

Creating an Effective Septic Tank Management Authority Using Home Rule Solutions

Wakulla Springs Restoration Workshop

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Overview

- **Governmental Utility Authority (GUA) Concept**
- **GUA Example**
- **Economic Advantages**
- **Management Advantages**
- **Program Elements (Examples)**
- **Getting Started**
- **Strategies for Success**
- **Benefits**
- **Closing**

The Governmental Utility Authority (GUA) Concept

- Separate utility authorities are authorized under Section 163.01(7)(g)1, Florida Statutes
- A GUA is an innovative home rule mechanism
- GUAs are governed by a locally-appointed Board
- Participating local governments have control over the GUA but do not incur any liability for debt or operations
- The GUA can be a multi-jurisdictional entity for septic tank regulation and management

Example of a Successful GUA

- **The Florida Governmental Utility Authority (FGUA)**

- Formed in 1999 through an interlocal agreement between Brevard, Lee, Polk and Sarasota counties
- Growth to over \$800 million in assets
- Over \$500 million in improvements to facilities owned since the FGUA's inception
- Successfully acquired, improved and transitioned the systems to Sarasota, Brevard, Citrus and Hillsborough counties
- Seven-member Board of Directors governs the FGUA, with representatives from Pasco, Polk, Citrus, Hendry and Lee counties and the Town of Dundee
 - Board members meet monthly to represent member systems and establish policy
 - Each Board member is an employee of the host government
 - The Board has always yielded to host governments preferences

Example of a Successful GUA

(Cont.)

- **The Florida Governmental Utility Authority (FGUA)**
 - Today the FGUA serves portions of DeSoto, Polk, Lee, Hendry, Collier and Pasco counties
 - Approximately 70,000 customers annually
 - The FGUA customer base and service area continues to grow
 - The FGUA plans to make over \$108 million in additional improvements to facilities owned over the next five years
 - The FGUA provides local Community Service Representatives for each utility system owned
 - The FGUA provides quarterly newsletters for each utility system owned
 - The FGUA has developed a comprehensive website to assist customers, developers and vendors

Economic Advantages

- Bargaining power and clout
- Public ownership alternative
- Future system improvements financed on a tax-exempt basis
- Economies of scale
- Pool of professional resources
- Extensive management expertise
- Professional construction managers and inspectors
- Certified local government finance professionals
- Experienced local government managers

Management Advantages of Septic Tank Regulatory Authority

- Difference between failure and success is the implementation of effective management system
 - Currently property owners are responsible without accountability
 - Accountability will reduce system failures
 - Provide consistent management approaches
 - Flexibility in funding
 - Customer service
 - Educate public
 - Improve public awareness
- Reliability, efficiency and responsiveness through centralized management
- Provide critical services without burdening local government resources

Management Advantages of Septic Tank Regulatory Authority (Cont.)

- Assist with
 - Recordkeeping/inventory/reporting
 - Planning
 - Training
 - Certification/licensing
 - Inspection/monitoring
 - Customer service (ombudsman)
- Public education
- Promotes and protects
 - Environmental quality
 - Public health
 - Homeowners investment
 - Community investment
 - Local tax base

Examples of Program Elements

- Administration
 - Public education
 - Planning
 - Performance requirements
 - Recordkeeping, reporting
 - Financial assistance
- Operation and Compliance
 - Training, certification/licensing
 - Inspections, monitoring
 - Corrective actions and enforcement

Getting Started

- **What Do You Want to Accomplish?**
 - Records Management
 - Public Education
 - Fee Collections
 - Oversight without burden on local government
 - Consumer Protection
 - Environmental Protection
 - Water Resource Protection
 - Citizen Financing Options
 - Local Business Preference – keep revenue in community
- **Next Step**
 - Determine role and members of entity
 - Determine governance alternatives
 - Develop funding alternatives based on different levels of service
 - Draft Interlocal Agreement

Strategies for Success

- **Identify Stakeholders**
 - Government
 - Citizens
 - Builders
 - Service Providers
- **Foster Community Involvement**
 - Education
- **Develop Management Plan**
 - Outline clear and specific goals
 - Develop public outreach program
 - Outline role of entity and structure
 - Specific and measurable performance requirements and compliance reporting
 - Outline performance requirements, corrective actions and inspection/monitoring
 - Training and certification/licensing
 - One size does NOT fit all
 - Implementation can be phased
 - Prioritize “hot spots”
 - Develop indicators to determine progress and success
 - Implement and adapt management plan as necessary
 - Start small

Strategies for Success (Cont.)

- **Develop Budget and Funding Plan**
 - Drivers that Impact Dollars
 - Type of septic system
 - Frequency of inspections
 - Other services that may be provided by entity
- **Remember There is no such Thing as “Preliminary Numbers”**
 - Manage expectations

Benefits

Addresses Public Policy Issues:

- Protection of property value
- Water conservation
- Preservation of tax base
- Life-cycle cost savings
- Effective planning – flexible options

Benefits (Cont.)

Flexible Funding Options:

- Special assessment collected on tax bill
 - annual inspections and oversight
- Unencumbered local government financial resources
 - Independent bonding capacity
 - Bank loan
- Ability to lend money to replace/repair failed systems
 - Low interest loan collected on tax bill
 - Hardship policy
 - Mitigation policy

Closing

- Begin with realistic goals
- Show benefits and cost of program vs. cost of doing nothing
 - Unpermitted systems
 - System failures that go unnoticed
- Form Working Group from affected Government, Industry and Citizens
 - Give Group clear objectives and timeframe