

City of Gainesville

*City Hall
200 East University Avenue
Gainesville, Florida 32601*

RUC ITEM 090913
MAY 13, 2010



Meeting Minutes

Thursday, February 11, 2010

3:30 PM

GRU ADMINISTRATION BUILDING MULTI-PURPOSE ROOM

Regional Utilities Committee

*Commissioner Lauren Poe, Chair
Mayor Pegeen Hanrahan, Member
Commissioner Craig Lowe, Member*

Persons with disabilities who require assistance to participate in this meeting are requested to notify the Equal Opportunity Department at 334-5051 or call the TDD phone line at 334-2069 at least two business days in advance.

CALL TO ORDER

Present: Pegeen Hanrahan, Craig Lowe and Lauren Poe

ADOPTION OF THE AGENDA**APPROVAL OF MINUTES****090748. Regional Utilities Committee Meeting Minutes for January 14, 2010 (B)**

The Mayor moved to approve the minutes, Commissioner Lowe seconded and Commissioner Poe agreed. The minutes were approved.

RECOMMENDATION *The Regional Utilities Committee approve the minutes for January 14, 2010 as circulated.*

This matter was Approved as Recommended. The motion carried.

CURRENT ACTION ITEMS**090698. Update on Strategic Initiative 7.1 - Monitor the Progress of the Clean-up of Cabot/Koppers Superfund Site (B)**

On January 21, 2010 the City Commission referred this item to modify Strategic Initiative 7.1 - "Monitor the progress of the clean-up of Cabot/Koppers Superfund site" to the Regional Utility Committee (RUC). The revisions shall reflect the City's commitment and involvement in the clean-up and redevelopment of Cabot/Koppers Superfund site.

The RUC heard a presentation from Mr. Fred Murry regarding the proposed changes to the language for Strategic Initiative 7.1. There was discussion by the Committee and staff regarding the use of the word safe versus the word appropriate.

Commissioner Poe proposed the following wording for consideration by the RUC: "It is the objective of the City of Gainesville for the Cabot-Koppers Superfund Site to be remediated to standards safe for residential uses and in a manner that will ensure that our air, water, groundwater quality and drinking water supply of Gainesville are protected."

Lila Stewart reminded the RUC that a reference to soil was also added.

MOTION:

Commissioner Poe revised the wording to read: "It is the objective of the City of Gainesville for the Cabot-Koppers Superfund Site to be remediated to standards safe for residential uses and in a manner that will ensure that air, ground water, drinking

water supply, and soil of Gainesville are protected." Commissioner Lowe made the motion to recommend that wording to the full Commission and Mayor Hanrahan seconded. The motion was approved unanimously.

Mr. Murry advised the RUC that there was an item requesting that the issue of the land use be referred to the CDC on the February 18th City Commission agenda. Mayor Hanrahan asked that staff make sure that the CDC meeting dates be put on each commissioner's calendar so they could attend if desired.

RECOMMENDATION The Regional Utilities Committee: 1) Revise Strategic Initiative 7.1; and 2) recommend that the City Commission approve the revised Strategic Initiative.

This matter was Approved as shown above (See Motion). The motion carried.

060294. General Fund Transfer from GRU (B)

The Regional Utilities Committee (RUC) heard a presentation from Jennifer Hunt, GRU Chief Financial Officer. Mrs. Hunt reviewed the discussion from the November RUC meeting which included some historical information related to the General Fund Transfer (GFT).

Mrs. Hunt presented the RUC with four (4) recommendations for changing the GFT:

1. Suspend the current formula and set the GFT for the next four fiscal years at the following levels and be paid from the combined system revenues of GRU: FY 11 - \$35,154,463; FY 12 - \$36,222,989; FY 13 - \$36,666,551; and FY 14 - \$38, 101,425.
2. Gain/Loss Sharing: each year the audited financial statements of GRU will be used to calculate what the GFT would be under the 2004 (current) formula, and will be compared with the fixed amount. If the difference is no greater than \$500,000 then the fixed payment remains. If the difference is greater than \$500,000 then the amount above \$500,000 will be split equally between GRU and General Government.
3. If the City Manager and General Manager concur and conclude that significant events either have occurred or are reasonably anticipated to occur that in their judgment warrant a recommendation to the City Commission that the formula provided be suspended and either revert to the formula agreed upon in 2004 or such other formula as jointly recommended.
4. Discussions will commence no later than September 1, 2013 in preparation for establishing a GFT formula to be effective for FY 2015.

Mark Benton, Finance Director, concurred with the recommendations provided by Mrs. Hunt.

Mayor Hanrahan asked how the bond rating agencies would view these recommendations. Mrs. Hunt responded that the rating agencies are concerned about the health of the combined utility system as a whole and she felt this would be viewed favorably by them. Mayor Hanrahan stated she felt this represented good

work on both the part of General Government and GRU staffs.

Commissioner Lowe expressed his support for the recommendation and appreciation for the work performed by staff. Commissioner Poe also expressed his support for the recommendation. Mayor Hanrahan moved to accept the staff recommendation and Commissioner Lowe seconded.

Mr. Tom Cunilio was recognized and spoke to the matter. Mr. Walter Willard was recognized and spoke to the matter.

MOTION:

The RUC moved to accept staff's recommendations and recommend the City Commission remove this item from the referral list.

RECOMMENDATION *The Regional Utilities Committee: 1) Hear a joint presentation by GRU and General Government staff recommending a change for the General Fund Transfer for Fiscal Years 2011 through 2014; and 2) Recommend to the City Commission that this item be removed from the referral list.*

This matter was Approved as shown above (See Motion). The motion carried.

MEMBER COMMENT

CITIZEN COMMENT

OUTSTANDING REFERRALS

090734. Regional Utilities Committee Outstanding Referral Status Report (B)

Commissioner Poe and Mr. Hunzinger will discuss what items to have at the next meeting.

RECOMMENDATION *The Regional Utilities Committee review the Outstanding Referral Status Report dated February 11, 2010.*

No Action Taken

NEXT MEETING DATE

The March 11 meeting has been cancelled. The next meeting is scheduled for April 8, 2010 at 3:30 pm.

ADJOURNMENT

The meeting adjourned at 4:30 p.m.