

Water System Partnerships

Khris Dodson

Associate Director

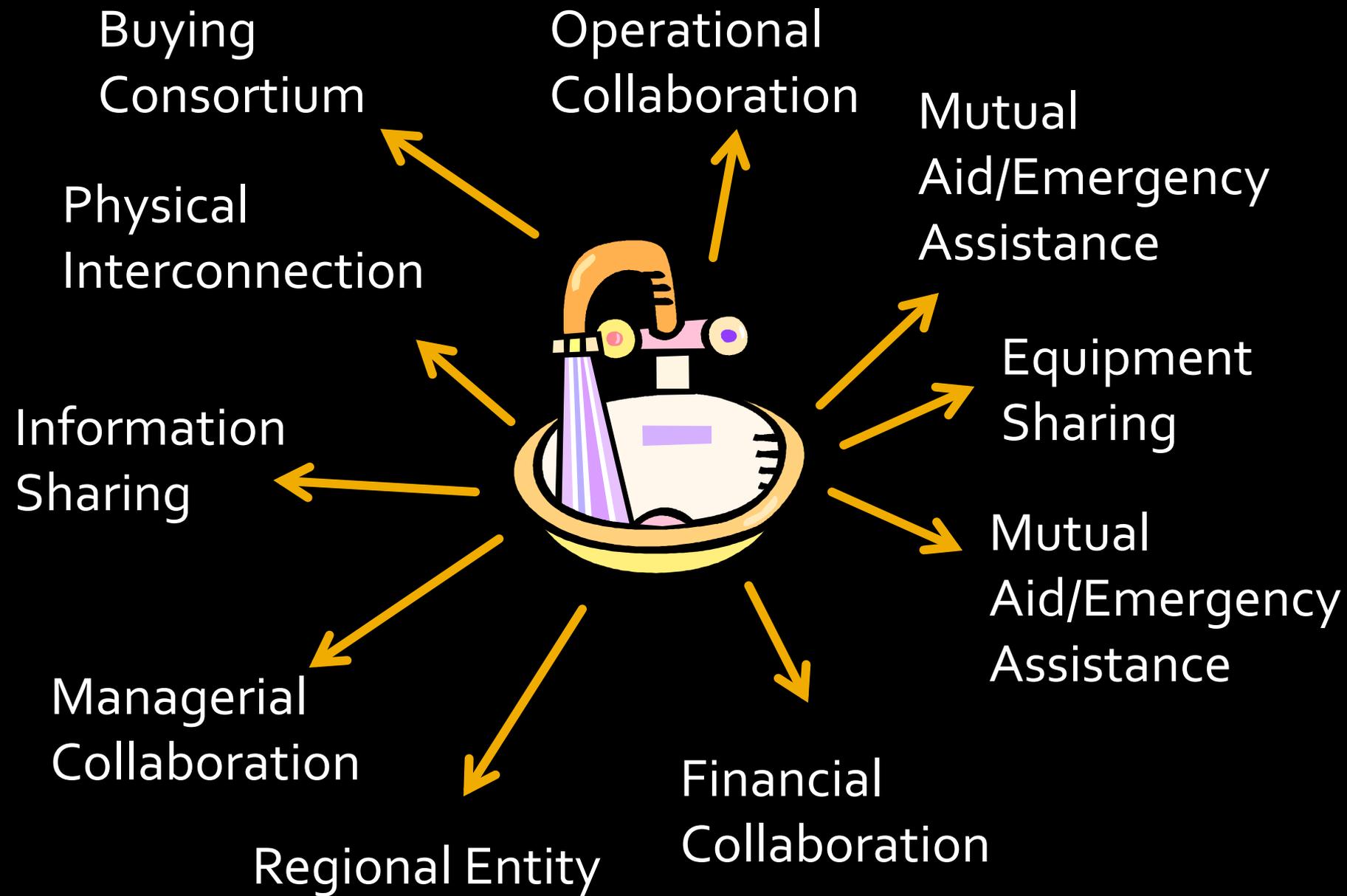
Syracuse University Environmental Finance Center

Less Formal
Arrangements

More Formal
Arrangements



Any kind of collaboration can be helpful



Motivations for Collaboration Or What's in it for me?

- Cost savings!!!!
- Addressing Staffing Needs
- Increased ability to comply with regulations
- Ability to access professional services
- Increased access to necessary equipment and/or supplies

Common Concerns with Collaboration

- Desire for Autonomy
- Mistrust of Other Systems
- Lack of Knowledge of Other Systems
- Lack of Knowledge of the Options
- No Outside Independent Force to Get Collaboration Started

Some Examples

- Buying Consortiums
- Mutual Aid Agreements
- Emergency Interconnections
- Shared Operator
- Shared Management
- Merger

Case Studies

Regional Entity for New Supply

- In Central Texas
- Several systems had problems meeting regulatory requirements
- New source could potentially solve the problem
- Formed a regional entity for the sole purpose of securing the new supply
- One member of each water system serves on the board of the new entity
- All individual water systems remain

Shared Operators and Managers for Rural Water Systems

- Several small systems owned and managed by one entity
- Systems wanted to be bought
- Each system financed separately
- Operators on regional basis
- Operators know each others system
- Three levels: Operator, Regional Operator, Head Operator

Sharing Bookkeeping

- Several small systems in southern New Mexico use the same accounting firm
- No connection between systems other than using the same firm
- Systems save considerable \$\$\$ and receive higher level expertise than they would otherwise be able to afford
- Added benefit, “We didn’t want to shut you off, the firm made us”

Buying Consortium

- Entities work together to negotiate agreements for cheaper prices
- Take turns negotiating and leading the consortium
- If a utility won't take its turn, they are eliminated from the consortium
- No other relationship between systems

Talking Led to Greater Collaboration

- Systems started by talking: Monthly meetings with guest speakers and topics of mutual interest
- Led to a mutual aid agreement
- Led to three utilities interconnecting
- Led to cooperation to obtain legislation
- Led to cooperation to protect utilities from lawsuits

Conversion to Another Utility Type

- Utility started as municipality and became regional Authority

Contact Us

Khris Dodson

kadodson@syr.edu

315-443-8818

efc.syr.edu



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Finance
Center

Syracuse University