



# 10 Lessons from Community Leaders:

## Regional Partnerships for Small Systems



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Rural Community Assistance Partnership (RCAP)



*"Improving Rural Quality of Life"*



**RCAP** *Solutions*



★ **RCAP National Office**  
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Washington, D.C. 20006  
[www.rcap.org](http://www.rcap.org)

**Western RCAP**  
Rural Community Assistance  
Corporation  
[www.rcac.org](http://www.rcac.org)

**Midwestern RCAP**  
Midwest Assistance Program  
[www.map-inc.org](http://www.map-inc.org)

**Southern RCAP**  
Communities Unlimited  
[www.communitiesu.org](http://www.communitiesu.org)

**Great Lakes RCAP**  
Great Lakes Community Action  
Partnership  
[www.glcap.org](http://www.glcap.org)

**Southeastern RCAP**  
Southeast Rural Community Assistance  
Project  
[www.sercap.org](http://www.sercap.org)

**Northeastern RCAP**  
RCAP Solutions  
[www.rcapsolutions.org](http://www.rcapsolutions.org)

# Impact for Rural Quality of Life

**In Fiscal Year  
2019, the  
RCAP Network  
served:**



## Serving diverse populations:



**More than 1 million**

residents in communities assisted, or 33 percent of the total, were people of color

**7 percent of residents**

served were American Indian or Alaska Native

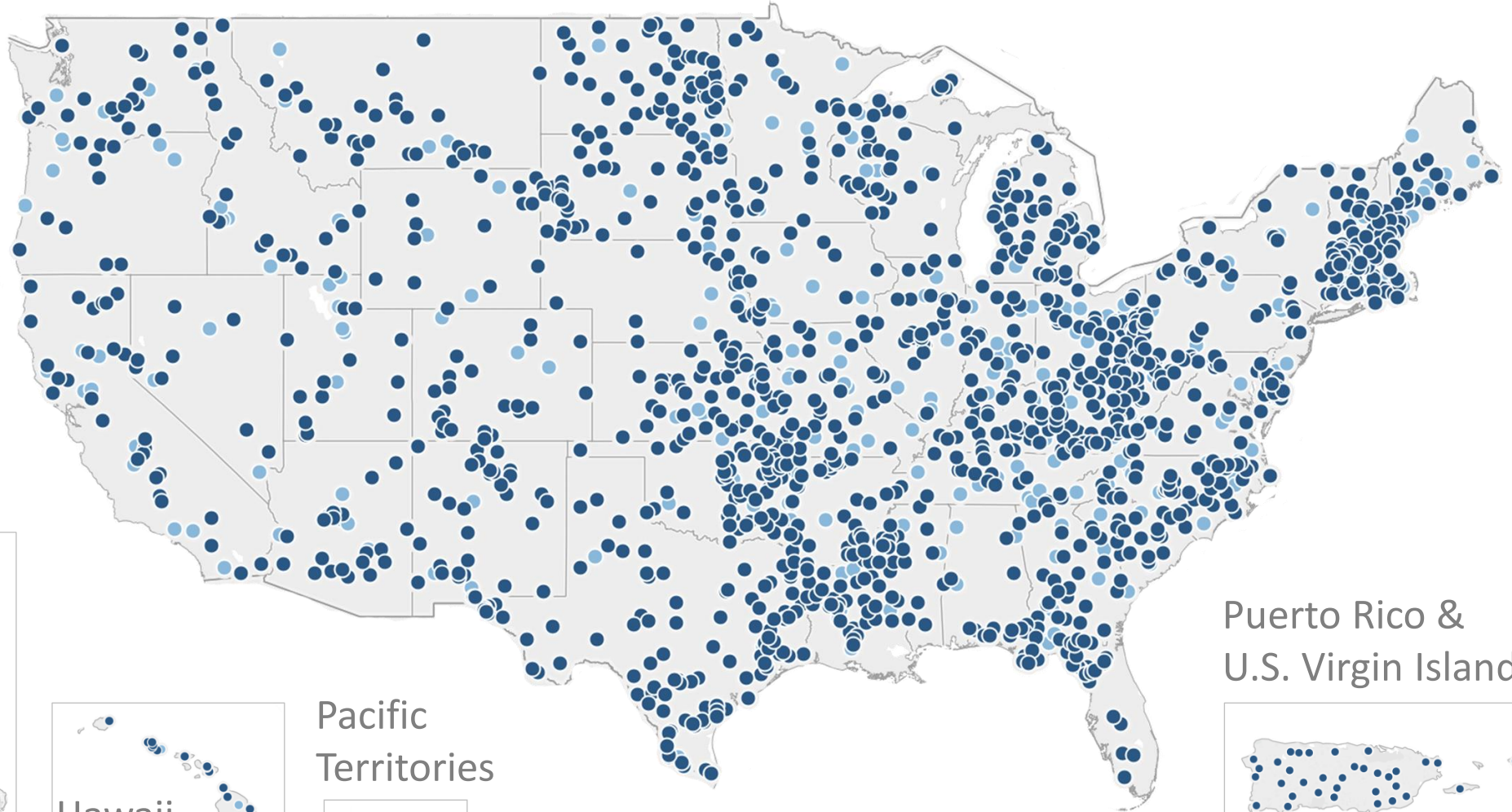
**6 percent of projects and 12 percent**

of trainings served tribal communities

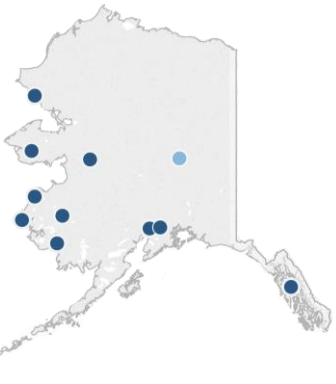
# RCAP Trainings and Technical Assistance Projects (2019)



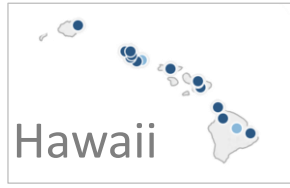
- TA Projects
- Trainings



Alaska



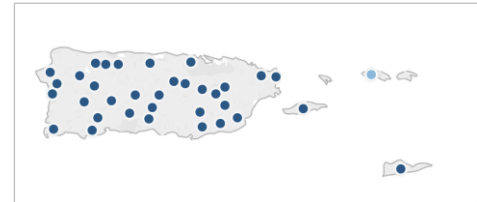
Hawaii



Pacific Territories



Puerto Rico & U.S. Virgin Islands



# PRESENTATION OBJECTIVES

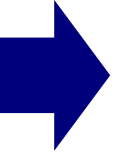
- Have a shared understanding of the broad spectrum of regional solutions under the “regionalization” umbrella
- Explain RCAP’s on the ground assistance model and why it is effective
- Explore the small community experience based on RCAP's recent research
- Preview of what’s next for RCAP

# WHAT WE MEAN BY “REGIONALIZATION”



Increasing Transfer of Responsibility

Informal Cooperation	Contractual Assistance	Shared Governance	Ownership Transfer
<p>Work with other systems, but without contractual obligations</p> <p>Examples:</p> <ul style="list-style-type: none"><li>• Sharing equipment</li><li>• Sharing bulk supply purchases</li><li>• Mutual aid arrangements</li></ul>	<p>Requires a contract, but contract is under system's control</p> <p>Examples:</p> <ul style="list-style-type: none"><li>• Contracting operation and management</li><li>• Outsourcing engineering services</li><li>• Purchasing water</li></ul>	<p>Creation of an entity by several systems that continue to exist independently (e.g., regional water system)</p> <p>Examples:</p> <ul style="list-style-type: none"><li>• Sharing system management</li><li>• Sharing leadership</li><li>• Sharing source water</li><li>• JPA</li></ul>	<p>Takeover by existing or newly created entity</p> <p>Examples:</p> <ul style="list-style-type: none"><li>• Acquisition and physical interconnection</li><li>• Acquisition and satellite mgmt</li><li>• One system transferring ownership to another to become a larger existing system or a new entity</li></ul>



# **REGIONALIZATION WORK AROUND THE COUNTRY**

The background features a light blue gradient with several overlapping, wavy, abstract shapes in a slightly darker shade of blue, creating a sense of movement and depth.

# RCAP ON THE GROUND:

- In-depth long-term technical assistance and training
- Acts as a technical expert and neutral third-party process facilitator
- Often works with communities from inception to implementation including helping to leverage funds for regional projects
- Helping rural communities for more than a decade on more than 200 regional projects
- National working group to build capacity across the US





# **ABOUT RCAP's RESEARCH**



# OUR RESEARCH PAPER:

- Explores regionalization contexts and strategies that communities can relate to and potentially use
- Provides practical information for community decision makers looking to ensure the sustainability of their water or wastewater systems
- Made possible by Spring Point Partners

# A QUALITATIVE STUDY:

- Spoke with several system and/or community leaders
  - from across the country
  - who have experienced the full spectrum of partnerships
  - of water and wastewater systems
- Interviewed technical assistance providers



Photo by [Amy Hirschi](#) on [Unsplash](#)

## WHAT WE ASKED ABOUT:

- Greatest pieces of advice and lessons learned
- What precipitated the partnership/driving conditions
- How trust was built
- What was expected of community leaders
- How did the process move along (what kinds of resources were helpful, how did they keep things moving, etc.)
- Governance structures – what worked and why

# THREE RESOURCES



**Resiliency through Water and Wastewater System Partnerships:**

**10 Lessons from Community Leaders**

A Rural Community Assistance Partnership (RCAP)<sup>®</sup> RESEARCH REPORT

March 2020

Resiliency through Water and Wastewater System Partnerships

EXECUTIVE SUMMARY

**10 Lessons from Community Leaders**

**R**ural community leaders, operators and managers of small water and wastewater systems balance a variety of tasks and challenges on a daily basis. Because technical assistance providers in the Rural Community Assistance Partnership (RCAP)<sup>®</sup> Network are on the ground, working directly with rural community leaders, they observe those challenges first-hand. Depending on the nature of issues a community faces, partnering - or regionalizing - may be a solution. Whether to implement regionalization or not should be up to each individual community. RCAP serves as a neutral third-party, helping communities explore and pursue regionalization if they so choose. With that in mind, RCAP spoke with community leaders and/or water and wastewater system operators and managers from across the country to learn what they think other community leaders and members should know about the process of partnering. RCAP also spoke with technical assistance providers who have been integrally involved in facilitating partnerships.

Many of RCAP's interviews revealed ways community/system leaders can take a role in the regionalization process personally, starting with commitments they should make to both themselves and to the communities they serve. Small, rural and tribal system needs guided this research. Regionalization can be time-, emotion-, and effort-intensive. Ultimately, if regionalization is the best option in a given situation, it can result in better services to customers and provide for communities' futures.

*This summary accompanies RCAP's March 2020 research report, "Resiliency through Water and Wastewater System Partnerships: 10 Lessons from Community Leaders."*

**Regionalization simply means any type of partnership between multiple utilities, from informal partnerships such as mutual aid agreements in case of an emergency or sharing of heavy equipment, to more formal partnerships such as the formation of a Joint Powers Authority to develop a new water source or a full physical and/or managerial consolidation.**

*Some systems are using regionalization as a solution to build capacity and become more resilient, enabling them to successfully sustain their systems not only financially, but technically and managerially, for years to come.*

RCAP is a national network of non-profit organizations working to ensure small, rural and tribal communities throughout the country have access to resources, tools, and technical assistance (TA) - creating capacity and opportunity for economic prosperity. The RCAP Network, consisting of six regional partners who employ more than 200 individual TA providers, uses a locally-driven approach to address various needs. See the map on the back of this summary for more.

EXECUTIVE SUMMARY: RESILIENCY THROUGH WATER AND WASTEWATER SYSTEM PARTNERSHIPS

Resiliency through Water and Wastewater System Partnerships

**10 Lessons from Community Leaders**

**R**ural community leaders, operators and managers of small water and wastewater systems balance a variety of tasks and challenges on a daily basis. For more than 46 years, the Rural Community Assistance Partnership (RCAP)<sup>®</sup> Network's technical assistance providers (TAPs) have been on the ground, working directly with small, rural and tribal community leaders and observing those challenges first-hand. Common challenges include:

- Overbuilt or underbuilt systems,
- Insufficient rates that are already too high for customers,
- Operator retirements,
- Changing federal and state regulations that a community cannot meet, and
- Economic transitions.

Depending on the nature of the challenges a community faces, partnering with others - or regionalizing - may be a solution.

RCAP spoke with community leaders and/or water and wastewater system operators and managers as well as TAPs from across the country to learn what they think other community leaders and members should know about the process of partnering. Many interviews revealed ways leaders can take a role in the regionalization process personally, starting with commitments they should make to both themselves and to the communities they serve. RCAP synthesized these observations into ten lessons. A full report on [www.rcap.org](http://www.rcap.org) features the ten lessons summarized here.

10 LESSONS ON WATER/WASTEWATER SYSTEM PARTNERSHIPS

<b>1</b>	DETERMINE WHETHER A PARTNERSHIP MAY BE RIGHT FOR YOUR COMMUNITY AND BUILD YOUR TEAM	<b>6</b>	KEEP A PATIENT MINDSET AND KNOW THAT THIS IS A LONG-TERM DISCUSSION FOCUSED ON SUSTAINABILITY
<b>2</b>	FIND OUT WHAT RESOURCES ARE AVAILABLE	<b>7</b>	BE REALISTIC ABOUT LONG-TERM COSTS AND CAPACITY TO KEEP UP WITH NEW INFRASTRUCTURE
<b>3</b>	COMMIT TO TRANSPARENCY FROM THE START	<b>8</b>	HELP SYSTEM LEADERSHIP AND BOARDS DEVELOP AN UNDERSTANDING OF THEIR ROLES AND RESPONSIBILITIES
<b>4</b>	COMMIT TO A WILLINGNESS TO LISTEN, BE RESPECTFUL AND FIND MUTUAL BENEFIT	<b>9</b>	KEEP YOUR GOAL IN SIGHT, BUT BE OPEN TO POSSIBILITIES
<b>5</b>	RECOGNIZE THE IMPORTANCE OF THINKING THROUGH AND REACHING AGREEMENT ON, GOVERNANCE	<b>10</b>	ENSURE BUILDING AND EARNING TRUST IS PRIORITIZED THROUGHOUT THE PROCESS

**Regionalization simply means any type of partnership between multiple utilities, from informal partnerships such as mutual aid agreements in case of an emergency or sharing of heavy equipment, to more formal partnerships such as the formation of a Joint Powers Authority to develop a new water source or a full physical and/or managerial consolidation.**

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Visit [www.rcap.org](http://www.rcap.org) for more information.

Available at <https://www.rcap.org/blog/regionalizationresearch/>

# KEY FINDINGS



BEGINNING OF THE PROCESS / BUILDING BLOCKS

- 1** Determine whether a partnership may be right for your community
- 2** Find out what resources are available and build your team
- 3** Commit to transparency from the start
- 4** Commit to a willingness to listen, be respectful and find mutual benefit
- 5** Recognize the importance of thinking through and reaching agreement on governance
- 6** Keep a patient mindset, and know that this is a long-term discussion focused on sustainability

ONCE IN PROCESS

- 7** Be realistic about long-term costs and capacity to keep up any new infrastructure
- 8** Help system leadership and boards develop an understanding of their roles and responsibilities
- 9** Keep your goal in sight, but be open to possibilities
- 10** Ensure building and earning trust is prioritized throughout the process

THROUGHOUT



# 1

## Determine whether a partnership may be right for your community

> RCAP did a rate study and showed that rates would have to increase well above the community's ability to pay to return to compliance. It then became obvious that regionalization was the best option.

> Half of the board was against the partnership, but when it was put to a vote in the community, they voted 2-to-1 in favor. That gave the board a clear mandate.

> Regionalization meant lower water rates, better quality water, and the potential for further growth





# 5

## Recognize the importance of thinking through and reaching agreement on governance

> Develop a governance structure that everyone is comfortable with and will work long-term. There is no one-size-fits-all solution.

> The board includes one member from each community, because small communities have other things to offer besides a rate-payer base

> Because board makeup was based on population size, it was important to build in governance mechanisms to provide compromise, such as requiring a supermajority when the board votes on sensitive issues like rate changes



# 6

**Keep a patient mindset, and know that this is a long-term discussion focused on sustainability**

> “We actually talked about the possibility of [Utility A] absorbing [Utility B] 10-plus years before it happened... it was becoming progressively harder for new systems to start with low customer counts and meet all the regulatory [requirements].”

> It takes a long time for local government officials to make a decision and for their representatives to bring that back to the regional board – and it has to be done for each decision along the way

**10**

**Ensure building and earning trust is prioritized throughout the process**



> Trust is necessary in three directions: between communities and facilitator; between community partners, and within communities

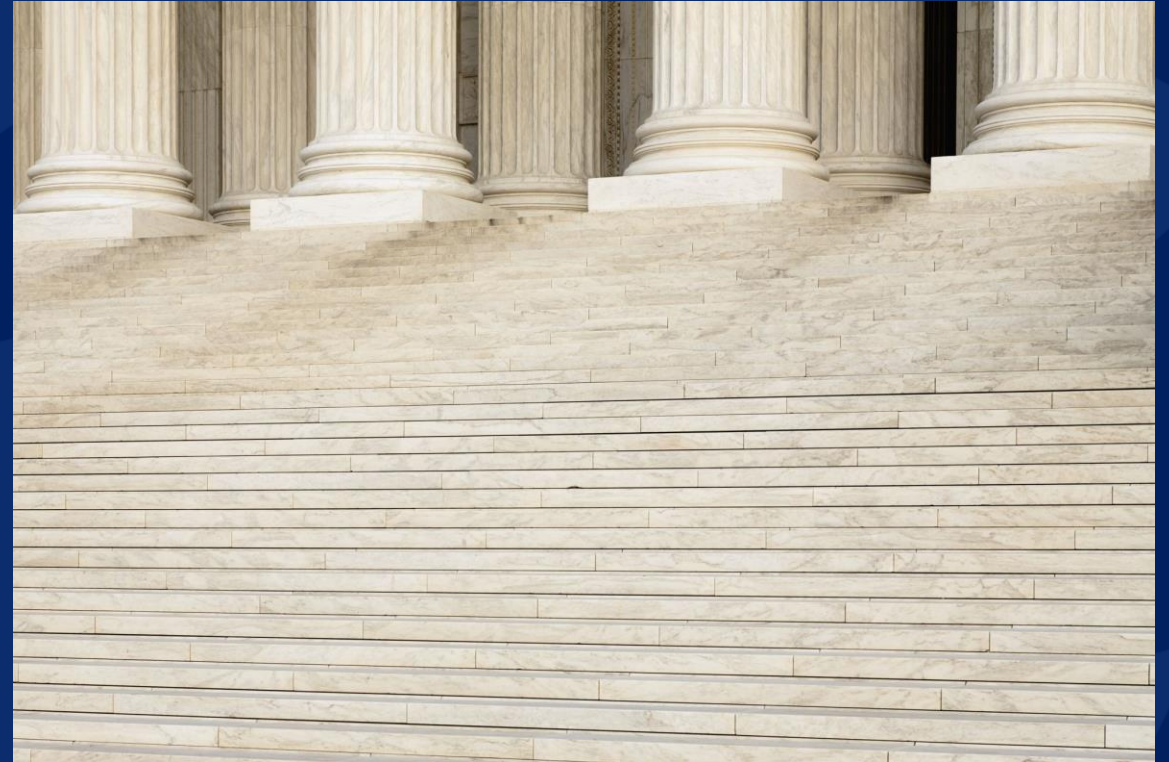
> Having a third-party facilitator alleviated issues of trust – it wouldn't have worked if one of the communities had hosted the meetings. The idea of having a member from each community on the board also alleviated mistrust.

> The most important thing [the system] did was keep the public informed at every step of the process and to be totally transparent.

**TEASER – NEW RESEARCH  
COMING SOON!**

# A FOCUS ON POLICY:

- At the local, state, and federal level
- We will offer recommendations for policy-makers
  - How to encourage regionalization?
- Coming in 2021!
- Sign up for updates: [rcap.org](https://rcap.org)



Stock photo

# UPCOMING NATIONAL WEBINAR

- 11/17/20
- 2-3:30 PM ET
- <https://attendee.gotowebinar.com/register/2552551838541240848>
- *Small water systems can often benefit from collaborating with other systems in both informal and formal ways. Establishing successful partnerships requires effort from all parties involved. In this webinar, RCAP staff will share stories from working in the field with communities on water system collaboration. What elements are needed to make a partnership successful? How can communities move from informal collaboration to more formal arrangements? How important is the role of a local champion? What about a third-party facilitator? This webinar will answer these questions and more as well as showcase some of RCAP's tools and resources related to water system collaboration.*



No cost to  
register!



# THANK YOU!

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Much appreciation to those who have helped with this research and show interest in it! We welcome your questions and thoughts.

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