



**UTILITIES, NATURAL RESOURCES, AND
PUBLIC WORKS COMMITTEE**

**Thursday, December 5, 2024
10:15 a.m. – 12:00 p.m. ET**

**Meeting Room: Orange Ballroom AB
Hilton Orlando
6001 Destination Parkway
Orlando, FL 32819**

FLC Staff Contact: Rebecca O'Hara



Agenda



Utilities, Natural Resources, and Public Works Legislative Policy Committee
Thursday, December 5, 2024, 10:15 a.m. to 12:00 p.m.
Hilton Orlando – Meeting Room: Orange Ballroom AB
6001 Destination Parkway, Orlando, Florida

AGENDA

- I.** Introduction and Opening Remarks..... **Chair Teresa Watkins Brown**
Councilwoman, City of Fort Myers
- II.** Recap of Remaining Two Issues **Rebecca O’Hara, FLC Staff**
 - a. Enterprise Fund Transfers
 - b. One Water
- III.** Vote on Recommended Priority..... **Chair Teresa Watkins Brown**
Councilwoman, City of Fort Myers
- IV.** Committee Discussion and Vote on Language
of Recommended Priority..... **Chair Teresa Watkins Brown**
Councilwoman, City of Fort Myers
- V.** Vote on Whether to Have a Policy Statement **Chair Teresa Watkins Brown**
Councilwoman, City of Fort Myers
- VI.** Committee Discussion and Vote on Policy
Statement Language (if needed)..... **Chair Teresa Watkins Brown**
Councilwoman, City of Fort Myers
- VII.** Update on PFAS (time permitting)..... **Rebecca O’Hara, FLC Staff**
- VIII.** Additional Information..... **Rebecca O’Hara, FLC Staff**
 - a. [Key Legislative Dates](#)
 - b. Key Contacts – [Click HERE to sign-up](#)
- IX.** Closing Remarks..... **Chair Teresa Watkins Brown**
Councilwoman, City of Fort Myers
- X.** Adjournment

WiFi is Available
Network: FLCLC2024
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Committee Roster



2024-2025 Legislative Policy Committee Utilities, Natural Resources, and Public Works

Staffed by: *Rebecca O'Hara, Deputy General Counsel*

CHAIR:

The Honorable Teresa Watkins Brown

Councilmember, City of Fort Myers

VICE CHAIR:

The Honorable Lois Paritsky

Mayor, Town of Ponce Inlet

MEMBERS:

The Honorable Jen Ahearn-Koch

Vice Mayor, City of Sarasota

Alexandra Alexieva

Community Liaison, City of Miami

The Honorable Joaquin Almazan

Vice Mayor, City of Belle Glade

The Honorable David Bailey

Council Member, City of Brooksville

The Honorable Charles Bare

Councilmember, City of Pensacola

Dennis Barron

Director of Public Works, City of Jacksonville Beach

The Honorable Patricia Bates

Mayor, City of Altamonte Springs

Peter Bieniek

Director of Public Works, City of Fort Myers

The Honorable Nathaniel Birdsong, Jr.

Mayor, City of Winter Haven

The Honorable BJ Bishop

Commissioner, Town of Longboat Key

The Honorable Nancy Bowen

Commissioner, City of Coral Springs

The Honorable Sandra Bradbury

Mayor, City of Pinellas Park

Sammie Brown

Deputy Town Clerk, Town of Loxahatchee Groves

The Honorable Doug Bryant

Councilmember, City of Mount Dora

The Honorable Phyllis Butlien

Vice Mayor, City of DeBary

The Honorable Anthony Caggiano

Commissioner, City of Margate

The Honorable Carolyn Cassidy

Commissioner, Town of Ocean Ridge

Thomas A. Cloud

City Attorney, City of Davenport

Wade Cobb

Capital Projects Engineer, City of Sarasota

The Honorable Victoria Colangelo-Bruce

Commissioner, City of Winter Springs

Shana Coombs

Chief Operations Officer, City of Miramar

The Honorable Ann Cosentino

Commissioner, City of Dade City

The Honorable John Cotugno

Mayor, City of Vero Beach

The Honorable Michael Cox

Council President, City of Williston

James Dillon

Director of Public Works, City of
Tavares

The Honorable Kim Downing

Commissioner, City of Haines City

The Honorable Ken Fairman

Councilmember, Village of Pinecrest

The Honorable Gregory Freebold

Mayor, Town of Lake Clarke Shores

The Honorable Arnold Gaines

Commissioner, City of Fort Pierce

Richard Gallant

Public Works Director, Town of
Loxahatchee Groves

The Honorable Stu Glass

Deputy Mayor, Town of Indialantic

The Honorable DD Halpern

Vice Mayor, Town of Juno Beach

Kate Helms

Stormwater Manager, City of Satellite
Beach

The Honorable Donna Holck

Commissioner, City of Largo

The Honorable Denise Horland

Councilmember, City of Plantation

The Honorable Bill Horn

Councilmember, City of Jacksonville
Beach

Gary Hubbard

Director Water Department, City of
Winter Haven

Jimmie Johnson

Utilities Director, Village of Palm
Springs

The Honorable Richard Johnson

Mayor, City of Sanibel

The Honorable John Jones

Council Member, City of Monticello

James Keene

Public Services Administrator, City of
Haines City

The Honorable Lorraine Koss

Councilperson, City of Cocoa

The Honorable Sarah Malega

Commissioner, City of Lake Worth
Beach

The Honorable David McAuley

Council Member, City of Okeechobee

The Honorable Jane Mealy

Commissioner, City of Flagler Beach

The Honorable Erik Morrissette

Vice Mayor, Town of Pembroke Park

The Honorable Clara Murvin

Vice Mayor, City of Pahokee

The Honorable David Pickett

Councilman, City of Port St. Lucie

The Honorable James Quinn

Councilor, City of Seminole

The Honorable Campbell Rich

Mayor, City of Stuart

The Honorable Jan Rodusky
Councilwoman, Village of Royal Palm
Beach

The Honorable Richard Roney
Vice Mayor, Town of Hypoluxo

The Honorable Michael J. Ryan
Mayor, City of Sunrise

The Honorable Rick Sartory
Vice Mayor, Village of Tequesta

The Honorable Bev Smith
Mayor, Village of Palm Springs

The Honorable Phil Stokes
Vice Mayor, City of North Port

The Honorable April Thanos
Councilor, City of Gulfport

The Honorable Lori Tolland
Commissioner, City of Ormond Beach

Fernando Weiner
Governmental Affairs Manager, City of
Coral Gables

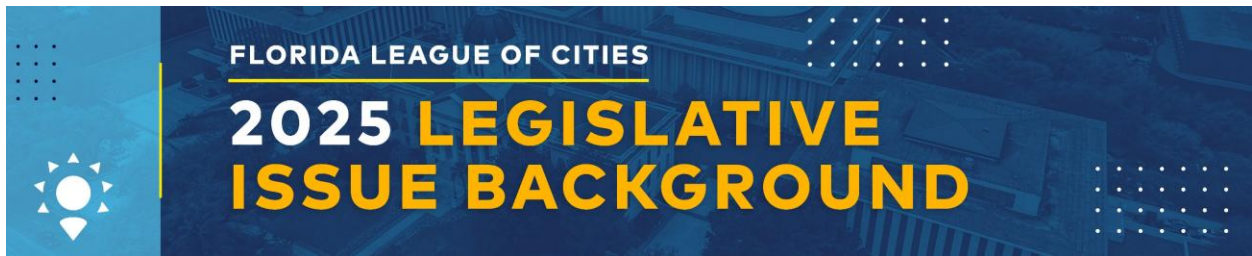
The Honorable Sandra Welch
Mayor, City of Coconut Creek

The Honorable Rosemary Wilsen
Commissioner, City of Ocoee

The Honorable Justin York
Commissioner, City of Lake Mary



Utility Enterprise Fund Transfers and Restrictions on Extraterritorial Surcharges



Enterprise Fund Transfers and Extraterritorial Surcharges

Draft Statement:

The Florida League of Cities SUPPORTS preserving municipal authority over utility revenues and the ability to realize a reasonable rate of return on utility assets. Legislation should honor existing contracts, service territory obligations and revenues obligated for debt service and planned projects.

Background:

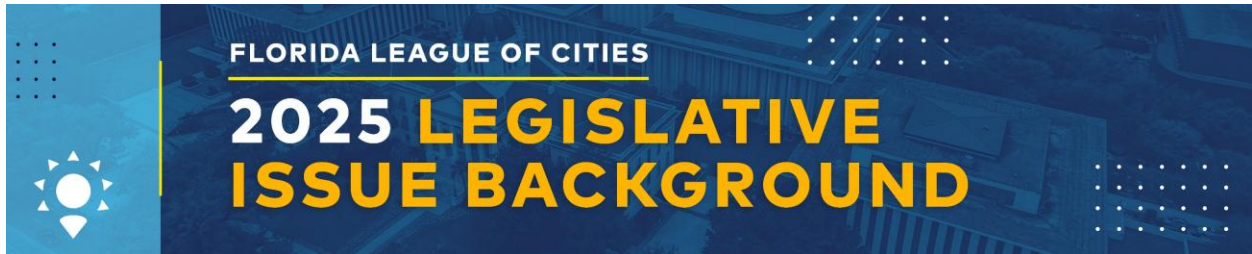
- During the 2023 and 2024 Sessions, legislation was filed that would have substantially limited municipal authority and revenues relating to municipal water and electric utility extraterritorial surcharges, extraterritorial service and transfers of enterprise funds. The bills would have authorized a municipal utility to transfer a portion of its earnings to the municipality for general fund purposes but at a significantly reduced rate and would have eliminated any amount of surcharge that could be added to the rates and fees charged to extraterritorial water and wastewater customers.
- Under current law, there are no restrictions on transfers of municipal enterprise funds to the municipal general fund. Municipalities may transfer utility revenues as needed to supplement their general funds for other municipal operations, thereby supplementing property tax revenues or using enterprise fund revenues to provide essential public safety government services where insufficient property tax revenue exists.
- Under current law, municipal water and wastewater utilities are statutorily authorized to levy a surcharge on extraterritorial water service. A municipal water or wastewater utility may impose a surcharge of up to 25% for extraterritorial service without a public hearing. In addition, a municipal water or wastewater utility may impose a second surcharge of up to 25% for extraterritorial service after holding a public hearing.
- HB 1277 (Busatta Cabrera) and SB 1510 (Brodeur), filed in the 2024 Session, would have imposed a 10% cap of gross utility revenues on any enterprise fund transfers to the general fund. In addition, the bills required interlocal agreements for extraterritorial service to be written and provided that such agreements may not become effective until a joint public meeting was held between the governing body of the municipal utility service provider and the governing body of the recipient jurisdiction. The bills required a joint public meeting to be held annually. The bills also required municipal utilities to submit an annual report to the Public Service Commission with information about the nature and scope of services. Early versions of the bills imposed no restrictions on

enterprise fund transfers if the utility service was governed by a utility board composed of proportionate representation of extraterritorial customers.

- HB 1277 and SB 1510 eliminated current statutory authority for extraterritorial surcharges for water and wastewater service. Instead, the bills provided that rates, fees and charges for extraterritorial customers should not exceed 25% of the total amount a municipality charges customers served within the municipality for corresponding service.
- HB 1277 made it to the House floor but died on second reading. SB 1510 died in committee. The bills are expected to be refiled for the 2025 Session.



One Water



One Water

Draft Statement

The Florida League of Cities SUPPORTS the state Legislature's endorsement of One Water policies that seek to enhance integration between different water systems, while maintaining local flexibility.

Background:

One Water is a water resources planning concept that values all water through a collaborative and integrated systems approach to managing all fresh and brackish surface and groundwater, stormwater, wastewater and recycled water in a holistic and sustainable manner that maintains ecosystems while providing reliable and resilient water resources that support economic, environmental and social benefits. Additional information on the One Water approach can be found [here](#).

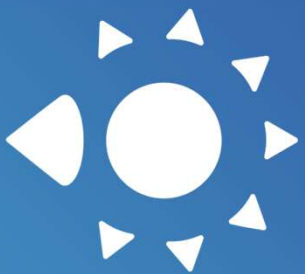
The One Water philosophy promotes that surface water and groundwater, freshwater and marine water, potable water, wastewater and reclaimed/reuse water all fall under one interconnected umbrella. One Water encourages increased integration of the systems that govern water in its various forms. Beyond the water itself, the concept involves examining how these systems are integrated in policy and law, including funding, regulation, community needs and vulnerabilities, environmental protection and short-and long-term water planning.

State action is not required for local governments to adopt a One Water approach. For example, Plant City has integrated a series of water systems between its water reclamation plant, local wetland areas and the Hillsborough River. Reclaimed water from the reclamation plant feeds into local wetland areas, where the water is further treated through natural processes. The wetlands then feed into the Hillsborough River, which has previously required restoration efforts. This project involves collaboration between local utilities, stormwater operators and parks departments.

While state action is not required for local governments to take initiative, an endorsement of the One Water approach by the State of Florida in all aspects of water resources planning, regulation and funding would amplify and further incentivize local efforts. For example, One Water projects are difficult to implement because they depend on a combination of disparate state and local funding sources. Each state funding source requires a separate competitive grant application, which increases the level of difficulty and uncertainty in project planning. This hurdle could be reduced if One Water projects were highlighted as funding priorities in current state grant programs.



Update on PFAS



FLC

FLORIDA LEAGUE OF CITIES

**PFAS
Update**

What is PFAS?

A family of manmade chemicals that includes PFAS and PFOA. Has been in use worldwide since the 1950s in industry and consumer products.



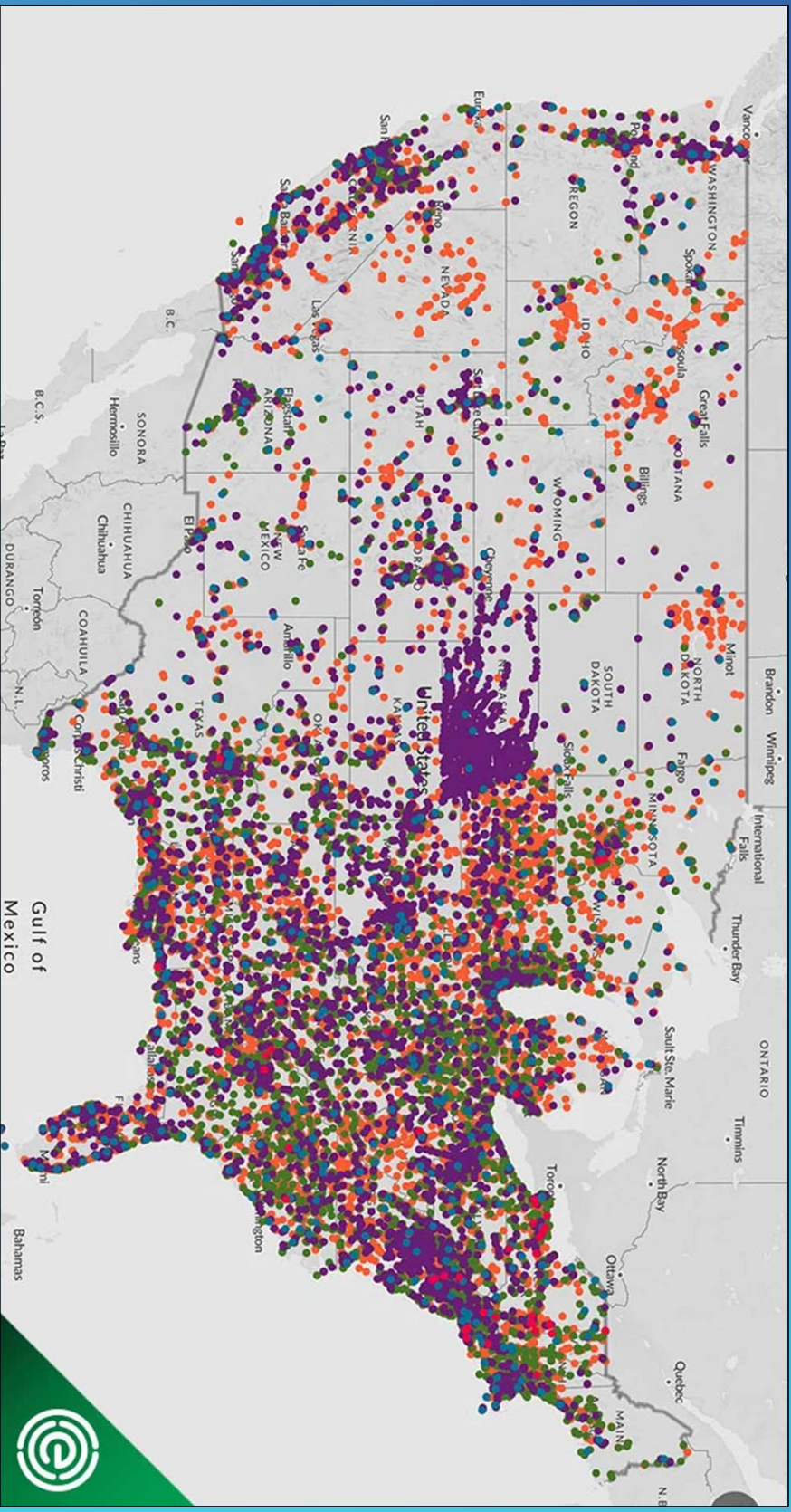
What is PFAS?

- Per- and Poly-Fluoro Alkyl Substances
- Family of 14,735 synthetic chemicals
- Persistent (no biodegradation – “Forever Chemicals”)
- Bioaccumulative (potential to concentrate in tissues)
- Toxic (reported adverse health effects at very low concentration – low birth weight, immune system, cancer, thyroid function)
- Pervasive (found everywhere – home, industry, work)
- Mobile (highly soluble)

Major Sources of PFAS

- Existing and former Department of Defense military installations
- Airports
- Fire training facilities
- Superfund/RCRA sites
- Landfills
- Electroplating
- Oil Refineries and Petrochemical Plants

Suspected Industrial Discharges of PFAS



Where Else is PFAS found?

- Drinking water contaminated by other sources of PFAS
- Food – fish caught from water contaminated by PFAS and dairy products from livestock exposed to PFAS
- Biosolids – Fertilizer from wastewater treatment plants used on agricultural lands can affect ground and surface water
- Food packaging – Grease-resistant paper, microwave popcorn bags, pizza boxes, and candy wrappers
- Consumer products – stain- or water-repellant, or non-stick products, paints, sealants, and some personal care products

What's being done about it?

- Virtually everyone in the US has been exposed and it's in our blood
- Health effects not yet fully understood but studies are ongoing
- US EPA and FL DEP are moving quickly to minimize human exposure despite scientific uncertainties
- DEP uses “provisional cleanup target” levels and “screening” levels for drinking water, irrigation water, groundwater, and soils. It's been investigating fire training facilities, airports, wastewater treatment plants, and military plants.

What's being done about it - EPA

- Spring 2022 – EPA designated PFAS/PFOA as hazardous substance
- April 2022 – National Pollutant Discharge Elimination System (NPDES) Permitting to Reduce PFAS discharges
- January 2023 EPA Effluent Limitation Guidelines Plan
- Fall 2023 EPA set national drinking water standards (MCLs)
- Fall 2023 EPA issued guidance on PFAS disposal and destruction

New EPA Rule Setting PFAS Minimum Contaminant Levels (MCLs) in Drinking Water

- April 2024 – EPA announced the National Primary Drinking Water Regulation for six PFAS
- Final rule sets MCLs at 4.0 parts per trillion for PFOA and PFAS, which are the most prevalent of the six PFAS
- Public water systems have 3 years to complete initial monitoring. They must inform the public of the level of PFAS found in drinking water and must implement solutions to reduce PFAS to levels below the standard within 5 years.
- Compliance is estimated to cost approximately \$1.5 billion annually
- \$9B was allocated from the Bipartisan Infrastructure Law to help communities, with another \$12B available for general drinking water improvements, including funds to local communities with PFAS contamination
- The MCLs have been challenged by multiple groups

New EPA Rule Designating PFOA and PFOs as CERCLA “Hazardous Substances”

- April 2024 – EPA issued final rule listing PFOs and PFOA as “hazardous substances” under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA)
- Entities are required to immediately report releases of PFOA and PFOs that meet or exceed the reportable quantity of one pound within a 24-hour period to the National Response Center, State, Tribal, and local emergency responders
- Strict liability for potentially responsible parties

EPA PFAS Enforcement Discretion and Settlement Policy

- Issued April 2024 and includes CERCLA enforcement criteria relating to PFAS
- EPA “will focus on holding responsible those who significantly contribute to the release of PFAS into the environment, such as major manufacturers and users of manufactured PFAS, federal facilities that are significant sources of PFAS, and other industrial parties.”
- “EPA does not intend to pursue entities where equitable factors do not support seeking response actions or costs under CERCLA, including but not limited to, community water systems and publicly owned treatment works, municipal separate storm sewer systems, publicly owned/operated municipal solid waste landfills, publicly owned airports and local fire departments, and farms where biosolids are applied to the land. For these same parties, EPA can use CERCLA statutory authorities when appropriate to enter settlement agreements that provide contribution protection from third party claims for matters addressed in the settlement.”

Pollution-Free Aviation Sites Act

- Establishes a \$350M grant program to help airports replace firefighting foams containing PFAS
 - Acquisition of PFAS-free foam
 - Disposal of PFAS products
 - Acquisition of equipment to facilitate transition
 - Replacement of rescue and firefighting equipment

What's Florida Doing About It?

- 2018 – DEP began assessments of fire training facilities, fire departments, and airports
- Issued “62-780” letters directing the facilities to test and remediate
- Since then, DEP has backed off on enforcement until January 2025 or when the legislature ratifies a state standard for PFAS

What's Florida Doing About It?

- DEP was operating under a 70 ppt “provisional cleanup target” level for PFAS
- DEP produced a “PFAS Dynamic Plan” that documents actions it has taken and plans to take:
https://floridadep.gov/sites/default/files/Dynamic_Plan_Mar_ch_2022.pdf
- A Stakeholder group (including FLC) urged the legislature to direct DEP to hold off enforcement at provisional cleanup target levels pending adoption of permanent levels backed by science
- Concerns: third party liability, uncertain cleanup target levels could waste public money, lack of public education

What's Florida Doing About It? CS/HB 1475 (S. 376.91, F.S.)

- If the EPA has not finalized its standards for PFAS in drinking water, groundwater, and soil by January 1, 2025, DEP must adopt by rule statewide cleanup target levels
- Directed DEP to withhold enforcement action against local governments and airports until rule is ratified
- DEP enforcement and rulemaking will follow recent federal action by EPA – change in administration may impact federal rule
- Bills filed in 2024 to require wastewater facilities to meet PFAS standards relating to industrial discharges failed to pass.

What's Florida Doing About It?

- Recently, FDEP indicated it would start rulemaking in Q1 of 2025
- The rules will require legislative ratification, which likely will not happen until the 2027 session because FDEP must put together statements of expected fiscal impact
- Because many municipal utilities have exceedances of the proposed 4 ppt standard, they will need to plan now for addressing it
- Most municipalities in FL are not a part of the \$13B class action settlement

Of Course, There Are Lawsuits

- Various federal class action lawsuits filed by public and private entities against PFAS manufacturers
- More than 3,000 plaintiffs sought punitive damages, costs of assessment and remediation, costs to treat drinking water
- *City of Stuart v. 3M et al.* (2019) – involved PFAS that had contaminated public water supply. First bellwether case. Settlement reached: \$10.3B
- There are multiple Florida governmental plaintiffs

Class Action – Public Water Systems

- Settlement class consists of every active public water system in US that:
 - Has one or more impacted water sources as of settlement date; or
 - Does not have one or more impacted water sources as of settlement date and is required to test for certain PFAS r serves more than 3,300 people.
- There were 2024 deadlines for claims submittal and opt-out/request for exclusion

Settlements Will Not Cover Costs

- The prospect of bankruptcy looms, as shown in previous class actions involving asbestos, tobacco, BP/Deepwater Horizon – anticipated cleanup costs exceeds the market cap of all potentially liable defendants
- We are just now getting an idea of the scope of costs to assess and remediate for PFAS
- We don't know the extent of personal injury claims
- The federal money (Bipartisan Infrastructure act) helps but it's just a start
- Will likely need long term federal and state funding sources



QUESTIONS?



Key Dates



2024 - 2025 Key Legislative Dates

December 2024

- 2-6 Legislative Interim Committee Meetings (House of Representatives only)
- 5-6 [FLC Legislative Conference](#) – Hilton Orlando, 6001 Destination Parkway, Orlando, FL 32819; FLC Policy Committee Meetings on Dec. 5 (Round 3)
- 9-13 Legislative Interim Committee Meetings (Senate only)

January 2025

- 13-17 Legislative Interim Committee Meetings
- 21-24 Legislative Interim Committee Meetings

February 2025

- 3-7 Legislative Interim Committee Meetings
- 4-5 FAST Fly-in – Washington, DC
- 10-14 Legislative Interim Committee
- 17-21 Legislative Interim Committee
- 20 FLC Legislative Session Preview Webinar at 2:00 p.m. ET

March 2025

- 4 Regular Legislative Session Convenes
- 10-12 NLC Congressional City Conference – Washington, DC
- 24-26 FLC Legislative Action Days – Tallahassee, FL

May 2025

- 2 Last Day of Regular Legislative Session
- 15 FLC Post Legislative Session Review Webinar at 2:00 p.m. ET

For further details about the mentioned events or legislative information, contact medenfield@flcities.com.



Notes

