

City of Gainesville

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



Meeting Agenda

January 10, 2019

5:30 PM

MODIFIED

City Hall Auditorium

Utility Advisory Board

*Mary Alford
Michael Selvester
Wendell Porter
Wes Wheeler
Barry Jacobson
Carla Miles
Theresa Spurling-Wood*

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

CALL TO ORDER**ROLL CALL****ADOPTION OF CONSENT ITEMS**[180641.](#)**Minutes of the December 13, 2018 UAB Meeting (B)****RECOMMENDATION**

Approve the minutes of the December 13, 2018 meeting as drafted.

[180641 UAB 12-13-18 Meeting Minutes 20190110](#)

ADOPTION OF THE AGENDA**CITIZEN COMMENT - For items not on the agenda, limited to 3 minutes per citizen****STATE OF THE UTILITY**[180642.](#)**GRU Operational Update for the Month of December 2018 (B)**

Explanation: Staff has provided operational data for the month of December 2018

Fiscal Note: None.

RECOMMENDATION

Receive report.

[180642_Ops Update Dec 2018_All Depts_20180110](#)

OLD BUSINESS[180258.](#)**UAB Work Plan - Energy Policy**

Explanation: Among the code revisions made in Ordinance Number 170808, which was approved by the City Commission on second reading at their August 2, 2018, regular meeting, is the requirement that the UAB draft a yearly work plan for approval by the City Commission. The board discussed the issue at their August 9, 2018, regular meeting and concluded that creation of an energy policy for the City should be a top priority. They discussed models of energy policies from various other public utilities across the U.S. at their August 28, 2018, workshop and agreed that the next step is to write their work plan so that it lays out those areas they want to study for the energy policy.

The work plan was discussed again at the Board's September 25, 2018 workshop and their October 11, 2018 regular meeting. They determined that the work plan would consist of drafting an energy policy for the City of Gainesville and that each member would work on various parts of the policy. The Board continued the discussion at their October 23, 2018, workshop and each member chose sections of the plan that they would like to work on.

The plan was presented to the City Commission at the October 30, 2018, joint special meeting and the Commission agreed to the plan as drafted without objection.

The Board continued their work on the plan at their November 8, 2018 meeting, the November 27, 2018 workshop, the December 13, 2018 meeting and the December 18, 2018 workshop.

Fiscal Note: None

RECOMMENDATION *Continue discussion and take any action deemed appropriate.*

[180258 UAB Work Plan Draft 20181011](#)

[180258 UAB Workplan - w-Assignments 20181108](#)

[180258 UAB FY18-19 Work Plan 20181127](#)

[180258 MS -Draft policies 20190110](#)

NEW BUSINESS

[180640.](#)

Gainesville Regional Utilities Cash Balance Study (B)

Explanation: As discussed during the FY19 GRU budget presentations last summer, GRU cash balances have been deteriorating since FY15 and liquidity ratios have eroded to levels which could potentially imperil GRU's bond ratings. To assist us in addressing this issue, GRU has engaged its financial advisor, Public Financial Management (PFM) to conduct a Cash Balance Study (CBS). The purpose of the CBS is to establish prudent cash levels to accommodate various sources of cash flow variability as well as manage risk. The conclusions of the study are:

- *There is a preferred level or range of cash balances for GRU*
- *The CBS should be periodically reviewed to reassess preferred cash levels in view of changing economic conditions as well as changes in GRU's risk profile*

The fundamental reason for developing the CBS is to identify cash levels sufficient to absorb financial variability resulting from unexpected operating results. This will facilitate GRU's ability to establish rates that reflect long-term costs, without necessarily imposing the full impact of

short-term volatilities.

Fiscal Note: None

RECOMMENDATION

The Utility Advisory Board recommends to the City Commission that they approve the range of cash levels to be maintained by GRU as identified in the Cash Balance Study.

[180640 GRU Cash Balance Pres 20180110](#)

[180211.](#)

General Fund Transfer Resolution Discussion (B)

Explanation: The current five-year agreement for the General Fund Transfer from GRU to General Government expires September 30, 2019. The current transfer level is \$38,285,000 and therefore discussions on future transfer amounts play an important part in the development of upcoming General Government and GRU budgets.

Fiscal Note: The FY19 General Fund Transfer amount is \$38,285,000.

RECOMMENDATION

Hear a presentation from staff.

[180211 GFT History Presentation 20181213](#)

[180211 GFT Transfer Discussion v4 20181213.pdf](#)

[180211 GFT History Presentation 20190110](#)

[180646.](#)

Update on GRU's Exploration of Solar Energy Options (B)

Explanation: At their December 13, 2018 regular meeting, the UAB requested that staff return with an update on GRU's study of options for increasing the amount of solar energy in the utility's generation portfolio.

Fiscal Note: None at this time.

RECOMMENDATION

Hear a presentation from staff.

MEMBER COMMENT

CITIZEN COMMENT

NEXT MEETING DATE

February 14, 2018

ADJOURNMENT