

Please note that the following statement is my personal opinion and not that of the UAB. However, the UAB did vote 4-2 to proceed with the Asset Purchase Agreement (APA) as written. I was one of the four.

I have several serious concerns towards approving the APA as it stands:

- 1) The latest APA comes to us as a fait accompli and already executed by our General Manager, who states that if it is not fully approved by August 31st and signed by the Mayor that it is null and void. This leaves absolutely no room for any problems that the Utilities Advisory Board (UAB) or the Gainesville City Commission (GCC) might find with the APA to be negotiated and worked out with GREC. In my dealings with other contracts that GRU has sent us, they are never executed until the UAB recommends approval or disapproval and the GCC approves. Enough time should have been laid out for final negotiations once the UAB made its recommendation.
- 2) There always seems to be some need to rush negotiations, such as a perfect time for bonds etc. We are entering into a \$750,000,000 purchase. Due diligence means a thorough review and recommendation by the UAB and the CC.
- 3) I have concerns that the holdback is not nearly enough, especially to a party that has not proven trustworthy in previous dealings. Winston and Strawn; the CFO of Infinite Energy, a former investment banker on wall street; and my own dealings shows that the holdback should be at least 5-10%. It's a paltry 2.5%.
- 4) Saying the contract is null and void if not approved by the 31st is a negotiation and should have been submitted to the UAB for approval since it was a modification of the Memorandum of Understanding.
- 5) As exhaustively laid out in prior discussions, the price is too high.

While no one at GRU reports to the UAB, it seems major promises keep being made in regards to GREC without final approval by the UAB or the CC. Now one might argue that this is what GRU is doing now, asking for approval, but because the GM actually executed the contract and indicates that if it isn't approved by the 31st that it will be null and void, it almost makes it impossible to ask for changes without risking the whole process.

To make a decision, I must set aside my negative passions as to this process and filter any decision to what I think is best for the ratepayers. Because these shackles have been placed on the hands of the UAB by premature execution of the contract by the GM and an unforgiving final authorization date; because we've already gone six months down the road continuing to pay exorbitant base charges; because we delayed arbitration until this process was finished one way or another; because restarting negotiations from scratch may take another year, I am all but forced to give the most diminutive approval possible for the APA as written.

It is my hope we handle the approval process on major contracts differently in the future.