533.)

On recommendation of Mrs. Reynolds and motion of Mrs. Appell, seconded by Mr. Mulick, the Board approved budget amendment in the amount of \$150,000 for FY2022 and award of contract for Project 4093-21, "Consent Order Program Management" to Jacobs Engineering Group, Inc. in the amount not-to-exceed of \$1,103,533.

DOE-02. CONSIDERATION TO APPROVE SELECTION OF WOOD ENVIRONMENT & INFRASTRUCTURE SOLUTIONS, INC. FOR PROJECT #5010-22, "ENERGY EFFICIENCY AND RESILIENCY ASSESSMENT AND COST SAVINGS IMPLEMENTATION PROGRAM," AND AUTHORIZE TO BEGIN CONTRACT NEGOTIATIONS

Item DOE-02 was tabled. The Board requested that staff speak with the Authority's lobbyist prior to moving forward with this item.

DIVISION OF WATER

DOW-01. APPROVAL OF AWARD OF BID #FKAA-IFB-00016-22 TO DION'S FUELS LLC FOR A 2-YEAR CONTRACT FOR 87 OCTANE GASOLINE FOR A \$0.099 PER GALLON SERVICE FEE AND TOTAL BID PRICE OF \$3.3660 PER GALLON. TOTAL AMOUNT IS BASED ON APPROXIMATELY 250,000 GALLONS A YEAR (ESTIMATED TWO-YEAR PRICE OF \$1,683,000.00)

On recommendation of Mr. Veliz and motion of Mr. Toppino, seconded by Mrs. Appell the Board approved award of Bid #FKAA-IFB-00016-22 to Dion's Fuels LLC for a 2-Year Contract for 87 Octane Gasoline for a \$0.099 per gallon service fee and total bid price of \$3.3660 per gallon. Total amount is based on approximately 250,000 gallons a year in the estimated two-year price of \$1,683,000.00.

DOW-02. APPROVAL OF AWARD OF BID #FKAA-IFB-00017-22 TO DION'S FUELS LLC FOR A 2-YEAR CONTRACT FOR RED DYE DIESEL FOR A \$0.099 PER GALLON SERVICE FEE AND TOTAL BID PRICE OF \$4.7315 PER GALLON. TOTAL AMOUNT IS BASED ON APPROXIMATELY 100,000 GALLONS A YEAR (ESTIMATED TWO-YEAR PRICE OF \$946,300.00)

On recommendation of Mr. Veliz and motion of Mrs. Appell, seconded by Ms. Higgins the Board approved award of Bid #FKAA-IFB-00017-22 to Dion's Fuels LLC for a 2-Year Contract for Red Dye Diesel for a \$0.099 per gallon service fee and total bid price of \$4.7315 per gallon. Total amount is based on approximately 100,000 gallons a year in the estimated two-year price of \$946,300.00.

DIVISION OF WASTEWATER

DOWW-01. APPROVAL OF BUDGET AMENDMENT FOR FISCAL YEAR 2022 FOR SOLE SOURCE, E-ONE SENTRY ADVISOR, LOW PRESSURE SEWER MONITORING FEES, (IN THE AMOUNT OF \$77,300.00, TO INCREASE THE TOTAL BUDGET TO \$150,800.00)

On recommendation of Mr. Miller and motion of Mrs. Appell, seconded by Mr. Toppino the Board approved budget amendment for Fiscal Year 2022 for sole source, E-One Sentry Advisor, low pressure sewer monitoring fees, in the amount of \$77,300.00, to increase the total budget to \$150,800.00.

BOARD OF DIRECTORS

BOD-01. APPROVAL OF INTERNAL COMPLIANCE AUDIT REPORTS FOR THE PERIOD FROM OCTOBER 1, 2021, TO MAY 24, 2022, AND THE FOLLOW-UP AUDIT REPORT FOR COMMENTS PRESENTED TO THE AUDIT COMMITTEE AND THE BOARD OF DIRECTORS ON JANUARY 25, 2022, FOR THE PERIOD FROM OCTOBER 1, 2020, TO SEPTEMBER 30, 2021

On recommendation of Mr. Esquinaldo and motion of Mr. Toppino, seconded by Mrs. Appell the Board approved Internal Compliance Audit Reports for the period from October 1, 2021, to May 24, 2022, and the Follow-up Audit Report for comments presented to the Audit Committee and the Board of Directors on January 25, 2022, for the period from October 1, 2020, to September 30, 2021.

BOD-02. BOARD OF DIRECTORS DISCUSSION
(SPONSOR: J. ROBERT DEAN)

Mr. Toppino reiterated the importance of tracking company property, and that staff should expedite resolving the issue.

Mr. Esquinaldo agreed and advised that he is working with HR to resolve the issue.

Mrs. Appell inquired if hurricane placards have been issued.

Mr. Shelby advised no but would be in the next few weeks.

ADJOURNMENT

With there being no further business, the meeting was adjourned at 11:48 a.m.



FLORIDA KEYS AQUEDUCT AUTHORITY

By: 
J. Robert Dean, Chairman

Attest:


Antoinette M. Appell Secretary/Treasurer

ATTENDANCE

BOARD MEMBERS

J. Robert Dean
Richard Toppino
Antoinette M. Appell
Cara Higgins
Nicholas W. Mulick

FKAA STAFF

Kerry Shelby	Krystal Waldner
Greg Veliz	Randy Acevedo
Tim Esquinaldo	Jay Miller
Pam Albury	Cindy Kondziela
Robert T. Feldman	George Wallace
Jolynn Reynolds	David Hackworth
Christina Ortiz	Maghan Barber

MEMBERS OF THE PUBLIC