

Islamorada, Village of Islands *** Statements of Explanation Concerning Findings

includes a \$20 million appropriation from the Save Our Everglades Trust Fund specifically for the Islamorada wastewater system. The Village is aware of the timeframe for compliance with this state appropriation and has developed a schedule to meet the requirements.

In response to Islamorada's January 2012 Request for Inclusion for preconstruction funding, the Florida Department of Environmental Protection preapproved the Village for a State Revolving Fund (SRF) Preconstruction Loan. Village staff is subsequently completing the Preconstruction Loan Application required for execution of the loan agreement. Concurrently, Village staff is also completing a Request for Inclusion for construction funding and a SRF Construction Loan Application. A schedule to meet the SRF funding deadlines has been developed. Such a schedule will be developed for all future loans and grants.

On February 22, 2012, the Village issued a Request for Qualifications (RFQ) for a federal lobbyist to assist the Village with obtaining the balance of the \$100 million dollar federal pledge to the Florida Keys that has yet to be allocated or to obtain other federal funds to utilize to preserve the Village's near shore waters as part of its national significance. Responses to the RFQ have been received and the Village will be considering selection of a lobbyist in the near future.

Finding No. 3: The Village contracted for the design and construction of a reclaimed water system to irrigate Founders Park which, according to Village records, was complete in June 2006 and could have been hooked up in December 2009; however, the reclaimed water system had not been hooked up or put to use as of February 2012.

Recommendation: The Village should complete the hook-up of the system and use the system as intended for irrigating Founders Park, or document of record why the Village should not complete the hook-up and use of the system.

Statement of Explanation to Finding No. 3: The decision whether to treat all of the Village's effluent in Islamorada, maintain the Plantation Key Wastewater Treatment Facility and transmit a portion of the effluent to the Key Largo Wastewater Treatment Plant or to transmit all effluent to the Key Largo Wastewater Treatment District plant is still to be determined. The decision will be based on cost effectiveness and negotiations with Key Largo. If it is decided that the Plantation Key Wastewater Treatment Facility will not be decommissioned, the design-build-operate contract will include completion and operation of the reuse system. The reuse system would not be placed into operation if the Plantation Key Plant is to be decommissioned.

Finding No. 4: Some newly constructed buildings were not billed for wastewater charges until 3 to 51 months after the buildings were connected to the Village's wastewater utility, and the Village had not requested the Florida Keys Aqueduct Authority to back-bill customers for unbilled amounts.

Recommendation: The Village should ensure that all developed properties within NPK, and subsequent areas that receive wastewater services, are billed for wastewater services in accordance with the Village Municipal Code. In addition, the Village should determine the amounts that existing wastewater customers were not billed and seek to collect those funds.