

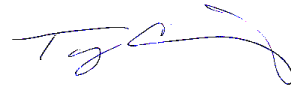
DATE: May 11, 2022

TO: Honorable Mayor and City Commissioners

FROM: Tony Cunningham, Interim General Manager

CC: Charter Officers
GRU Leadership Team

SUBJECT: 90 Day Interim General Update



On January 27, 2022, the City Commission directed me to serve in the role of Interim General Manager of GRU. After serving our community for more than 20 years in various positions and levels of responsibility (including many years on the Leadership Team), it has been an honor and privilege to serve these past three months. My primary focus while in this role has been to deliver essential utility services to our community so it can continue to operate and thrive. This includes supporting the staff and infrastructure necessary to carry on our more than 100-year history of delivering efficient, safe, reliable, environmentally responsible utilities while actively enhancing the quality of life in our community.

To accomplish this mission, I have adjusted our leadership team to improve collaboration and communication throughout the utility. These adjustments are the beginning of an organizational shift aimed at improving collaboration within GRU, the broader city, the City Commission, community boards and the community at large. In the past three months, we have made major strides toward not only continuing the high level of service we provide, but to improving and finding efficiencies in these collaborative efforts.

You will find below highlights of the incredible work GRU's staff has accomplished under each of the objectives set for me either by the City Commission or myself as the interim General Manager.

Objective	Actions/Outcomes
Ensure GRU continues to provide safe, reliable utility services in an environmentally responsible and equitable manner.	<ul style="list-style-type: none"> ✓ Delivered electric, gas, water, wastewater and telecommunications services without major interruptions or significant environmental impacts. ✓ Established an operational plan and budget for FY23 consistent with the City Commission direction from FY22. ✓ GRU is commissioning an Integrated Resource Plan (IRP) for its electric utility to learn what is required to meet the City Commission's goal of net-zero community-wide greenhouse gas emissions by 2045. As part of the IRP, GRU will be conducting community engagement to better understand stakeholder priorities for future power needs. The Energy

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	<p>Supply Department currently is drafting a Request for Information to learn more about companies who have done community engagement for IRPs.</p> <ul style="list-style-type: none">✓ Chief Sustainability Officer and Department of Sustainability and Resiliency established. The CSO position has been created and is in the process of being filled with an acting officer.✓ Responded to the critical level of the fuel adjustment while simultaneously performing outreach to keep customers apprised of increases and educating them how to manage usage and lower bills.✓ Currently evaluating GRUCom systems including possible sale of the Trunk Radio System, pilot implementation of Residential Broadband services and determining the best path forward with line of business.✓ Infusion of \$1.9 million of American Rescue Plan Act (ARPA) funds into our LEEP^{plus} program, which allows GRU to enhance an Energy Rehabilitation program that has been successful since its inception in 2007, providing energy efficiency upgrades to more than 1,800 homes. Established and executed a plan to expand the LEEP^{plus} program to address rental properties, increase investment per home and the number of homes improved over the next three years. GRU's residential efficiency experts rolled the expanded program out on May 2, 2022, after making the necessary updates.✓ Utility Debt Forgiveness – Utilized ARPA funds to pay \$24,158 to 32 households to address installment payment plans related to COVID hardships.✓ Improved communication with the UAB and developed a work plan to focus and prioritize topics for the coming year.✓ Expanded outreach efforts to outperform previous efforts to win the National Mayor's Challenge for Water Conservation. While final results are not yet available, we expect Gainesville to be at or near the top.✓ Increased the number of GRU in the Neighborhood engagements. <p>City Commission Approvals to continue providing efficient core utility services:</p> <ul style="list-style-type: none">✓ Selection of Progressive Design-Build Firm for the Groundwater Recharge Wetland Project to provide additional groundwater recharge and a public park.✓ Extension of Solar Photovoltaic PPA to site and provide 50 MW of solar.✓ Electric Transmission Service Contract with City of Alachua.✓ Multiple Financial transactions to reduce costs and risks
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	<p>and continue on the path to long-term financial stability.</p> <ul style="list-style-type: none"> ✓ Transfer of management of the Boulware Springs facility to Parks, Recreation and Cultural Affairs to improve this City asset for the community. ✓ Updated streetlight and rental lighting program to better reflect cost of services as well as transferring ownership of public works lights to better improve efficiencies City-wide in operation and maintenance of infrastructure.
Improve communication and collaboration.	<ul style="list-style-type: none"> ✓ Modified GRU's organizational structure, which has yielded consistent communication regarding operational priorities throughout the organization and increased collaboration across departments. ✓ Organizational culture is being addressed in a variety of ways based on recommendations made as a result of the culture audit. GRU staff members are being certified as conflict resolution trainers. GRU will participate in executive coaching and enhanced leadership development training.
Ensure GRU is actively engaging in One City efforts to support shared services and improve internal service delivery across Charters	<ul style="list-style-type: none"> ✓ All six charters worked collaboratively to align the City Commission's Strategic Plan with each charter's area of responsibility. The six charter officers worked together and with the City Commission to ensure stabilization of core operations and internal processes. Four critically important areas were identified as top priorities: GG financial services operations, technology (Workday)/infrastructure, vacancies city-wide, and the City's organizational culture. GRU staff is leading the stabilization of GG Finance and Workday, both requiring significant staff resources. ✓ GRU's Budget, Finance and Accounting Team is providing a significant level of assistance with stabilization of GG's Finance Department, which fell under critical review by both the State Auditor General and Internal Audit offices. Under the leadership of our CFO, Claudia Rasnick, root problems in the areas of deficiency were identified and a work plan put in place to address the issues identified. Foundational work has been completed or is in progress. This effort has doubled the work of several senior level GRU employees for the past three months and is anticipated to continue for at least another three months, at which time they will begin to reduce their involvement in the stabilization of the department, which may take up to two years. GRU's team has led the recovery efforts, including completing financial statements, federal and state reports, bank reconciliations, and filling two key positions for the department, the Finance Director and Controller. ✓ GRU is providing significant staff resources for Workday Stabilization including GRU IT expertise leading the

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	<p>stabilization effort and steering committee members to address insufficient requirements gathering, lack of business processes, configuration deficiencies, insufficient staff training and ongoing Workday readiness for both the GG Finance and H.R. functionality of Workday.</p> <ul style="list-style-type: none">✓ Yvette Carter developed the One City One Community Relations Plan that outlines the City's approach to community outreach, engagement, partnerships, investments and advocacy, modeling it on her GRU community relations work. This includes the Community F.I.R.S.T. program, a program that prioritizes a Facilitative, Innovative, Restorative, Supportive, and Timely approach to neighborhood.✓ GRU will participate in the City Services Fair in June and September, showcasing the services we provide.✓ Hold weekly standing meeting with the City Manager to increase communication, encourage relationship-building, align decision-making and streamline service delivery city-wide.✓ Partnered with the Office of Equity & Inclusion to ensure continuation of GRU's Inclusion work that started two years ago.✓ Aligned internal citywide communications by consolidating "InsideGNV" and "GRU Daily" to create "The Daily Brief."✓ Combined two separate offices within General Government and GRU to establish the Office of Government Affairs and Community Relations, reporting to the City Manager with dotted line responsibility to the GRU General Manager.<ul style="list-style-type: none">○ GACR emphasizes city-wide community impact and serves as a consultant to each department with a particular focus on community engagement and outreach.○ GACR builds and maintains relationships with GRU customers by employing equitable and inclusive community engagement.✓ Human Resources Department reports to the City Manager with a dotted line responsibility to the GRU General Manager, emphasizing citywide internal service delivery. A strong partnership has been reestablished between H. R. and GRU, with GRU providing H. R. assistance from the previous H. R. Director, Cheryl McBride, as needed and where requested.✓ GRU IT has improved lines of communication with General Government departments to gather information, share expertise and where appropriate, support GG's technology needs.
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	<ul style="list-style-type: none">✓ In partnership with Ms. Curry, Interim City Manager, we continue to evaluate opportunities to streamline areas of shared services to promote efficiency throughout the organization.
Ensure AMI and CIS technology projects stay on track for successful implementations.	<ul style="list-style-type: none">✓ Installed a meter farm at the Eastside Operations Center to test and verify Advanced Metering Infrastructure as we prepare for deployment of AMI meters over the next several years.✓ Established steering committees for both projects to continue to oversee progress and steer major decisions.✓ Agreed to utilize VXField as CIS work management system.✓ Reassigned project champion role for AMI to Walt Banks, CIO.✓
Reduce high vacancy rates at GRU.	<ul style="list-style-type: none">✓ Partnered with H. R. to initiate job audits and interim market studies to address areas of high turnover.✓ Dedicated staff to augment Workday processes with manual processes to ensure position control accurately reflects vacancies, and to ensure accurate entry and use of system.✓ Partnered with H. R. to identify critical vacancies and ensure active recruitment plans are underway.

The first 90 days of any new job is driven by an eagerness to successfully step into the role, set expectations, and strengthen relationships. I remain steadfast in my dedication to curating a team that leverages talents and skillsets, aligning day-to-day operations to provide safe, reliable utility services and continue advancing towards a collaborative organization responsive to the directives of the City Commission and needs of our customers and partners.

Ongoing areas of focus include:

1. Continue leadership, management and oversight of GRU operations.
2. Continue focus on collaborating as One City to strengthen and identify operations and strengthen core functions: financial services operations, Workday operational issues, vacancies throughout GRU, and the overall organizational culture.
3. Develop and present a fiscally sound Fiscal Year 2023 Operating Plan and Budget.
4. Assist City Manager with hiring and onboarding a Chief Climate Officer.
5. Establishing the office of Sustainability and Resiliency at GRU.
6. Continue to evaluate GRUCom systems and provide sound recommendations for a sustainable path forward.
7. Develop a comprehensive IRP for the next 10 years.
8. Follow-through and implementation of City Commission directives as approved.

I look forward to the challenges that lie ahead.