

**MINUTES OF A WORKSHOP
OF THE
BOARD OF DIRECTORS
FLORIDA KEYS AQUEDUCT AUTHORITY**

HELD ON

June 14, 2022

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

9:30 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
Peter Gomez.	Director of Water Operations
Jay Miller.	Director of Wastewater Operations

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

BUDGET WORKSHOP

Chairman Dean called the Meeting to order at 9:30 a.m.

Mr. Shelby opened the Workshop and reported that this is the second meeting focusing solely on the draft of the 2023 budget that will go into effect on October 1, 2022.

Ms. Kondziela advised that the Workshop would provide the second overview of the 2023 budget. She added that there will be three (3) Public Hearings to receive public input and further direction from the Board.

Ms. Kondziela presented Budget highlights as follows:

- 2023 Budget Changes
- 2023 Operating Expenditures Highlights
- 2023 Operating Expenditure and Budget Highlights
- Budget Summary
- Five Year Capital Improvement Plan
- Departmental Summaries and Details
- Capital Outlay Details
- Board Discussion

Additional Comments:

Ms. Kondziela reported that two (2) preliminary figures have been updated based on the continued trend of increased inflation since the last Budget Workshop. She advised the CPI has been modified to a conservative figure of 7% and expenses related to employees slated to retire in 2023 have been narrowed down.

Ms. Kondziela advised that operating budget expenses are projected at \$69 million.

Ms. Kondziela reported that the budget includes the four (4) positions that were deemed operationally essential and approved by the Board at a previous meeting.

Ms. Kondziela reported that the 2023 capital improvement plan consist of \$60 million in water projects and \$5 million in wastewater projects.

Ms. Kondziela reported that the budget is evolving based on additional information and there has been very little change since the last workshop.

Mr. Toppino asked if property insurance rates have increased.

Ms. Kondziela advised rates have increased slightly.

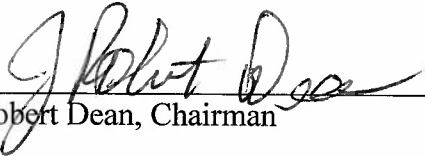
Mrs. Appell asked what percentage of employees participate in the Wellness Program.

Ms. Sargent advised that out of 280 employees approximately 170 employees participate in the Wellness Program.

ADJOURNMENT

With there being no further discussion, the meeting was adjourned at 9:45 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 (virtually)
Nick Mulick

FKAA STAFF

Kerry G. Shelby	Cindy Kondziela
Greg Veliz	Maghan Barber
Pam Albury	Peter Gomez
Randy Acevedo	Jay Miller
Robert T. Feldman	Krystal Waldner
Timothy Esquinaldo	George Wallace
David Hackworth	Christina Ortiz
Jolynn Reynolds	Rick Ketcham
Cheryl Sargent	Brent Cranney
Martin Kaiser	

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

HELD ON

JUNE 14, 2022

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

Immediately following the Budget Workshop

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
Peter Gomez. Director of Water Operations
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 9:55 a.m.

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

For the record, Ms. Higgins attended today's meeting virtually and participated but did not vote.

Mr. Toppino declared a conflict of interest on DEO-01 on the Regular Agenda.

SERVICE AWARDS

Elishea Strickland Asset Management Program Adm. 15 Years if Service

RETIREMENT

Martin Kaiser

APPROVAL OF MINUTES

On motion of Mr. Toppino, seconded by Mrs. Appell, the Board unanimously approved the Minutes from the Audit Committee Meeting on May 24, 2022, and the Regular Board Meeting on May 24, 2022, as presented.

APPROVAL OF AGENDA

By consensus, the Board unanimously approved Agenda.

REGULAR AGENDA ITEMS

EXECUTIVE DEPARTMENT

EO-01. EXECUTIVE DIRECTOR'S REPORT

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

NBC Nightly News and The Today Show to visit the J. Robert Dean Water Treatment Plant:

Mr. Shelby reported that Representatives from NBC Nightly News and The Today Show are planning to visit the J. Robert Dean Water Treatment Plant to discuss FPL's Turkey Point Nuclear Facility and its potential impacts on our wellfield.

Mr. Shelby advised that due to the weather the filming at the J. Robert Dean Water Treatment Plant has been postponed and will be rescheduled.

Release of the 2021 Annual Water Quality Report:

Mr. Shelby advised that The Authority has issued its annual Water Quality Report as required by the Department of Environmental Protection's Clean Drinking Water Act and that the report's availability has been advertised and is available on the FCAA website and in our customer service lobbies.

DIVISION OF ADMINISTRATION

DOA-01. MID-MONTH FINANCIAL UPDATE

Ms. Kondziela reported that meter revenue for 2022 is flat compared to May 2021 and that a reduction in meter revenue is anticipated in June and July. Ms. Kondziela advised that total cash balance is \$79.5 million.

DIVISION OF CAPITAL PROJECTS

DOCP-01. UPDATE ON MAJOR CAPITAL IMPROVEMENT PROGRAM (CIP) PROJECTS

Mr. Hackworth presented an update on the following projects:

- Islamorada Transmission
- Kermit H. Lewin Reverse Osmosis
- Kermit H. Lewin Generator Facility

DOCP-02. APPROVAL AWARD OF CONTRACT TO CAROLLO ENGINEERS FOR DESIGN SERVICES FOR UPGRADES TO THE DIESEL PUMPS AND GENERATORS AT THE J. ROBERT DEAN WTP (FCAA PROJECT #1003-21) (IN THE AMOUNT OF \$170,410.00)

On recommendation of Mr. Hackworth and motion of Mr. Mulick, seconded by Mrs. Appell, the Board approved award of contract to Carollo Engineers for design services for upgrades to the diesel pumps and generators at the J. R. Dean WTP (FCAA Project #1003-21) in the amount of \$170,410.00.

Chairman Dean asked for a roll call.

Roll Call:	Chairman Dean	Yes	Mrs. Appell	Yes
	Mr. Toppino	Yes	Mr. Mulick	Yes

DIVISION OF ENGINEERING

DOE-01. APPROVAL OF ADDITIONAL CONSTRUCTION COST FOR FKAA PROJECT #2372-21, "SOUTH ROOSEVELT UTILITY RELOCATES" (IN AN AMOUNT OF \$668,427.78 FOR A TOTAL CONSTRUCTION COST OF \$1,972,210.76)

On recommendation of Mrs. Reynolds and motion of Mrs. Appell, seconded by Mr. Mulick, the Board approved additional construction cost for FKAA Project #2372-21, "South Roosevelt Utility Relocates" in an amount of \$668,427.78 for a total construction cost of \$1,972,210.76.

DOE-02. CONSIDERATION TO APPROVE SELECTION OF STANTEC CONSULTING INC., FOR PROJECT #1005-21, "FLORIDA CITY WATER UTILITY EASEMENT IMPROVEMENTS," AND AUTHORIZE TO BEGIN CONTRACT NEGOTIATIONS

On recommendation of Mrs. Reynolds and motion of Mr. Mulick, seconded by Mrs. Appell, the Board approved selection of Stantec Consulting Inc., for Project #1005-21, "Florida City Water Utility Easement Improvements," and authorize to begin contract negotiations.

DOE-03. APPROVAL TO REJECT ALL BIDS FOR PROJECT #1150-17B. "EXISTING STOCK ISLAND REVERSE OSMOSIS CHEMICAL SYSTEMS RENEWAL AND REPLACEMENT"

On recommendation of Mrs. Reynolds and motion of Mr. Mulick, seconded by Mrs. Appell, the Board approved to reject all bids for Project #1150-17B. "Existing Stock Island Reverse Osmosis Chemical Systems Renewal and Replacement."

Mr. Mulick asked if the project specs changed due to added materials and from the scope of the project expanding causing unexpected costs.

Mrs. Reynolds advised yes as well as the short turn around period.

**BOD-01. BOARD OF DIRECTORS DISCUSSION
(SPONSOR: J. ROBERT DEAN)**

Mr. Esquinaldo reported that the issue discussed at the Audit Committee Meeting regarding the tracking of company property has been resolved and corrective actions taken.

ADJOURNMENT

With there being no further business, the meeting was adjourned at 10:33 a.m.

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FLORIDA KEYS AQUEDUCT AUTHORITY

By: 
J. Robert Dean, Chairman

Attest:


Antoinette M. Appell Secretary/Treasurer

ATTENDANCE

BOARD MEMBERS

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Antoinette M. Appell
Cara Higgins (virtually)
Nicholas W. Mulick

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Robert T. Feldman	George Wallace
Jolynn Reynolds	David Hackworth
Christina Ortiz	Maghan Barber
Elishea Strickland	Kim Judge
Rene Hatalovsky	Emmie McDowell
Josh Peele	Marnie Walterson
Amanda Blanco	Christen Meyers
Rick Ketcham	Cheryl Sargent
Brent Cranny	Martin Kaiser
Lisa Cherry	Missy McLaughlin
Sotey Jackson	Zayli Mayor
Peter Gomez	

MEMBERS OF THE PUBLIC