

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

**HELD ON**

**September 13, 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  
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 11:01 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 Labor Committee Meeting on August 24, 2022 and the Regular Board Meeting on August 24, 2022, as presented.

## **ADDITION TO REGULAR AGENDA**

OOC-05 Consideration to approve Interlocal Agreement for Uniform Collection of Non-Ad Valorem Special Assessments for Bay Point Wastewater District Service Area Conch Key/Duck Key Wastewater District Service Area Layton Wastewater District Service Area Cross Key Wastewater District Service Area Decentralized Systems for the purpose of adding Cross Key

Chairman Dean requested roll call to confirm item OOC-05 as an addition to the Regular Agenda:

Roll Call:

Chairman Dean	Yes	Ms. Higgins	Yes
Mr. Toppino	Yes	Mr. Mulick	Yes
Mrs. Appell	Yes		

## **APPROVAL OF AGENDA**

By consensus, the Board unanimously approved Agenda.

Ms. Higgins declared a conflict of interest on items OOC-01 and OOC-02 on the Regular Agenda.

## **CONSENT AGENDA WATER /WASTEWATER**

On motion of Mr. Mulick, seconded by Mr. Toppino the Board unanimously approved the following item by Consent:

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

2. DOE – 01. Approval of final disbursement of \$39,151.66 and final reconciliation Change Order No 01 in the amount of (\$47,643.12) to close-out Project #2357-20 “Duck Key Distribution System Upgrade-Bimini Bridge” for Murphy Pipeline Contractors, LLC (\$39,151.66)
3. DOW – 01. Approval of a bulk order of lab equipment and chemicals for the FL City Lab from Fisher Scientific in the amount of (in the amount of \$87,952.06)
4. DOW–02. Approval of Software and Support agreement with InSource Solutions for Wonderware SCADA software (in the amount \$78,191.90)
5. DOW–03. Approval of award bid # FKAA-IFB-0024-22, Purchase of Hydrofluosilicic Acid, 1-year contract to Florida Chemical Supply Inc. (in the amount of \$64,900.00)

## **REGULAR AGENDA ITEMS**

### **EXECUTIVE DEPARTMENT**

#### **EO-01. EXECUTIVE DIRECTOR’S REPORT**

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

Mr. Shelby advised that the Jackson, Mississippi water system failure has brought up some questions regarding the Authority’s system. He explained that the failure in Jackson appears to be from decades of lack of maintenance.

Mr. Shelby advised that maintenance is a priority for the Authority’s plants and that the public can be assured that a water system failure in the Keys would be unimaginable.

Mr. Toppino asked if the RO Plant will remain fully operational throughout the construction of the new RO Plant.

Mr. Shelby said yes.

Mr. Shelby advised that the Consumer Price Index for August has been issued and remains high. He added that the Authority’s operating expenses and capital costs will continue to be impacted by inflation.

**OFFICE OF COUNSEL**

**OOO-01. APPROVAL OF PAYMENT TO ALLEN, NORTON & BLUE, P.A. FOR JULY 2022 (IN THE AMOUNT OF \$8,872.50 RE: WALKER, THOMAS GC2021099959)**

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 July 2022 in the amount of \$8,872.50 RE: Walker, Thomas GC2021099959.

**OOO-02. APPROVAL OF PAYMENT TO ALLEN, NORTON & BLUE, P.A. FOR JULY 2022 (IN THE AMOUNT OF \$1,845.70)**

On recommendation of Mr. Feldman and motion of Mr. Mulick, seconded by Mrs. Appell, the Board approved payment to Allen, Norton & Blue, P.A. for July 2022 in the amount of \$1,845.70.

**OOO-03. APPROVAL OF THE SECOND AMENDMENT TO THE NOVEMBER 23, 2009 INTERLOCAL AGREEMENT BETWEEN THE FLORIDA KEYS AQUEDUCT AUTHORITY AND NORTH KEY LARGO UTILITY CORPORATION ("NKLUC"). THE AUTHORITY, FOR COMPENSATION, BILLS NKLUC CUSTOMERS FOR NKLUC WASTEWATER CHARGES AND COLLECTS AND TRANSMIT THOSE CHARGES, NET OF AUTHORITY FEES, T NKLUC. THE AMENDMENT WILL ALLOW THE AUTHORITY TO BE REIMBURSED FOR CREDIT CARD CHARGES PAID BY THE AUTHORITY**

On recommendation of Mr. Feldman and motion of Ms. Higgins, seconded by Mr. Toppino, the Board approved the Second Amendment to the November 23, 2009 Interlocal Agreement between The Florida Keys Aqueduct Authority and North Key Largo Utility Corporation ("NKLUC"). The Authority, for compensation, bills NKLUC customers for NKLUC wastewater charges and collects and transmit those charges, net of Authority fees, t NKLUC. The Amendment will allow the Authority to be reimbursed for credit card charges paid by the Authority.

**OOO-04. APPROVAL OF AGREEMENT FOR INSTALLATION AND MAINTENANCE OF FIRE HYDRANTS BETWEEN THE FLORIDA KEYS AQUEDUCT AUTHORITY AND MONROE COUNTY**

On recommendation of Mr. Feldman and motion of Mr. Toppino, seconded by Ms. Higgins, the Board approved Agreement for Installation and Maintenance of Fire Hydrants between the Florida Keys Aqueduct Authority and Monroe County.

**OOO-05. APPROVAL OF INTERLOCAL AGREEMENT FOR UNIFORM COLLECTION OF NON-AD VALOREM SPECIAL ASSESSMENTS FOR BAY POINT WASTEWATER DISTRICT SERVICE AREA CONCH KEY/DUCK KEY WASTEWATER DISTRICT SERVICE AREA LAYTON WASTEWATER DISTRICT SERVICE AREA CROSS KEY WASTEWATER DISTRICT SERVICE AREA DECENTRALIZED SYSTEMS FOR THE PURPOSE OF ADDING CROSS KEY**

On recommendation of Mr. Feldman and motion of Mr. Mulick, seconded by Mrs. Appell, the Board approved Interlocal Agreement for Uniform Collection of Non-Ad Valorem Special Assessments for Bay Point Wastewater District Service Area Conch Key/Duck Key Wastewater District Service Area Layton Wastewater District Service Area Cross Key Wastewater District Service Area Decentralized Systems for the purpose of adding Cross Key.

**DIVISION OF ADMINISTRATION**

**DOA-01. MID-MONTH FINANCIAL UPDATE**

Ms. Kondziela reported that the cash balance as of yesterday was \$70.6 million and that 108 checks have been issued in the first 13 days of September totaling \$2.2 million.

**DIVISION OF ENGINEERING**

**DOE-01. MID-MONTH FINANCIAL UPDATE**

Mr. Hackworth presented an update on the following projects:

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

**DOE-02. APPROVAL OF AWARD BID TO FERGUSON ENTERPRISES IN THE AMOUNT OF \$100,587.00 AND FORTILINE WATERWORKS IN THE AMOUNT OF \$18,036.86 FOR PURCHASE OF MATERIALS FOR PROJECT #2331-17 "TORCH KEYS WATER MAIN UPGRADE." (IN THE TOTAL AMOUNT OF \$118,623.86)**

On recommendation of Mr. Hackworth and motion of Mrs. Appell, seconded by Ms. Higgins, the Board approved award bid to Ferguson Enterprises in the amount of \$100,587.00 and Fortiline Waterworks in the amount of \$18,036.86 for purchase of materials for Project #2331-17 "Torch Keys Water Main Upgrade." in the total amount of \$118,623.86.

**DOE-03. APPROVAL TO AWARD CONTRACT FOR PROFESSIONAL ENGINEERING SERVICES FOR THE KEY WEST TERMINUS TRANSMISSION MAIN REPLACEMENT TO CPH, INC. (IN THE AMOUNT OF \$404,530.00)**

On recommendation of Mr. Hackworth and motion of Mr. Toppino, seconded by Ms. Higgins, the Board approved to award contract for professional engineering services for the Key West Terminus transmission main replacement to CPH, Inc. in the amount of \$404,530.00.

**DOE-04. APPROVAL OF CONTRACT NEGOTIATIONS WITH CONTROL SYSTEM CONSULTING, LLC FOR PROGRAMMING AND CONTROL SYSTEM CONSULTING SERVICES FOR ONGOING AND FUTURE CAPITAL IMPROVEMENT PROJECTS**

On recommendation of Mr. Hackworth and motion of Mrs. Appell, seconded by Ms. Higgins, the Board approved contract negotiations with Control System Consulting, LLC for programming and control system consulting services for ongoing and future capital improvement projects.

**BOARD OF DIRECTORS**

**BOD-01. APPROVAL OF THE ENGAGEMENT OF MARCUM LLP TO PERFORM FINANCIAL AUDIT SERVICES FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022, I.E., FOR THE PERIOD FROM OCTOBER 1, 2021, TO SEPTEMBER 30, 2022 AT A COST OF \$94,000 FOR THE FINANCIAL AUDIT COMPONENT, \$8,300 FOR THE FEDERAL SINGLE AUDIT COMPONENT, AND \$8,300 FOR THE FLORIDA SINGLE AUDIT COMPONENT. IT IS ANTICIPATED THAT A FEDERAL SINGLE AUDIT, AND TWO (2) FLORIDA SINGLE AUDITS WILL BE REQUIRED (TOTAL ESTIMATED COST OF \$118,900)**

On recommendation of Mr. Esquinaldo and motion of Ms. Higgins, seconded by Mrs. Appell, the Board approved the engagement of Marcum LLP to perform financial audit services for the fiscal year ended September 30, 2022, i.e., for the period from October 1, 2021, to September 30, 2022 at a cost of \$94,000 for the financial audit component, \$8,300 for the Federal Single Audit component, and \$8,300 for the Florida Single Audit component. It is anticipated that a Federal Single Audit, and two (2) Florida Single Audits will be required in the total estimated cost of \$118,900.

Ms. Higgins asked if the increase is approximately \$4600 from last year.

Mr. Esquinaldo advised approximately a 4% increase.

Ms. Higgins recommended that FKAA go out for a new RFP for audit services since the same firm has been used since 2013.

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

Mrs. Appell thanked the Water Operations crews for a job well done on the renovations made to the Customer Service Office in Marathon.

**ADJOURNMENT**

With there being no further business, the meeting was adjourned at 11:24 a.m.

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FLORIDA KEYS AQUEDUCT AUTHORITY

By:   
J. Robert Dean, Chairman

Attest:

  
Antoinette M. Appell Secretary/Treasurer

**ATTENDANCE**

**BOARD MEMBERS**

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

**FKAA STAFF**

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

**MEMBERS OF THE PUBLIC**

Ernesto Cabrera (Union Rep.)