

1                                   A bill to be entitled  
2           An act relating to the City of Gainesville, Alachua  
3           County; amending chapter 12760, Laws of Florida  
4           (1927), as amended by chapter 90-394, Laws of Florida,  
5           relating to the city's charter; repealing section 3.06  
6           of the charter, relating to the general manager for  
7           utilities of Gainesville Regional Utilities; creating  
8           the Gainesville Regional Utilities Authority and  
9           establishing it as the governing board over  
10          Gainesville Regional Utilities; providing definitions;  
11          providing a ballot statement; requiring a referendum;  
12          providing an effective date.

13  
14 Be It Enacted by the Legislature of the State of Florida:

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16           Section 1. Section 3.06 of Article III of section 1 of  
17 chapter 90-394, Laws of Florida, is repealed.

18           Section 2. Article VII is added to chapter 12760, Laws of  
19 Florida (1927), as amended by chapter 90-394, Laws of Florida,  
20 to read:

21  
22                                   ARTICLE VII GAINESVILLE REGIONAL UTILITIES AUTHORITY

23  
24           7.01 Establishment.—There is created a regional utilities  
25 authority to be known as the "Gainesville Regional Utilities  
26 Authority" ("Authority"). Gainesville Regional Utilities shall

27 be governed by the Authority upon installation of the  
 28 Authority's members pursuant to this article. The Authority  
 29 shall operate as a unit of city government and, except as  
 30 otherwise provided in this article, shall be free from direction  
 31 and control of the Gainesville City Commission. The Authority is  
 32 created for the express purpose of managing, operating,  
 33 controlling, and otherwise having broad authority with respect  
 34 to the utilities owned by the City of Gainesville.

35 7.02 Definitions.—For the purposes of this article, unless  
 36 otherwise designated, or the context otherwise requires, the  
 37 following terms have the following meanings:

38 (1) "Authority" means the Gainesville Regional Utilities  
 39 Authority created in this article.

40 (2) "City" means the City of Gainesville.

41 (3) "City Commission" means the Gainesville City  
 42 Commission.

43 (4) "County" means Alachua County.

44 (5) "Customer" means a person or entity that makes  
 45 application for and is supplied with service by GRU for its  
 46 ultimate use.

47 (6) "GRU" means Gainesville Regional Utilities.

48 (7) "Member" means a member of the Authority.

49 (8) "Utilities" means the electric utility system, water  
 50 utility system, wastewater utility system, reuse water utility  
 51 system, natural gas utility system, communications utility

52 system, and such other utility systems as may be acquired by GRU  
53 in the future.

54 7.03 Powers and duties.-

55 (1) The Authority shall have the following powers and  
56 duties, in addition to the powers and duties otherwise conferred  
57 by this article:

58 (a) To manage, operate, and control the utilities, and to  
59 do all things necessary to effectuate an orderly transition of  
60 the management, operation, and control of the utilities from the  
61 City to the Authority, consistent with this article;

62 (b) To establish and amend the rates, fees, assessments  
63 charges, rules, regulations, and policies governing the sale and  
64 use of services provided through the utilities;

65 (c) To acquire real or personal property and to construct  
66 such projects as necessary to operate, maintain, enlarge,  
67 extend, preserve, and promote the utilities system in a manner  
68 that will ensure the economic, responsible, safe, and efficient  
69 provision of utilities services, provided that title to all such  
70 property shall be vested in the City.

71 (d) To exercise the power of eminent domain pursuant to  
72 Chapter 166, Florida Statutes, and to use utility funds to  
73 appropriate or acquire property, excluding federal or state  
74 property, for the purpose of obtaining, constructing, and  
75 maintaining utilities facilities, provided that title to all  
76 such property shall be vested in the City.

77        (e) To issue revenue bonds, upon resolution of the  
78 Authority establishing the form, terms, and purpose of such  
79 bonds, for the purpose of financing or refinancing utilities  
80 system projects, and to exercise all powers in connection with  
81 the authorization, issuance, and sale of such bonds as conferred  
82 upon municipalities by Chapter 166, Part II, Florida Statutes,  
83 provided that such bonds may be validated in accordance with  
84 Chapter 75, Florida Statutes. The Authority may not issue  
85 general obligation bonds.

86        (f) To dispose of utilities system assets only to the  
87 extent and under the conditions that the City Commission may  
88 dispose of such assets pursuant to Section 5.04 of Article V of  
89 the City charter.

90        (g) To prepare and submit to the City Commission, at least  
91 three months prior to the start of the City's fiscal year, an  
92 annual budget for all Authority and GRU operations, including  
93 the amount of any transfer to the City. The term of the budget  
94 shall coincide with the City's fiscal year. Absent prior  
95 approval of the City Commission, the Authority's budget may not  
96 reduce the amount of any transfer to the City by more than 3  
97 percent from the previous fiscal year.

98        (h) To appoint and remove a Chief Executive Officer/  
99 General Manager as provided in this article.

100        (i) To recommend, by resolution to the City Commission,  
101 the acquisition and operation of a utility system not owned or

102 operated by GRU as of the date of transfer of governing  
103 authority to the Authority.

104 7.04 Authority members.—

105 (1) There shall be five members of the Authority appointed  
106 by a simple majority vote of the City Commission. Each member  
107 shall be a person of recognized ability and good business  
108 judgment as identified by the City Commission who is expected to  
109 perform his or her official duties in the best interests of GRU  
110 and its customers. Appointments shall be made as follows:

111 (a) One member shall be a residential customer with  
112 substantial knowledge of GRU, its operations, and its history.

113 (b) One member shall be a private, nongovernment customer  
114 consuming at least 10,000 kilowatt hours per month of electric  
115 usage during each of the previous 12 months. This member may be  
116 the owner or representative of the customer.

117 (c) Three members shall be competent and knowledgeable in  
118 one or more specific fields substantially related to the duties  
119 and functions of the Authority, including, but not limited to,  
120 law, economics, accounting, engineering, finance, or energy.

121 (2) All members of the Authority shall:

122 (a) Maintain primary residence within the electric service  
123 territory of GRU's electric utility system.

124 (b) Receive GRU electric utility system service at all  
125 times during the term of appointment.

126 (c) Not have been convicted of a felony as defined by  
127 general law.

128        (d) Be a qualified elector of the City, except that a  
129 minimum of one member must be a resident of the unincorporated  
130 area of the County or a municipality in the County other than  
131 the City of Gainesville.

132        (3) The composition of the Authority shall be adjusted  
133 upon expiration of any member's term, or upon any Authority  
134 vacancy, to reflect the ratio of total electric meters serving  
135 GRU electric customers outside the City's jurisdictional  
136 boundaries to total electric meters serving all GRU electric  
137 customers. For example, upon expiration of a member's term or  
138 upon an Authority vacancy, if the ratio of total electric meters  
139 serving customers outside the City boundaries to total electric  
140 meters serving all electric customers reaches 40 percent, the  
141 City Commission must appoint a second member from outside the  
142 City boundaries to serve the next term that would otherwise be  
143 served by a qualified elector of the City. Conversely, upon  
144 expiration of any member's term or upon any Authority vacancy,  
145 if the ratio subsequently falls below 40 percent, the City  
146 Commission must appoint a qualified elector of the City to serve  
147 the next term that otherwise would have been served by a  
148 resident from outside the City boundaries.

149        (4) Until January 1, 2022, no current or previous elected  
150 official of the City or County having held office after January  
151 1, 2000, may become a member, except that a member initially  
152 appointed to the Authority may be considered for subsequent  
153 reappointment if such individual remains otherwise qualified and

154 chooses to be considered for reappointment.

155 (5) A member who is appointed for three full consecutive  
156 4-year terms may not succeed herself or himself.

157 7.05 Member terms.—

158 (1) The City Commission shall make initial Authority  
159 member appointments within 120 calendar days after the approval  
160 at referendum of the creation of this article. The initial terms  
161 of office for the five members shall commence at 12 a.m. on  
162 October 1, 2017. The terms of the initial appointments shall be  
163 as follows: one member shall be designated to serve until 12  
164 a.m. October 1, 2018; one member shall be designated to serve  
165 until 12 a.m. October 1, 2019; one member shall be designated to  
166 serve until 12 a.m. October 1, 2020; and two members shall be  
167 designated to serve until 12 a.m. October 1, 2021. Members  
168 appointed for subsequent terms shall be appointed for 4-year  
169 terms commencing at 12 a.m. on October 1 of the year in which  
170 they are appointed. If a member is appointed to complete an  
171 unexpired term, the member's term shall commence at the time of  
172 appointment and shall continue through the remainder of the  
173 unexpired term.

174 (2) The City Commission shall fill any vacancy for the  
175 unexpired portion of a term within 60 days after the vacancy  
176 becomes known if the remainder of the term exceeds 90 days.

177 7.06 Member compensation.—Beginning October 1, 2017, each  
178 member shall be paid an annual salary of \$18,000, adjusted  
179 annually to reflect changes in the most recently released

180 Consumer Price Index for All Urban Consumers as defined by the  
 181 United States Department of Labor, Bureau of Labor Statistics.  
 182 Necessary expenses of members incurred in carrying out and  
 183 conducting the business of the Authority shall be paid in  
 184 accordance with Authority policy and procedures, subject to the  
 185 approval of a majority of the members of the Authority. No  
 186 supplemental benefits shall be provided for a member position.

187 7.07 Authority; oath; organization; and meeting.—

188 (1) The Authority shall initially meet at the chambers of  
 189 the City Commission at 6 p.m. on Wednesday, October 4, 2017.

190 (2) Before taking office for any term, each member shall  
 191 be given an oath or affirmation by the Mayor or his or her  
 192 designee similar to the oath or affirmation required of a member  
 193 of the City Commission.

194 (3) The first official action of the Authority shall be  
 195 election of a chairperson and a vice chairperson from among its  
 196 membership.

197 (4) The Authority shall meet at least once each month,  
 198 except in case of unforeseen circumstances. All meetings of the  
 199 Authority shall be noticed and open to the public, and minutes  
 200 shall be kept as required by law, except that meetings related  
 201 to settlement of then existing litigation may be held as allowed  
 202 by law.

203 (5) The GRU general manager or his or her designee shall  
 204 be responsible for making arrangements for and providing  
 205 adequate notice for the initial meeting of the Authority.



206 7.08 Removal and suspension of members.-

207 (1) A member may be removed or suspended from office by  
208 the City Commission in accordance with Section 112.501, Florida  
209 Statutes. In addition to the grounds for removal set forth  
210 therein, a member may be removed by the City Commission for  
211 failure to maintain the qualifications specified in Section  
212 7.04.

213 (2) The Authority may recommend to the City Commission  
214 that a member be removed or suspended from office if it finds,  
215 by vote of no fewer than three members, a reasonable basis for  
216 removal or suspension on one or more of the grounds set forth in  
217 Section 112.501, Florida Statutes, or for failure to maintain  
218 the qualifications specified in Section 7.04. The Authority  
219 shall give reasonable notice of any proceeding in which such  
220 action is proposed and must provide the member against whom such  
221 action is proposed a written statement of the basis for the  
222 proposed action and an opportunity to be heard. The member  
223 against whom such action is proposed may not participate in the  
224 Authority's debate or vote on the matter.

225 7.09 Management and Personnel.-

226 (1) A chief executive officer/general manager (CEO/GM)  
227 shall direct and administer all utilities functions, subject to  
228 the rules and resolutions of the Authority. The CEO/GM shall  
229 serve at the pleasure of the Authority. Appointment or removal  
230 of the CEO/GM shall be by majority vote of the Authority. Until  
231 such time as the Authority appoints a CEO/GM, the sitting

232 general manager of GRU shall serve as the CEO/GM. A sitting  
 233 member of the Authority may not be selected as the CEO/GM.

234 (2) All officers and employees of the City who serve under  
 235 the supervision and direction of the sitting general manager of  
 236 GRU shall serve under the CEO/GM. The CEO/GM shall have the  
 237 exclusive authority to hire, transfer, promote, discipline, or  
 238 terminate employees under his or her supervision and direction.

239 (3) The Authority shall fix the salary of the CEO/GM, and  
 240 the CEO/GM shall fix the salaries of all other employees who  
 241 serve under his or her direction consistent with the annual  
 242 budget approved by the Authority. The sitting general manager of  
 243 GRU, as well as all officers and employees of the City who, by  
 244 virtue of this article, become subject to the supervision and  
 245 direction of the CEO/GM, shall continue without any loss of  
 246 rights or benefits as employees under the pension plans and  
 247 civil service merit system of the City existing as of the  
 248 creation of the Authority.

249 7.10 General Provisions.-

250 (1) The City and the Authority shall perform all acts  
 251 necessary and proper to effectuate an orderly transition of the  
 252 governance, operation, management, and control of the utilities  
 253 to the Authority, including but not limited to the creation of  
 254 such instruments as are necessary for the Authority to function  
 255 in accordance with this article.

256 (2) All City ordinances, policies, rates, fees,  
 257 assessments, charges, rules, regulations, and budgets related to

258 operation of the utilities shall remain in effect until such  
 259 time as the Authority, pursuant to the powers granted in this  
 260 article, modifies any such item. In the event that any City  
 261 charter provision, ordinance, resolution, decree, or any part  
 262 thereof is in conflict with the provisions of this article, the  
 263 provisions of this article shall govern. This subsection is not  
 264 intended to and shall not interfere with existing contractual  
 265 arrangements between the City and County, regardless of whether  
 266 such arrangements are reflected in charter provisions,  
 267 ordinances, resolutions, decrees, or any part thereof.

268 (3) All rights, responsibilities, claims, and actions  
 269 involving GRU as of the transfer to the Authority shall  
 270 continue, except as may be modified by the Authority under the  
 271 powers granted by this article and consistent with law.

272 (4) No franchise, right-of-way, license, permit or usage  
 273 fee or tax may be levied by the City upon the Authority or the  
 274 utilities unless allowed by general law.

275 (5) Any utility advisory board created by the City  
 276 Commission shall have no role with respect to the Authority.

277 (6) No member of the Authority shall be individually  
 278 responsible for Authority debts or liabilities.

279 (7) The Authority shall develop an ethics policy and a  
 280 code of business conduct which shall be reviewed at least  
 281 biennially.

282

283           Section 3. In order to provide for the transitional  
 284 administrative needs and orderly compliance with the provisions  
 285 in this act, the chairperson of the Authority or his or her  
 286 designee is authorized to execute documents required for the  
 287 transition.

288           Section 4. The ballot statement shall read as follows:

289  
 290 "Shall the Charter of the City of Gainesville be amended by  
 291 creating the Gainesville Regional Utilities Authority as the  
 292 governing board of Gainesville Regional Utilities and appointed  
 293 by the City Commission of the City of Gainesville?"

294           Yes

295           No

296           Section 5. This act shall take effect only upon its  
 297 approval by a majority vote of those qualified electors of the  
 298 City of Gainesville voting in a referendum to be held in March  
 299 2017, in conjunction with the citywide election to be held in  
 300 the City of Gainesville, except that this section and section 4  
 301 shall take effect upon becoming a law.