

From: [Baxley, Robin L.](#)
To: [DL Utility Advisory Board](#)
Cc: [Bielarski, Edward J](#)
Subject: FW: Request From UAB Meeting Last Night
Date: Thursday, April 06, 2017 2:23:35 PM

Please see the message below from Chair Cook.

Robin Baxley
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From: Darin [mailto:Darin@INFINITEENERGY.com]
Sent: Thursday, April 06, 2017 2:15 PM
To: Baxley, Robin L.
Subject: Request From UAB Meeting Last Night

Robin,

The members of the UAB requested my written proposal for an Independent Utility Board last night. Below is what I read last night. Please send to Mr. Bielarski and UAB members. Thank you.

The Utility Advisory Board (UAB) was formed for two reasons. The first was an attempt to thwart a bill going through the Florida legislature that would basically take all control from the City Commission regarding GRU and pass it to an Independent Utility Board (IUB). The second reason was the same reason used by our local representative Keith Perry when he justified the bill to the Florida legislature, which was to improve the odds of good decision making after the horrible decision to enter into a purchase power agreement (PPA) with GREC and a series of bad decisions after the PPA was signed. The bill was eventually vetoed because it proposed a salary for those on the IUB.

Evidently forming the UAB was not enough for Keith Perry and Chuck Clemons, as the bill has again been proposed and would take all decision making regarding GRU away from the Gainesville City Commission (save the appointment of the IUB). It will most likely pass again this year, and because the salary component has been removed, it will most likely be signed by the governor instead of vetoed.

The UAB exists because of the debacle of entering into the PPA with GREC, but are we effective or relevant? Will we increase the odds of better decision making by the commission? The city commission did an amazing job of picking diverse and qualified people to this board. As a group, we have delved into the minutiae and recognized big picture realities GRU is facing in both operations and the future. Because of our charter we can be immersive and focused. However, our

recommendations can be ignored or set aside.

So my answer to that question is yes, we are relevant, we are effective and we do increase the odds of better decision making, so the next question to ponder is whether that's enough.

The answer to that question is no. City Attorney Nicole Shalley has a really interesting quote in her "Impact Statement" regarding House Bill 759 and Senate Bill 1568. She says, "We note that there are effectively no checks and balances on this Authority Board. The bill grants them specified powers and duties (which are both under-inclusive and over-exclusive, such as "managing" and "operating" the utilities – powers typically exercised by management staff) but provides little guidance and direction in the performance of those duties, the voters have no authority over the Authority as they are not elected and the City Commission has no power over the Authority except the ability to remove members for certain cause."

In our current system, the same could be said of the City Commission: There are no checks and balances to the City Commission making another decision like the PPA with GREC. Because the UAB is only advisory, its recommendations have no teeth. It has no ability to stop a bad decision by the City Commission. We can be ignored or our thoughts set aside. Yes, our recommendations increase the odds of better decision making, but giving the UAB the power of checks and balances would increase those odds further.

The current bill being proposed still does not have any checks and balances for the IUB. The current situation as status quo is not tenable for long-term good decision making either because the City Commission does not have any checks and balances except for public votes, which historically has had very limited turnout.

With these two things in mind, it is my thought that we should recommend to the Gainesville City Commission that they amend the charter. The IUB should be formed and the current members of the UAB should transfer to the IUB. Because more expertise regarding utility operations rests in the newly formed IUB and because that is their only focus for existence, I would propose that they take the lead on all decision making regarding GRU. The General Manager of GRU would report to the IUB. However, we must provide checks and balances to this IUB power. The City of Gainesville owns GRU and deserves to have some power over the decision making. I would propose that the City Commission can veto any decision by the IUB with a 5/7 vote. Because the concentration of power is not completely in either entity, it will provide checks and balances and lead to higher odds for better decision making than the status quotient or what is being proposed by Tallahassee. It also will compete with the state measure on the ballot, and it is the wiser choice. I think this will be much more palatable to the people than letting "Tallahassee tell us what to do."

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