

STORAGE NAME: h4349.ca

DATE: April 13, 1998

**HOUSE OF REPRESENTATIVES
COMMITTEE ON
COMMUNITY AFFAIRS
BILL RESEARCH & ECONOMIC IMPACT STATEMENT - LOCAL LEGISLATION**

BILL #: HB 4349

RELATING TO: Monroe County (Florida Keys Aqueduct Authority)

SPONSOR(S): Representative Horan

COMPANION BILL(S): HB 4241 (s); SB 2588 (s)

ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:

- (1) COMMUNITY AFFAIRS
 - (2)
 - (3)
 - (4)
 - (5)
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I. SUMMARY:

This bill expands the authority of the Florida Keys Aqueduct Authority (FKAA) to provide that FKAA may collect, treat and dispose of wastewater in the Florida Keys. Furthermore, the FKAA is authorized to dispose of wastewater outside its boundaries for wastewater from within its boundaries. The bill provides for compensation for members of the FKAA board, in addition to reimbursement for reasonable expenses.

The bill significantly expands the powers of the FKAA to provide the Authority the power to contract; accept grant or loan monies; perform necessary functions related to development and adoption of a wastewater comprehensive plan; bond funds for wastewater-related infrastructure; and to provide the power of exclusive jurisdiction over the maintenance of wastewater systems within Monroe County, with limited exceptions.

II. SUBSTANTIVE RESEARCH:

A. PRESENT SITUATION:

The Florida Keys Aqueduct Authority (FKAA) is listed in the 1997 Official List of Special Districts as an independent special district, which was recreated in chapter 76-441, Laws of Florida. This special act granted the FKAA: a service area of all of the property within Monroe County; the power to obtain potable water outside of its service area; the power to transmit water for sale within its service area; and the power to serve customers residing within one mile of its transmission pipeline in Dade County.

The primary raw water source for the FKAA system is a wellfield withdrawing water from the Biscayne Aquifer, west of Florida City, in Southeast Dade County. The Authority distributes potable water throughout the Florida Keys through a 130 mile long transmission main.

Currently, pursuant to chapter 76-441, Laws of Florida as amended by chapter 77-605, Laws of Florida, the primary purpose of the FKAA is to obtain, supply and distribute an adequate water supply for the Florida Keys. However, the Authority does have the ability to create sewer districts within its boundaries, subject to approval by the Monroe County Board of County Commissioners. Furthermore, FKAA has the authority to purchase or construct sewage systems and appurtenant properties and to bond revenue for such purposes.

Each board member of the Authority currently receives reimbursement for reasonable expenses for service on the board.

Section 189.404, Florida Statutes, requires that special districts which are created subsequent to September, 30, 1989 are subject to the provisions of said section. The FKAA was recreated as an independent special district in 1976.

B. EFFECT OF PROPOSED CHANGES:

This bill expands the authority of the Florida Keys Aqueduct Authority (FKAA) to provide that the authority may collect, treat and dispose of wastewater in the Florida Keys. Furthermore, the FKAA is authorized to dispose of wastewater outside its boundaries to dispose of wastewater from within its boundaries. The bill provides for compensation for members of the FKAA board.

The bills significantly expands the powers of the FKAA to provide the Authority the power to contract; to accept grant or loan monies; to perform necessary functions related to development and adoption of a wastewater comprehensive plan; to bond funds for wastewater-related infrastructure and; to provide the power of exclusive jurisdiction over the maintenance of wastewater systems within Monroe County, with limited exceptions.

C. LAWS OF FLORIDA/FLORIDA STATUTES AFFECTED:

Chapters 76-441, 77-604, 77-605, 80-546, 84-484, 87-454, Laws of Florida.

D. APPLICATION OF PRINCIPLES:

1. Less Government:

a. Does the bill create, increase or reduce, either directly or indirectly:

(1) any authority to make rules or adjudicate disputes?

The bill expands the powers of the FKAA to contract; accept grant or loan monies; perform necessary functions related to development and adoption of a wastewater comprehensive plan; issue bonds for wastewater-related infrastructure and; to provide the power to the Authority for exclusive jurisdiction over the maintenance of wastewater systems within Monroe County, with limited exceptions. Furthermore, the FKAA may issue permits related to construction of authorized facilities.

(2) any new responsibilities, obligations or work for other governmental or private organizations or individuals?

The bill creates significant new duties for the Florida Keys Aqueduct Authority. Most of the new duties are related to providing wastewater services.

(3) any entitlement to a government service or benefit?

N/A

b. If an agency or program is eliminated or reduced:

(1) what responsibilities, costs and powers are passed on to another program, agency, level of government, or private entity?

N/A

(2) what is the cost of such responsibility at the new level/agency?

N/A

(3) how is the new agency accountable to the people governed?

N/A

2. Lower Taxes:

- a. Does the bill increase anyone's taxes?

No.

- b. Does the bill require or authorize an increase in any fees?

No.

- c. Does the bill reduce total taxes, both rates and revenues?

No.

- d. Does the bill reduce total fees, both rates and revenues?

No.

- e. Does the bill authorize any fee or tax increase by any local government?

No.

3. Personal Responsibility:

- a. Does the bill reduce or eliminate an entitlement to government services or subsidy?

No.

- b. Do the beneficiaries of the legislation directly pay any portion of the cost of implementation and operation?

Unknown.

4. Individual Freedom:

- a. Does the bill increase the allowable options of individuals or private organizations/associations to conduct their own affairs?

N/A

- b. Does the bill prohibit, or create new government interference with, any presently lawful activity?

N/A

5. Family Empowerment:

a. If the bill purports to provide services to families or children:

(1) Who evaluates the family's needs?

N/A

(2) Who makes the decisions?

N/A

(3) Are private alternatives permitted?

N/A

(4) Are families required to participate in a program?

N/A

(5) Are families penalized for not participating in a program?

N/A

b. Does the bill directly affect the legal rights and obligations between family members?

N/A

c. If the bill creates or changes a program providing services to families or children, in which of the following does the bill vest control of the program, either through direct participation or appointment authority:

(1) parents and guardians?

N/A

(2) service providers?

N/A

(3) government employees/agencies?

N/A

E. SECTION-BY-SECTION RESEARCH:

Section 1: Section 1 of chapter 76-441, Laws of Florida, as amended by chapter 77-605, Laws of Florida is amended. Provides that the Florida Keys Aqueduct Authority was recreated September 15, 1976 and the FKAA is not being recreated for purposes of chapter 189, Florida Statutes. Expands the primary purpose of the FKAA to authorize the collection, treatment and disposal of wastewater. Provides that the FKAA may dispose or treat wastewater outside of its boundaries for wastewater from within its boundaries.

Section 2: Subsection (8) of section 3 of chapter 76-441, Laws of Florida, is amended. Provides that the terms "wastewater" and "wastewater system" are construed as synonymous with the terms "sewer" or "sewer system" for purposes under this act.

Section 3: Section 6 of chapter 76-441, Laws of Florida, as amended by chapter 80-546, Laws of Florida, is amended. Provides that each member of the FKAA board is entitled to receive \$300 per meeting, not to exceed three meetings per month. Compensation amount for the members is adjusted annually.

Section 4: Subsection (1) of section 7 of chapter 76-441, Laws of Florida, is amended. Provides for a notice of the availability of its annual audit.

Section 5: Subsection (3) of section 9 of chapter 76-441, Laws of Florida, is amended. Provides that the FKAA assist Monroe County in preparing its comprehensive plan with respect to the availability of water and wastewater facilities. Provides that equipment be purchased in accordance with part I of chapter 287, Florida Statutes. Provides that the State of Florida may convey property to the FKAA for purposes of projects relating to wastewater systems.

Section 6: Paragraphs (k), (l), (m), (n), (o), and (p) are added to subsection 9 of section 9 of chapter 76-441, Laws of Florida, to expand the powers of the FKAA. Paragraph (k) authorizes the FKAA to contract with any person, agency, or government entity relating to wastewater functions. Authorizes the FKAA to accept loans or grants for wastewater projects. Paragraph (l) authorizes the FKAA to perform the necessary functions related to preparing a comprehensive plan or plans for development of a wastewater system.

Paragraph (m) authorizes the FKAA to lease said wastewater system, subject to covenants with bondholders. Paragraph (n) provides that revenues derived from wastewater facilities are treated as all other revenues. Paragraph (o) provides that Monroe County, nor any municipality or special district can interfere with the FKAA's jurisdiction and operation of a wastewater system in such manner as to interfere with covenants with bondholders. Paragraph (p) provides the FKAA be the exclusive provider of wastewater services within Monroe County with limited exceptions.

Section 7: Section 17 of chapter 76-441, Laws of Florida, is amended. Provides that bond covenants for wastewater systems are enforceable.

Section 8: Section 28 of chapter 76-441, Laws of Florida, as amended by chapters 80-546 and 87-454, Laws of Florida, is amended. Provides that bonds must be negotiated

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or issued on a competitive bid basis. Requires approval of the Monroe County Commission prior to the issuance of bonds to finance wastewater projects.

Section 9: Provides that this act shall take effect upon becoming law.

III. NOTICE/REFERENDUM AND OTHER REQUIREMENTS:

A. NOTICE PUBLISHED? Yes No

IF YES, WHEN? February 18, 1998

WHERE? The Citizen (Key West)

B. REFERENDUM(S) REQUIRED? Yes No

IF YES, WHEN?

C. LOCAL BILL CERTIFICATION FILED? Yes, attached No

D. ECONOMIC IMPACT STATEMENT FILED? Yes, attached No

IV. COMMENTS:

The bill contains a provision which authorizes the Florida Keys Aqueduct Authority to dispose of wastewater outside of its boundaries. There is no precedent in the State of Florida for such a practice.

V. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

The sponsor has requested a strike-everything amendment to the bill to remove provisions inserted by bill drafting that were inaccurate. Furthermore, the sponsor has agreed to an amendment which removes the authorization for the FKAA to dispose of wastewater outside of its boundaries.

VI. SIGNATURES:

COMMITTEE ON COMMUNITY AFFAIRS:

Prepared by:

Legislative Research Director:

Lisa C. Cervenka

Joan Highsmith-Smith