

City of Gainesville

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



Minutes - Final

Wednesday, January 29, 2014

5:00 PM

City Hall Auditorium

Audit, Finance and Legislative Committee

*Mayor Ed Braddy, Chair
Mayor-Commissioner Pro Tem Randy Wells, 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

ROLL CALL

ADOPTION OF THE AGENDA

The agenda was adopted as circulated.

Adopted

APPROVAL OF MINUTES

[130657.](#) Audit, Finance and Legislative Committee minutes of November 20, 2013 (B)

Attachments: [11-20-13 AFLC Minutes.pdf](#)

The minutes from the November 20, 2013 Audit, Finance and Legislative Committee meeting were approved as circulated.

RECOMMENDATION *The Audit, Finance and Legislative Committee approve the minutes as circulated.*

Approved as Recommended

DISCUSSION OF ITEMS

[130658.](#) Review of CRA Capital Project Contracts (B)

Attachments: [#337 - Review of CRA Capital Project Contracts.PDF](#)

City Auditor Brent Godshalk gave a brief presentation.

RECOMMENDATION *The Audit, Finance and Legislative Committee recommend the City Commission:*

- 1) Accept the City Auditor's report and the response from the CRA Executive Director; and*
- 2) Instruct the City Auditor to conduct a follow-up review on recommendations made and report the results to the Audit, Finance and Legislative Committee.*

Approved as Recommended

[130659.](#) Review of Payroll System (B)

Attachments: [#334 - Review of Payroll System.PDF](#)

City Auditor Brent Godshalk reviewed the report and Assistant City Auditor Eileen Marzak responded to questions from the audience. Finance Director Mark Benton provided information as to the implementation of the new payroll system for the

Police Department.

RECOMMENDATION

The Audit, Finance and Legislative Committee recommend the City Commission:

- 1) Accept the City Auditor's report and the response from the City Manager, and*
- 2) Instruct the City Auditor to conduct a follow-up review on recommendations made and report the results to the Audit, Finance and Legislative Committee.*

Approved as Recommended

130547.

Audit of GRU (B)

Attachments:

- [130547-A-Equitable Adjustment for Change of Law of the Power Purchase A](#)
- [130547-B-GREC LLC Dispute - Equitable Adjustment Analysis-Outside Attor](#)
- [130547-C-RFP-External Investigative Review of GRU-Agenda Item.PDF](#)
- [130547-D-Draft RFP External Investigative Review of GRU.PDF](#)
- [130547-E-AFLC REVISED DRAFT RFP EXTERNAL INVESTIGATIVE REVII](#)
- [130547-F - Memo from Godshalk to Commission.pdf](#)
- [130547-G -Proposal Evaluation Summary 6-19-14.pdf](#)
- [130547 MOD H Powerpoint Presentation 20140619.pdf](#)
- [130547I MOD Navigant Proposal 20140619.pdf](#)
- [130547J MOD Navigant Cost Proposal 20140619.pdf](#)
- [130547K MOD EnerVision Proposal 20140619.pdf](#)
- [130547L MOD Windham Brannon Proposal 20140619.pdf](#)
- [130547M MOD Windham Brannon Cost Proposal 20140619.pdf](#)
- [130547A Contract - Navigant - Professional Investigative Review Services 2](#)
- [130547B RFP No. CAUD140037-DH Issued April 10 2014 20141016.pdf](#)
- [130547C Addendum 1 Dated April 30 2014 20141016.pdf](#)
- [130547D Navigant Response May 7 2014 20141016.pdf](#)
- [130547E Navigant Cost Proposal May 7 2014 20141016.pdf](#)
- [130547F Navigant Power Point for Oral Interview June 10 2014 20141016.r](#)
- [130547G Ray Washington Letter 20141016.pdf](#)
- [130547H Speech 20141016.pdf](#)
- [130547I Navigant Contract - Additiional Fee Request 20150115.pdf](#)
- [130547J NCI Investigative Review-COG 20150415.pdf](#)
- [130547K Jim Konish documents 20150415.pdf](#)
- [130547L NCI Summary of GRU Recommendations - COG 20151117.pdf](#)

The City Commission referred this issue to the Audit, Finance and Legislative Committee during their December 5, 2013 meeting.

On January 29, 2014, the Audit, Finance and Legislative Committee met and discussed this item. The Committee received extensive public input focused on

numerous issues of concern related to past management practices and business decisions primarily related to the multi-year development and implementation of the Power Purchase Agreement (PPA) between Gainesville Regional Energy Center (GREC), LLC and the City of Gainesville d/b/a Gainesville Regional Utilities (GRU) dated April 29, 2009 and approved by the City Commission on May 7, 2009. There was also considerable discussion regarding the background and financial impact of the "Equitable Adjustment for Change of Law" agreement dated March 16, 2011.

Committee discussions focused on possible actions that could be taken from a management, legal, financial, policy and control perspective to prevent reoccurrence of the actions involved in implementing the GREC PPA and to positively affect the financial outlook of GRU, especially in the area of energy supply and energy delivery.

Committee members agreed to report to the City Commission on February 6, 2014 a joint recommendation for the City to move forward with an external review focusing primarily on GRU past management practices and business decisions related to the implementation and any amendments to the GREC PPA, and including a forward focus on recommendations having positive financial impacts on GRU energy supply and delivery.

RECOMMENDATION

The Audit, Finance and Legislative Committee discuss the item and take appropriate action.

Recommended for Approval, as amended

MEMBER COMMENT

CITIZEN COMMENT

NEXT MEETING DATE

ADJOURNMENT