

Public notice was published in the Gainesville Sun on November 17, 2014. The City Plan Board held a public hearing on December 3, 2014, and voted 4-0 to approve the petition.

Fiscal Note: None.

RECOMMENDATION

City Plan Board to City Commission - The City Commission approve Petition PB-14-132 PDA as recommended by staff. The Plan Board voted 4-0.

Staff to City Commission - The City Commission approve Petition PB-14-132 PDA as recommended by staff and the City Plan Board.

Staff to City Plan Board - Staff recommends approval of Petition PB-14-132 PDA as recommended by staff.

140576A Staff report 20150219.pdf

140576B Append A PD Amendment 20150219.pdf

140576C Append B Supplemental Docs 20150219.pdf

140576D Append C Application Neighborhood Wkshop 20150219.pdf

140576E CPB minutes 20150219.pdf

140576F staff ppt 20150219.pdf

DEVELOPMENT REVIEW BOARD PETITIONS

SCHEDULED EVENING AGENDA ITEMS

140730.

Proposed Bill on GRU Governance (B)

Modification

Explanation: At the January 29th Alachua County Legislative Delegation Hearing, State Representative Keith Perry presented a proposed bill on GRU Governance. Two members of the local legislative delegation (Senator Bradley and Representative Perry) voted to support the filing of the proposed bill. Representative Watson voted against filing the proposed bill and Representative Porter was absent from the hearing.

Local bills require approval of the State Legislature (through its established Local Bill Policies and Procedures) and, as currently drafted, the proposed bill also requires approval by the electors of the City of Gainesville at a referendum vote on March 1, 2016, upon which the bill would become effective.

Upon cursory review of the proposed bill, a time sensitive issue

presented itself concerning the City's current search process for a General Manager for Utilities (which is on this agenda). Namely, the proposed bill (in lines 200-207) prohibits any current or former City employee from serving as the interim or first selected CEO/General Manager that will report to the newly created "Gainesville Regional Utilities Commission." In practical terms, that means that if the City Commission proceeds to hire a General Manager for Utilities and the bill is approved by the Legislature and the referendum vote, the City Commission will be left with no choice but to terminate the employment of the General Manager in March/April 2016, as by the terms of the bill that position will cease to exist as a Charter Officer reporting to the City Commission and the person that was hired by the City Commission (being a current or former City employee) will be prohibited from being employed by the new "Utilities Commission" as either the interim or first selected CEO/General Manager.

While the outcome of the state legislative vote and the referendum vote cannot be predicted at this time, the City Manager, Interim General Manager for Utilities and City Attorney, believe it is prudent for the City (as the hiring entity) to disclose the existence of this bill to the candidates that the City Commission selects for interviews, if any, for the General Manager for Utilities position.

In addition to this time sensitive issue, in reviewing the proposed bill, the City Manager, Interim General Manager for Utilities and City Attorney have identified a number of other key fiscal, legal and operational issues that the City Commission may wish to be informed of in considering what action/position, if any, the Commission desires to take with respect to the bill or if the City Commission desires to modify the City's 2015 State Legislative Agenda which currently states "The City of Gainesville opposes any state legislation that alters the governance of Gainesville Regional Utilities (GRU). The governance of GRU is set forth by the charter of the City of Gainesville. Any modification to that governing structure should be by the elected city officials of Gainesville and the voters of the City of Gainesville in accordance with that charter."

RECOMMENDATION

The City Commission: 1) Direct the Human Resources Department to disclose the existence of the proposed bill on GRU Governance and provide a copy of the bill to the candidates for the General Manager for Utilities position that are selected for interview, if any, by the City Commission; and 2) consider whether to direct the City Manager, Interim General Manager for Utilities and City Attorney to provide information on the key legal, fiscal and operational issues in the proposed bill, to assist the City Commission in considering what action/position, if any, the City Commission desires to take with respect to the proposed bill or the City's 2015 State Legislative Agenda.

140730 proposed GRU Governance bill 20150219.pdf

130621.

Selection of Candidates for General Manager-Utilities and Approve Special Meetings (B)

Modification

Explanation: Kathy Viehe has been serving as Interim General Manager-Utilities since November 15, 2013. In order to hire a new General Manager, the City Commission authorized the Human Resources Department to engage the services of an Executive Search Firm to initiate a search to fill the position.

Mycoff, Fry & Prouse conducted a search and has provided resumes of the most highly qualified candidates for consideration.

Selected candidates will be interviewed on March 24th by the full Commission. Candidates will have individual interviews with Commissioners on March 25th. Candidates will also meet the Charter Officers and GRU Executive Staff, and get a tour of the Utility and Gainesville. The interview process is expected to take approximately seven hours each day, depending on the number of candidates selected. A public reception will also be scheduled for the evening of March 24th. A special meeting will be requested for the evening of March 25th should the Commission be ready to select a candidate at that time. They may choose to defer the selection of the General Manager-Utilities to the April 2nd regularly scheduled City Commission meeting.

Fiscal Note: There is no fiscal impact at this time.

RECOMMENDATION

The City Commission: 1) select at least three (3), but no more than seven (7), candidates to move forward in the selection process; 2) authorize Mycoff, Fry & Prouse to invite the selected candidates to participate in the interview process; 3) approve a special meeting for General Manager-Utilities interviews on March 24th at 8:00 a.m., including the public reception that evening; and 4) authorize the H. R. Department to work with the Clerk of Commission to schedule a special meeting on March 25th to select the General Manager-Utilities, and authorize the Mayor to negotiate a contract with the successful candidate.

Legislative History

1/16/14	City Commission	Approved as Recommended
2/20/14	City Commission	Approved, as shown above
6/25/14	City Commission	Discussed

Staff to City Commission - The City Commission approve Petition PB-14-132 PDA as recommended by staff and the City Plan Board.

Staff to City Plan Board - Staff recommends approval of Petition PB-14-132 PDA as recommended by staff.

A motion was made by Commissioner Hinson-Rawls, seconded by Commissioner Wells, that this Matter be Approved (Petition). The motion carried by the following vote:

Aye: 7 - Mayor Braddy, Commissioner Poe, Commissioner Hinson-Rawls, Commissioner Carter, Commissioner Warren, Commissioner Wells, and Mayor-Commissioner Pro Tem Chase

DEVELOPMENT REVIEW BOARD PETITIONS

SCHEDULED EVENING AGENDA ITEMS

140730. Proposed Bill on GRU Governance (B)

Comm Poe moved with Comm Warren seconding for the the City Commission to oppose the GRU Governance Bill which carried 7-0.

Jim Konish, Doc Gordan, Paula Stahmer, Annie Orlando and Armando Grundy spoke to the matter.

Comm Chase moved with Comm YHR seconding the authorization of sending a letter to Rep. Perry stating the concerns of the City Commission. The motion carried 7-0.

RECOMMENDATION

The City Commission: 1) Direct the Human Resources Department to disclose the existence of the proposed bill on GRU Governance and provide a copy of the bill to the candidates for the General Manager for Utilities position that are selected for interview, if any, by the City Commission; and 2) consider whether to direct the City Manager, Interim General Manager for Utilities and City Attorney to provide information on the key legal, fiscal and operational issues in the proposed bill, to assist the City Commission in considering what action/position, if any, the City Commission desires to take with respect to the proposed bill or the City's 2015 State Legislative Agenda.

Approved, as shown above

130621. Selection of Candidates for General Manager-Utilities and Approve Special Meetings (B)

Paula Stahmer and Annie Orlando spoke to the matter.

Amendment: Invite six candidates and add internal candidate and to re-work the availability of the City Commissioners.

RECOMMENDATION

The City Commission: 1) select at least three (3), but no more than seven (7), candidates to move forward in the selection process; 2) authorize Mycoff, Fry & Prouse to invite the selected candidates to participate in the interview process; 3) approve a special meeting for General Manager-Utilities interviews on March 24th at 8:00 a.m.,

including the public reception that evening; and 4) authorize the H. R. Department to work with the Clerk of Commission to schedule a special meeting on March 25th to select the General Manager-Utilities, and authorize the Mayor to negotiate a contract with the successful candidate.

A motion was made by Commissioner Carter, seconded by Commissioner Poe, that this Matter be Approved as Amended. The motion carried by the following vote:

Aye: 7 - Mayor Braddy, Commissioner Poe, Commissioner Hinson-Rawls, Commissioner Carter, Commissioner Warren, Commissioner Wells, and Mayor-Commissioner Pro Tem Chase

UNFINISHED BUSINESS

COMMISSION COMMENTS

*Comm Warren moved with Comm Carter seconding to reconsider previous motion (Sheetflow restoration) and allocate \$26,000 for week end and potential longer operations through fiscal year.
Motion carried 7-0.*

140729.

Mayor Ed Braddy - Re-imagining Economic Development in the City (NB)

Adopt the Blue Ribbon Initiative and authorize City Attorney to prepare a resolution for the March 19th agenda

RECOMMENDATION

The City Commission discuss and take action deemed appropriate.

A motion was made by Commissioner Carter, seconded by Mayor-Commissioner Pro Tem Chase, that this Matter be Approved, as shown above. The motion carried by the following vote:

Aye: 7 - Mayor Braddy, Commissioner Poe, Commissioner Hinson-Rawls, Commissioner Carter, Commissioner Warren, Commissioner Wells, and Mayor-Commissioner Pro Tem Chase

140839.

Solar Cell Phone/Computer Charging Stations

RECOMMENDATION

Refer to Committee

A motion was made by Commissioner Poe, seconded by Commissioner Wells, that this Matter be Referred to the Recreation, Cultural Affairs and Public Works Committee, due back on 8/19/2015. The motion carried by the following vote:

Aye: 7 - Mayor Braddy, Commissioner Poe, Commissioner Hinson-Rawls, Commissioner Carter, Commissioner Warren, Commissioner Wells, and Mayor-Commissioner Pro Tem Chase

140840.

Underage Drinking Ordinance

RECOMMENDATION

Refer to Committee

Legislative #
140730

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Florida House - 2015

Bill No.

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LEGISLATIVE ACTION

Senate

House

The Alachua County Legislative Delegation (State Representatives Clovis Watson Jr., Keith Perry, Elizabeth Porter, and State Senator Rob Bradley) recommends the following Special Legislative Act:

AN ACT relating to the City of Gainesville, Alachua County, Florida, amending the City charter chapter 12760 , Laws of Florida, 1927, as amended by Chapter 90-394, Laws of Florida, 1990, as amended, adding a new article, Article VII - Gainesville Regional Utilities Commission, and creating a regional independent utilities Commission and prescribing its authority; repealing applicable existing and conflicting charter provisions and ordinances; providing for a referendum; and providing for an effective date.

Be It Enacted by the Legislature of the State of Florida:

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Article VII - Gainesville Regional Utilities Commission

7.01 Establishment

There is hereby created and made a part of the government of the City of Gainesville ("City") a regional independent utilities commission to be known and designated as the "Gainesville Regional Utilities Commission , City of Gainesville, Florida," which shall consist of five (5) voting members. For the purposes of this act, unless otherwise designated, the word "Commission" shall mean the Gainesville Regional Utilities Commission of Gainesville as a legal entity, organization, or governing body and the word "Commissioner" shall mean a member of the said Gainesville Regional Utilities Commission. The word "utilities" shall mean, unless otherwise specified, the electric utility system, water utility system, wastewater utility system, reuse water utility system, natural gas utility system, and communications utility system, and such other utility systems as are acquired in the future.

As specified and defined within this act, the Commission shall be created and remain an independent, not-for-profit enterprise, and municipal legal entity with plenary authority and be governed by an independent governing Commission consisting of five (5) appointed Commissioners who are to be appointed by the Gainesville City Commission in compliance with the provisions of this Act. Furthermore, the Commission shall remain a part of the government of the City of Gainesville, Florida. Said Gainesville Regional Utilities Commission is owned by the citizens of the City of Gainesville, Florida.

The Gainesville Regional Utilities Commission is created with plenary authority for the express purpose of acquiring, constructing, operating, providing, financing, and otherwise having complete authority with respect to utilities.

7.02. Commission Voting Members

The voting members of the Gainesville Regional Utilities Commission shall be determined and appointed by the City Commission and consist of five (5) Commissioners each of whom: resides year-round within the Commission's electric

63 service territory of the electric utility system; is a customer of the Commission;
64 possesses, at a minimum, a four (4)-year baccalaureate degree from an accredited
65 institution with a major area of study in a technical, business, accounting, law, or other
66 similar field of expertise or be a business owner or partner or officer in a business with
67 sales exceeding five million dollars (\$5,000,000) annually; shall not have been convicted
68 of any felony of the second degree or greater as defined by Florida law or shall not have
69 been convicted under a plea of "nolo contendere" to any charge involving any felony of
70 the second degree or greater as defined by Florida law; and is appointed to one of
71 staggered five (5)-year term appointments by simple majority vote of the City
72 Commission of Gainesville, Florida. Voting Commissioners must, prior to and after
73 being appointed, maintain qualifications and representative obligations as when
74 appointed, maintain the qualification as an "independent" Commissioner as contained
75 in this act, and maintain other Commissioner requirements defined and stipulated
76 elsewhere in this act. These voting Commissioners shall have the power to make and
77 adopt such rules and regulations, neither inconsistent with nor in violation of this act
78 and applicable law as the Commission may deem prudent for the management,
79 administration, and regulation of the fiduciary, business, and other affairs of the
80 Commission. Except as provided immediately following, all Commissioners to be
81 appointed shall be qualified electors of the City of Gainesville, Florida. A minimum of
82 one Commissioner, a qualified elector of Alachua County, shall be appointed from the
83 unincorporated area of Alachua County, Florida ("County") until such time as the
84 proportional ratio of total electric meters outside the City exceeds the next highest or
85 next lower full integer which will occasion the next appointment by the Gainesville City
86 Commission to add or remove a Commissioner appointment from an unincorporated
87 area of the County, but in no case is the number to fall below one Commissioner from
88 the unincorporated area of the County.

89
90 Each Commissioner shall be and remain qualified as stated within this act. Until
91 January 1, 2020, no current or previous employee having been employed with the City
92 of Gainesville after January 1, 2000, or with Alachua County after January 1, 2000, nor
93 current or previous elected or appointed officer or official of the City of Gainesville after
94 January 1, 2000, or Alachua County after January 1, 2000, shall become a Commissioner,
95 except that a qualified voting Commissioner initially first appointed to the Commission
96 in 2016 as provided for elsewhere in this act shall be considered for subsequent

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reappointment provided that such individual remains otherwise qualified and chooses to be considered for reappointment. Furthermore, no voting Commissioner who has been properly appointed for two (2) full, consecutive terms of five (5) years each shall succeed herself/himself.

7.03. Commission Voting Member Terms

Upon completion of the charter referendum election to be held on the Presidential Preference Primary election on March 1, 2016, the Gainesville City Commission shall make such initial Gainesville Regional Utilities Commission Commissioner appointments within 30 calendar days after the approval of the charter referendum required by this act. The initial terms of office for all five (5) appointed Commissioners shall commence at 12:01 A.M. of the first Wednesday following said appointments called for in this act and shall be held as follows: one (1) Commissioner will be designated to serve one (1) year after the first Wednesday following said appointment in 2016; one (1) Commissioner will be designated to serve two (2) years after the first Wednesday following said appointment in 2016; one (1) Commissioner will be designated to serve three (3) years after the first Wednesday following said appointment in 2016; one (1) Commissioner will be designated to serve four (4) years after the first Wednesday following said appointment in 2016; and one (1) Commissioner will be designated to serve five (5) years after the first Wednesday following said appointment in 2016. Commissioners subsequently appointed in each respective year beginning in 2017 will be appointed to and serve a full five-year term. Commissioners will normally hold office for five-year terms commencing at 12:01 A.M. of the first Wednesday following the referendum anniversary day of the year in which they are appointed or until their successors in office are appointed or as may be provided elsewhere in this act.

The Gainesville City Commission shall expeditiously schedule an appointment session and fill any Commission vacancy within two (2) months of when a permanent vacancy occurs on the Commission or becomes known by virtue of resignation, death, or removal in order to fill the remaining period of the vacant Commissioner term provided that such remaining term exceeds three (3) months.

As provided for elsewhere in this act, a Commissioner may be removed from office as provided by law upon conviction of malfeasance or misfeasance as a Commissioner or while holding another public office or upon conviction of a felony. A Commissioner may also be removed for failure to maintain all Commissioner qualifications or for violation of a provision of this act or a provision of stipulated governance policies as may be subsequently adopted and enforced by the Commission.

7.04. Commission Initial Meeting, Organization, and Oath

The first appointed Commission shall initially meet at the Commission's headquarters at 6:00 P.M. on the second Wednesday of the month immediately following the initial appointment of all Commissioners in 2016. The Commission shall meet at least once each month thereafter at the offices of the Commission or as otherwise may be determined. All meetings of the Commission shall be open to the public and minutes shall be kept of all meetings. The Commission shall have plenary authority to promulgate policies, rules, and regulations for the conduct of its meetings and the operation and management of its utilities. The initial meeting of the first appointed Commission and at each subsequent first regular meeting of the Commission after each regularly-scheduled annual appointment occurs as specified in 7.03 shall include an organizational agenda item during this designated "Organizational Meeting" in which the new Commissioner shall be sworn by the Mayor of the City of Gainesville and the voting Commissioners shall elect a chairman, a vice-chairman, and a secretary/treasurer from its Commission voting membership. The Commission shall also establish during its Organizational Meeting the Commission's meeting schedule for the next twelve (12) months. Commissioners shall attend all meetings of the Commission, except for emergencies or other significant events, not to exceed three meeting absences occurring within a rolling twelve-month period.

Before taking office for any term each Commissioner shall swear or affirm:

"I do solemnly swear (or affirm) that I will support, honor, protect, and defend the Constitution and Government of the United States and of the State of Florida; that I am duly qualified to hold office under the Constitution of the State and under the Charter of the City of Gainesville, Florida, or the Charter of the County of Alachua, Florida; that I am a full-time City or County resident and customer within the electric service

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territory of the Gainesville Regional Utilities Commission; and that I will well and faithfully perform the duties and maintain the qualifications of Commissioner of the Gainesville Regional Utilities Commission on which I am now about to enter."

7.05 Commissioner Compensation

Each Commissioner shall be paid such salary as may change from time to time and shall be a salary of eighty percent (80%) each month of the salary of a City of Gainesville Commissioner and includes adjustment linked to the consumer price index, and, in addition, shall be paid necessary individual expenses incurred solely in carrying on and conducting the business of the Commission in accordance with Commission policy and procedures and subject to the approval of the Commission. No supplemental benefits are provided for a Commissioner position.

7.06. Appointment of Chief Executive Officer/General Manager

The Commission shall have full and exclusive authority over the management, operation, and control, now or hereafter, over the City's utilities and shall employ and discharge all employees only through the Chief Executive Officer/General Manager ("CEO/GM") who directs and administers utilities functions under the policies and authority authorized solely by the Commission.

As one of its initial priority actions to occur during its first sixty (60) calendar days, the first appointed Commission shall select and appoint the Commission's first CEO/GM who has full public, multi-utility CEO/GM organizational, financial, operational, and cultural transformation qualifications applied in a transparent governance environment; however, as an alternative during such first sixty (60) calendar day period, the first appointed Commission may immediately select and appoint a Conservator/CEO/GM ("Conservator") or Interim/CEO/GM ("Interim") or Temporary/CEO/GM ("Temporary") who also holds or has held full public, multi-utility CEO/GM organizational, financial, operational, and cultural transformation qualifications applied in a transparent governance environment to act in the capacity of CEO/GM in order to provide transitional utilities and organizational leadership for the Commission until a CEO/GM is subsequently selected and appointed. Until the first

199 CEO/GM is selected and appointed, the words CEO/GM as may be used in this act shall
200 also apply to the Conservator, Interim, or Temporary CEO/GM. Neither the
201 Conservator nor Interim nor Temporary CEO/GM nor the CEO/GM first-selected and
202 appointed by the first elected Commission shall have been or be currently employed by
203 the City or Alachua County or have been or currently be an elected or appointed official
204 [including the head of (as GM, Interim GM, or similar title) or an executive of any
205 Gainesville utilities] of the City of Gainesville or Alachua County except that the first-
206 selected Conservator, Interim, or Temporary CEO/GM may be subsequently selected
207 and appointed as CEO/GM. The CEO/GM is an "at will" position serving at the sole
208 discretion of the Commission. Additionally, the person chosen for CEO/GM shall, after
209 selection, reside while in said position in the electric service territory of the Commission
210 within a six (6) month period of selection.

211
212 A Commissioner shall not be selected as Conservator, Interim, Temporary or first
213 CEO/GM.

214
215 7.07 General Provisions:

216
217 1) General Powers. All business of the Commission shall be overseen by its
218 Commissioners who shall have full control of the affairs of the Commission and may
219 exercise all its powers as it may deem advisable for the management, administration,
220 and regulation of the business affairs of the Commission except as otherwise provided
221 by law and as provided in this act.

222
223 2) The Commission shall operate only as a municipally-owned, cost-based, not-for-
224 profit, independent special district and political subdivision of the State of Florida with
225 no ad valorem taxing authority. However, the Commission may accrue reserve funds
226 as it may deem advisable for the management, administration, and regulation of the
227 business affairs of the Commission. No interest or dividends shall be paid or be
228 payable by the Commission on the culmination of such Commission reserves or similar
229 contingency funding.

230
231 3) Role of the Commission. The Commission is comprised of voting and non-voting
232 members and oversees the management and operation of the business activities of the

233 utilities. As provided in section 7.02, voting members are appointed by the Gainesville
234 City Commission to staggered five (5) -year terms and legally reside either within the
235 City of Gainesville, Florida, or within the electric service territory of said Commission
236 within unincorporated Alachua County, Florida. Non-voting members shall consist of
237 the non-discretionary Commission's CEO/GM at a minimum; additional discretionary
238 non-voting members consisting of other Commission staff executives with the
239 concurrence of the Commission's CEO/GM and/or external individuals who reside in
240 the electric service area of the Commission and who are appointed and removed solely
241 by the Commission serve at the Commission's will and pleasure and serve as the
242 Commission alone may deem appropriate. Said discretionary non-voting members
243 shall not exceed a total of five (5) such discretionary non-voting members at any given
244 time nor shall retain such appointments for durations exceeding two (2) years, and such
245 discretionary non-voting members may only be designated as a "member" of the
246 Commission for administrative participation purposes and serve only in the capacity as
247 the Commission formally shall designate. Said discretionary non-voting members may
248 be reappointed once for a duration not to exceed two additional years. Said
249 discretionary non-voting members shall receive no compensation for said service except
250 for necessary individual expenses incurred solely in carrying on and conducting the
251 business of the Commission only in the capacity the Commission has formally
252 designated and in accordance with Commission policy and procedures and subject to
253 the approval of the Commission.

254
255 The voting Commission, having selected a qualified Conservator, Interim, or
256 Temporary CEO/GM or Chief Executive Officer/General Manager, provides guidance,
257 advice, and direction to management through the Conservator, Interim, or Temporary
258 CEO/GM or CEO/GM, and ultimately monitors and assesses management's
259 performance. More specifically, the voting Commission, among other things, reviews
260 with management and approves business and financial strategies and other major
261 Commission actions, and assesses the major risks facing the Commission and monitors
262 the management of those risks. The Commission ensures that all aspects of the
263 Commission's business are carried out with integrity and in compliance with
264 performance standards, applicable laws, rules and regulations, and the Commission
265 shall act to ensure that adequate processes are in place to provide for full, timely, and
266 accurate disclosure of all material matters. The Commission shall review the

Commission's long-term strategic plans during at least one Commission meeting each year.

4) Chairman. The Chairman of the Commission, when present, shall preside at all meetings of the Commission unless the Commission has designated another Commissioner to preside, and shall have such powers as prescribed by the policies and procedures of the Commission. A Chairman pro tempore may be chosen by the Commission to perform any of the Chairman's duties during the absence of the Chairman.

5) Secretary/Treasurer. The Secretary/Treasurer of the Commission shall: be present at all meetings of the Commission; keep an accurate record of the proceedings at such meetings in books provided for that purpose, which books shall be opened at all times during business hours for such inspection as is required by law; with the Chairman sign instruments and obligations approved by the Commission; administer by way of appropriate Commission approvals and actions the custody and care of the Commission's money, funds, obligations, and valuable papers and documents as shall be exercised, except for the Secretary/Treasurer bond, if any, by the CEO/GM and other designated Commission staff who shall have appropriate bond and keep accurate books of account of the Commission's transactions which shall be the property of the Commission and together with all its property in the CEO/GM and designated Commission staff's possession shall be subject at all times to the inspection and control of the Commission; perform duties incident to the office; and perform such other duties and have such other powers as the Commission shall from time to time designate. A Secretary/Treasurer pro tempore may be chosen by the Commission to perform any of the Secretary/Treasurer's duties during the absence or unavailability due to schedule of the Secretary/Treasurer.

6) Commissioners. The basic responsibility of a Commissioner is to exercise business judgment and to act in what is reasonably believed to be in the best overall interest of the Commission in providing utilities and services and in compliance with the provisions of this act. Commissioners are expected to attend Commission meetings and meetings of all committees on which they serve, and to spend the time needed and meet as frequently and for as long as necessary to properly discharge their duties.

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Information and data that are important to the Commission's understanding of the business to be discussed at meetings shall be distributed as much in advance as practicable and are expected to be reviewed by Commissioners prior to the meeting.

7) Chief Executive Officer/General Manager (CEO/GM). The Chief Executive Officer/General Manager shall, subject to the exclusive control of the Commission and at-will employment by the Commission, be a non-voting member of the Commission, and have general charge of the business and affairs of the Commission's utilities and have general charge of the custody and care for the Commission's money, funds, obligations, and valuable papers and documents only as authorized by the Commission, have the power to sign approved deeds and contracts for the Commission only as authorized by the Commission, and have such other powers and duties as may at any time be prescribed by Commission.

The CEO/GM establishes the agenda for each meeting. Each Commissioner may request that an item be included on the agenda and may raise at any Commission meeting subjects that are not on the agenda for that meeting during that portion of the agenda designated for Commissioner comment and requested action.

The Conservator, Interim, or Temporary CEO/GM or the CEO/GM first-selected and -appointed by the first appointed Commission shall not have been, nor currently be employed by, nor have been nor be an elected or appointed official [including the head (as GM, Interim GM, or similar title) of or an officer or executive of any Gainesville utilities] of the City of Gainesville or Alachua County. After January 1, 2018, for purposes of succession planning for the CEO/GM position, then-internal employee candidates for the position of CEO/GM shall not be subject to such initial requirement as stated immediately above in this paragraph and elsewhere in this act.

8) Resignations. Any Commissioner, officer, or agent of the Commission may resign at any time by giving written notice to the Commission or to the Chairman or to the Secretary/Treasurer of the Commission, and any member of any committee may resign by giving written notice either as aforesaid or to the committee of which he or she is a member or to the respective chairman thereof. Any such resignation shall take effect at the time specified therein or, if the time is not specified, upon receipt thereof; and unless

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otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

9) Removal.

Commissioners may only be removed from office by the Commission acting in accordance with Florida law and as contained in this act.

In addition:

a) Whenever a Commissioner is indicted or informed against for the commission of malfeasance, misfeasance, neglect of duty, habitual drunkenness, incompetence, or permanent inability to perform official duties, the Commission shall request the Governor of Florida to temporarily suspend said Commissioner from office in accordance with Florida law;

b) Whenever any Commissioner is arrested for a felony or for a misdemeanor related to the duties of office or is indicted or informed against for the commission of a federal felony or misdemeanor or state felony or misdemeanor, the Commission shall request the Governor of Florida to temporarily suspend said Commissioner from office; and,

c) Whenever or however it is made known to a member of the Commission that a Commissioner(s) has allegedly failed to maintain Commissioner qualification, respectively, or allegedly violated a provision of this act or a provision of the Commission's policies or procedures, the Commission shall expeditiously commence an independent examination of the facts related to such alleged failure and require a written report from the independent examiner to be used by the Commission in determining its decision and action in such matters. Upon consideration of the facts as contained in such written independent report, the Commission, upon an affirmative, unanimous vote of all of the Commissioners not having been so accused, shall submit a request to the Governor of Florida to remove said Commissioner for failure to maintain a Commissioner's qualification and/or for commission of malfeasance and/or neglect of duty in the execution of said Commissioner's responsibilities under this act. Upon consideration of the facts as contained in such written independent report and upon a non-unanimous vote of all of the Commissioners not having been so accused, such alleged failure(s) shall be dismissed;

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Such initial, temporary suspension(s), as may result from affirmative action taken by the Governor of Florida in response to the Commission's request, shall: deem said Commissioner unqualified, and/or misfeasant and neglectful of duty; prohibit said Commissioner from participating in Commission activities or voting upon any Commission matters until a final determination is made regarding such alleged offense herein referred; and create a temporary vacancy of said Commissioner's position. Said temporary vacancy may extend for the remainder of said Commissioner's current term or until a final determination is made, if made prior to the expiration of said Commissioner's term.

Additionally, if the CEO/GM is formally alleged to have commissioned or committed any of the offenses or failures described in paragraphs a) and/or b) immediately above within in this section 7.07-9), the Commission shall expeditiously commence an independent examination of the facts related to such alleged failure and require a written report from an independent examiner to be used by the Commission in determining its decision and action in such matters and the CEO/GM will be temporarily suspended, without compensation, until an expeditious hearing may be scheduled to determine and conclude the matter. If such matters as formally alleged in paragraphs a) and/or b) within this section 7.07-9) be found by the Commission to be without merit, the Commission shall immediately restore the individual to the CEO/GM position and make that individual whole. The Commission may take any action it deems reasonable and prudent for the formally alleged failures as described in paragraph c) immediately above within this section 7.07-9). By a vote of not less than a majority of the entire Commission, the Commission may remove from office the CEO/GM at any time with or without cause; and, any person holding a critical management position appointed by or under the direct or indirect supervision of the CEO/GM may likewise be removed by the CEO/GM or such designee as may be conveyed in writing. Any such removal from office of the CEO/GM or other critical management position-holder, except as provided by this act, shall not affect the contract rights, if any, of the person so removed.

10) Vacancies. Any Commissioner position which becomes known to be permanently vacant for any reason will be filled within two (2) months by the Gainesville City Commission for the duration of the remaining appointed term, provided that such

remaining term exceeds three (3) months. Any Commissioner position which becomes known to be temporarily vacant for any reason during an appointed term may be expeditiously filled for the duration of the remaining term through appointment by a majority of the remaining Commission, provided that such remaining term exceeds six (6) months. Such appointed person will hold qualifications for such position as if appointed to such position and such time spent on the Commission to fill such temporary vacancy will be not be included for purposes of calculating the term limitation provision contained elsewhere in this act.

11) Private Property. The private tangible and intangible property of any individual member of the Commission shall not be subject to the payment of, and no member of the Commission shall be individually responsible for Commission debts to any extent whatsoever.

12) Indemnification. Any person who is or was an officer, executive, or Commissioner of the Commission and who is or was a party to any threatened, pending or completed proceeding, by reason of the fact that he is or was a officer, executive, or Commissioner of the Commission legitimately acting in the course of his or her duties or is or was serving at the request of the Commission as an officer, executive, or Commissioner or agent of a corporation, company, partnership, joint venture, trust, or other enterprise shall be indemnified by the Commission to the full extent permitted by law against all expenses and liabilities incurred in connection with such proceeding, including any appeal thereof. Notwithstanding the foregoing, the Commission shall indemnify such person in connection with a proceeding initiated by that person only if such proceeding was authorized by the Commission; provided, however, that the Commission shall indemnify such person in connection with a proceeding to enforce such person's rights under this provision. Such person shall also be entitled to advancement of expenses incurred in defending a proceeding in advance of its final disposition to the full extent permitted by law, subject to the conditions imposed by law.

Any indemnification or advance of expenses under this article shall be paid promptly, but within thirty (30) calendar days, under any event after the receipt by the Commission of a written request therefore from the person to be indemnified, unless with respect to a claim for indemnification, the person is not entitled to indemnification

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under this provision. Unless otherwise provided by law, the burden of proving that the person is not entitled to indemnification shall be on the Commission.

The right of indemnification under this article shall be a contract right inuring to the benefit of the persons entitled to be indemnified hereunder and no amendment or repeal of this article shall adversely affect any right of such persons existing at the time of such amendment or repeal.

The indemnification provided hereunder shall inure to the benefit of the heirs, executors, and administrators of a person entitled to indemnification hereunder.

As used in this act, the terms "Corporation," "other enterprises," "expenses," "proceeding," "agent," and "serving at the request of the Commission" shall have the meanings ascribed to them in Section 607.0850 of the Florida Business Corporation Act or any successor statute.

The right of indemnification under this article shall be in addition to and not exclusive of all other rights to which persons entitled to indemnification hereunder may be entitled. Nothing contained in this article shall affect any rights to indemnification to which persons entitled to indemnification hereunder may be entitled by contract or otherwise under law.

13) Bonds and Debentures. Every bond or debenture issued by the Commission shall be signed by the Chairman and by the Secretary/Treasurer and sealed with the seal of the Commission. The seal may be facsimile, engraved, or printed. Where such bond or debenture is authenticated with the manual signature of an authorized officer or executive of the Commission or other trustee designated by the indenture of trust or other agreement under which said security is issued, the signature of any of the Commission's officers or executives named herein may be facsimile. In case any officer or executive who signed or whose facsimile signature has been used on any such bond or debenture shall cease to be an officer or executive of the Commission for any reason before the same has been delivered by the Commission, such bond or debenture may be issued and delivered as though the person who signed it or whose facsimile signature has been used thereon had not ceased to be such officer or executive.

14) Checks, Drafts and Certain Other Obligations for the Payment of Money. All notes and other evidences of indebtedness of the Commission other than bonds or debentures shall be signed by the CEO/GM or such other officers, executives, agents, or other persons as may be designated by the CEO/GM. All checks, drafts, or other orders for the payment of money shall be signed by such officers, executives, agents, or other persons as are designated by the CEO/GM. The signature of any such officer, executive, agent, or other person so designated by the Commission to sign checks, drafts or other orders for the payment of money may be by facsimile, if authorized by the CEO/GM.

15) Seal. The seal of the Commission shall have the words "Gainesville Regional Utilities Commission, Florida, 2016, Official Seal" inscribed thereon and may be a facsimile, engraved, printed, or an impression seal.

16) Commission Meetings. Meetings of the Commission shall be held in such places and at such times as the Commission may determine by vote from time to time. Public notice of such regular meeting shall state the date, time, and place of the meeting and shall be given by the CEO/GM to each Commissioner either by mail not less than forty-eight (48) hours before the time of the meeting or by hand-delivery or by telephone or facsimile or other form of electronic communication. Special meetings of the Commission may be held at any time or place whenever called by the Chairman, CEO/GM, or two or more Commissioners individually notifying the CEO/GM. Notice of a special meeting stating the date, time and place of the meeting shall be given by the CEO/GM to each Commissioner either by mail not less than forty-eight (48) hours before the time of the meeting or by hand-delivery or by telephone or facsimile or other form of electronic communication on twenty-four (24) hours' notice for emergency purposes and to the public by appropriate methods and procedures as required by Florida law. A public, written agenda shall be provided by the CEO/GM with said notice of any Commission meeting and shall specify with particularity the business to be brought before the Commission in a clear, unambiguous, and understandable manner for each matter desired to be brought to the Commission for its determination. Any Commission member or Commissioner may waive, either in writing or by attendance, any notice of meetings required to be given to the Commissioner by this act. Any meeting or business conducted by said Commission shall be conducted in

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compliance with applicable Florida Statutes, including Chapters 112, 119, and 286, as amended and as specifically applicable to said Commission.

17) Quorum. A simple majority of the full Commissioners shall constitute a quorum for the transaction of business.

18) Executive and Other Committees. The Commission may by resolution adopt by a majority of the full Commission and designate from their number an Executive Committee and one or more other committees ("committee"), each of which must be provided for by a separate resolution and also be permitted by the laws of Florida. All such committees shall meet publicly and be advisory, shall function under a charter approved by the Commission, and shall publicly report to the Commission at or prior to each meeting of the Commission all recommendations taken by said committees since the preceding meeting of the Commission. Each such committee may make rules for the holding and conduct of its public meetings and the keeping of the public records thereof which shall also be retained by the Secretary/Treasurer.

The Commission by a majority of the full Commission may by resolution adopt and designate one or more Commissioners as alternate members of any such committee who may act in the place and stead of any member absent or disqualified from voting at any meeting of such committee.

19) Conveyance Authority and Legal Instruments. To effect the unrestricted transfer of Commission governing authority and control of land, facilities, equipment, licenses, debt, funds, entitlements or any other appropriate utilities activity exercised by the Commission under the authority of this act, the City Commission and City shall create such conveyance instruments, power of attorney, or other appropriate instruments as necessary for execution by and at the will of the Commission to be used in accordance with this act. Furthermore, the City Commission and the City shall not encumber such conveyance by establishing conditions precedent nor administrative requirements prior or subsequent to the effective date of this act.

20). Special Meetings. A Special meeting with the Gainesville City Commission shall be held once each calendar year whenever called by the Chairman or if demanded by the

Gainesville City Commission in writing and delivered to the Secretary/Treasurer. A Special meeting so demanded by the Gainesville City Commission shall not occur more often one (1) time in any rolling twelve (12) month period and shall be called by the Chairman and held on a date which shall not be more than thirty (30) calendar days after the demand is made. As a condition precedent, the Gainesville City Commission shall specify up to five (5) matters describing with particularity and accompanied by appropriate reference information concerning the business to be brought before the Commission which all must be stated in a clear, unambiguous, and understandable manner at the time of such submission of the demand; no other business shall be brought before any said Special Meeting except as specified in such demand or when called by the Chairman who shall specify up to five (5) matters describing with particularity and accompanied by appropriate reference information concerning the business to be brought before the Commission which all must be stated in a clear, unambiguous, and understandable manner at the time of such submission.

21) Accounting System. The Commission shall cause to be established and maintained a complete accounting system which, among other things, shall be subject to applicable laws and rules and regulations of a regulatory body and shall conform to such accounting requirements and stipulations as may from time to time be designated by governing authority. Financial statements of the Commission shall be examined monthly by the Commission at regular meetings. The Commission shall also after the close of each fiscal year cause to be made a full and complete audit of the accounts, books, and financial condition of the Commission as of the end of such fiscal year. Such audit reports shall be submitted to the appropriate regulatory bodies, the City, and others as may be required or desired. The Commission may purchase a bond covering an officer, executive, or employee as may originally be determined by the Commission in executing financial transactions and other financially-involved matters.

22) New Commissioner Orientation. The CEO/GM, through assigned staff, is responsible for providing an orientation program for new Commissioners which includes providing information designed to familiarize new Commissioners with the Commission's business and general industry, its strategic plans, its significant financial, accounting, and risk management issues, its compliance programs, its code of business conduct and ethics, its principal officers and executives, its internal and independent

auditors, and its key policies and practices. This orientation is designed to be conducted within a reasonable period of time after the meeting at which new Commissioners are sworn. In addition to the orientation program, staff management also will periodically provide materials or briefing sessions for all Commissioners on subjects that would assist them in discharging their duties. Commissioners are also encouraged to attend appropriate sessions or programs and review materials relating to the responsibilities of Commissioners of publicly-owned utilities.

7.08 The Commission Shall be Afforded and/or Adhere to Specific Commission Provisions to:

1) Convey Assets. Acquire by title or entitlement by transfer and conveyance at no cost from the City of Gainesville, Florida, to the Commission, all existing real or personal property, cash and other liquid assets, reserve funds of any kind housed within or external to the organization, retirement funds or trusts or reserves, personnel, licenses, permits, contracts and agreements, or any estate or interest or entitlement or occupancy in property, within or without the City limits, for any of the legitimate purposes of the utilities, and to improve, sell, lease, mortgage, pledge, or otherwise dispose of its property or any part of its property, or subsequently acquire or dispose by the Commission by purchase, gift, devise, lease, lease-purchase, condemnation, or otherwise all existing real property, personnel, licenses, permits, agreements, or any estate or interest or entitlement or by occupancy in property, within or without the City limits, for any of the purposes of the utilities, and to improve, sell, lease, mortgage, pledge, or otherwise dispose of its property or any part of its property except as modified by provisions of this act and other provisions contained herein below.

2) Convey Rights. Acquire by title or entitlement or by transfer and conveyance at no cost from the City of Gainesville, Florida to the Commission any, all, and complete existing rights to purchase, hire, construct, extend, maintain, own, operate, or lease local public utilities, including: electric, telephone, and telegraph and communications systems, and cable television; wastewater, reuse, and storm water facilities; the supply to the City or County and its inhabitants with electric energy, water, wastewater, reuse water, natural gas, communications and for illuminating, heating, power, or other

605 purposes; produce and distribute electric, water, wastewater, natural gas, and
606 communications; any utility or utility-related transmission and distribution systems;
607 wastewater and storm water transmission and disposal facilities; and, any and all other
608 utilities, except for transportation, as the welfare of its residents reasonably demands.

609
610 3) Convey Obligations. Acquire by title or entitlement by transfer and conveyance at
611 no cost from the City of Gainesville, Florida, to the Commission, all existing utilities'
612 long-term and short-term debt, or short-term or long-term debt to finance the utilities
613 through the sale of bonds, pledging revenue, or otherwise; sell electricity, gas, water,
614 wastewater, or any other service, product, or commodity gathered, provided, produced,
615 or manufactured by the Commission from the public utilities systems and facilities
616 owned or operated by the Commission to any consumer within or without the limits of
617 the City; and locate utility plants, distribution facilities, or any appurtenances either
618 within or without Alachua County.

619
620 4) Authority to Enter into Agreements. Enter into agreements with other
621 municipalities either within or without Alachua County, or with governmental units or
622 private utility companies, for selling or buying utility services or other municipal
623 services of any kind, wherever located; sell any surplus of electric energy or water it
624 may have over and above the amount required to supply its own inhabitants and any
625 other services to persons, firms, and corporations, public or private, on such terms and
626 conditions as the Commission considers appropriate, exercise all powers and authority
627 of the Commission to acquire by transfer, purchase, gift, lease, lease-purchase, or
628 otherwise, and real or personal property, including specifically all powers and
629 immunities granted by the Laws of Florida.

630
631 5) Adoption of Existing Provisions. Consistent with the provisions and effective date of
632 this act, such previous applicable non-conflicting utilities-related ordinances, policies,
633 rates, fees, rules, regulations, budgets, and other provisions previously adopted under
634 the City of Gainesville Charter are hereby considered as adopted, reenacted, or
635 assumed by the Commission for transition purposes until such time that the
636 Commission alone, through appropriate Commission actions and resolutions, shall
637 subsequently change, publish, and enforce such policies, rates, fees, rules, regulations,
638 budgets, and other provisions and requirements stipulated by this act.

639
640 6) Issuance of Bonds. Issue any bonds which municipalities are authorized to issue
641 under the State Constitution or laws of the state, subject to the provisions of this act. For
642 purposes of this subsection, the term "bonds" means revenue bonds and certificates,
643 certificates of indebtedness, special assessment bonds and certificates, bond anticipation
644 notes, revenue anticipation notes, and other evidences of indebtedness. The term
645 "revenue bonds" means bonds payable solely from the revenues derived from sources
646 of revenue other than ad valorem taxes.

647
648 7) Eminent Domain. Exercise the power of eminent domain to acquire property, except
649 state or federal, located within Alachua County, and exercise the power of eminent
650 domain outside the County where permitted by general law, for the sole purpose of
651 locating electrical generating, transmission, or distribution facilities of any of its utilities;
652 sanitary sewerage or other waste collection, treatment, or disposal facilities;
653 communication facilities; water production, treatment, transmission, and distribution
654 facilities; and for a non-stated use by the Commission in the performance and exercise
655 of any of its duties, rights, or plenary authority.

656
657 8) Exclusive and Plenary Authority. Have full and exclusive power and authority to
658 prescribe rules, rates, and regulations governing the sale and use of utilities wherever
659 such services are furnished by said Commission and to change the same at its pleasure
660 after conducting a public hearing or hearings pertaining to changes requiring such
661 hearings. The Commission is authorized to provide utilities to private individuals and
662 corporations wherever the same may be required and feasible as solely determined by
663 the Commission; and, for said purpose of providing such utilities, the Commission shall
664 have the right to acquire, construct, maintain, extend, improve and develop utilities,
665 including the right to construct and maintain utilities in, along, and under all public
666 streets and highways and to contract with and receive grants and contributions from
667 the United States or any of its agencies or departments, the State of Florida or other
668 States, and any municipality, public body, corporation, partnership, or individual for
669 said purposes.

670
671 9) Bill and Collect Fees and Charges. Have the exclusive power and authority to bill
672 and collect the prescribed fees or charges for all utilities and services rendered under its

control and, when collected, the flow of funds shall be: first, the payment of all operating and maintenance expenses of said utilities; second, the funding of all Commission discretionary or required reserves including those established by revenue certificates previously issued by the City or said Commission for projects under Commission control including the debt service payments of all such revenue certificates as the same become due; and, third, the payment to the general fund of the City from revenues of the utilities under the Commission's control a sum, after the effective date of this legislation, not to exceed nine (9) per cent of the ~~gross~~ revenues. Said designated payments by the Commission to the City's general fund shall be made monthly. At the sole discretion of the Commission, any surplus, if any, may be paid to the general fund of the City after reserving an adequate fund for operation and maintenance expenses, capital improvements, and other contingencies as solely determined by the Commission.

10) Authority to Finance. Have the power and authority to make agreements and covenants with the City, and with the holders of any revenue bonds or other obligations issued to finance, in whole or in part, any repairs, extensions, construction, or improvements of utilities with respect to the filing and collecting of fees, rentals, and other charges for utility services and other services. All such agreements and covenants shall constitute and be deemed valid contracts between the Commission and the holders of any revenue bonds or other obligations and may be enforced by any holder of such revenue bonds or any other obligations in any court of competent jurisdiction subject, however, to any provisions for enforcement which may be contained in such agreements or covenants or in the resolution or resolutions of the City or Commission pursuant to which such obligations were issued.

11) Borrowing for Operating Expenses. Hereby be authorized, upon appropriate Commission approval, to borrow at any time an amount of money equal to ten per cent (10%) of the book value of the utilities' physical plant assets for any twelve (12) month period and to pay interest on such sum borrowed at a rate not to exceed the then-prevailing interest rate of banks located in Alachua County, Florida, and to issue its promissory note or notes as evidence of said indebtedness which notes shall be signed by the Chairman and the Secretary/Treasurer thereof, provided that at no time shall such promissory note or notes exceed ten per cent (10%) of the book value of such

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707 utilities' physical plant assets and provided further that money so borrowed shall be
708 expended only for current operating expenses.

709
710 12) Revenue Certificates and Promissory Notes. Have, after conducting a public
711 hearing or hearings, the right, power, and authority to issue revenue certificates or
712 promissory notes for the purpose of paying for all or a part of the costs of acquisition,
713 construction, repairing, extensions, additions, equipping, and the reconstruction of any
714 of the utilities. All of such revenue certificates or promissory notes while authorized
715 and issued by the Commission shall be obligations of the Commission and no
716 referendum or freeholder election shall be required as a condition precedent to the
717 issuance of such revenue certificates or promissory notes. All revenue certificates shall
718 be offered for sale to not less than three (3) responsible bond brokers and the best bid
719 accepted unless, in the discretion of the Commission, a better bid may be obtained by
720 negotiation. In such case the Commission shall have the right to reject all bids and sell
721 said certificates upon the best terms offered there from. In addition:

722 a) Revenue certificates issued under the provisions of said Commission shall be
723 payable solely from the revenues derived from the operation of the utilities or services
724 under the supervision, operation, and control of the Commission and from any other
725 funds legally available to the Commission.

726 b) The Commission shall not convey or mortgage any property or facility or any
727 part thereof as security for the payment of revenue certificates.

728 c) In the sole discretion of the Commission, each or any issue of such revenue
729 certificates may be secured by a trust agreement by and between the Commission and a
730 trustee which may be any trust company or bank having the powers of a trust company
731 within or without the State of Florida. Such trust agreement may pledge or assign the
732 revenues to be received by the Commission. The resolution providing for the issuance
733 of revenue certificates or such trust agreement may contain such provisions for
734 protecting and enforcing the rights and remedies of the certificate holders as may be
735 reasonable, proper, and not in violation of law, including covenants setting forth the
736 duties of the Commission in relation to the acquisition, construction, improvements,
737 maintenance, operation, repair, equipping, and insurance of the facilities, and the
738 custody, safeguarding, and application of all monies. It shall be lawful for any bank or
739 trust company incorporated under the laws of Florida to act as such depository and to
740 furnish such indemnifying bonds or to pledge such securities as may be required by the

Commission. Such resolution or such trust agreement may restrict the individual right of action by certificate holders as is customary in trust agreements securing bonds or debentures of corporations. In addition to the foregoing, such resolution or trust agreement may contain such other provisions as the Commission may deem reasonable and proper for the security of certificate holders. Except as this section otherwise provides, the Commission may provide, by resolution or by trust agreement, for the payment of the proceeds of the sale of the revenue certificates and the revenues of the utilities and services to such officer, executive, board, or depository as it may determine for the custody thereof and for the method of disbursement thereof with such safeguards and restrictions as it may determine. All expenses incurred in carrying out such trust agreement may be treated as a part of the cost of operation of the utilities affected by such trust agreement.

d) The resolution or trust agreement providing for the issuance of the revenue certificates may also contain such limitations upon the issuance of additional revenue certificates as the Commission may deem proper and such additional certificates shall be issued under such restrictions or limitations as may be prescribed by the resolution or trust agreement.

13) Refunding Revenue Certificates. Be authorized to provide by resolution for the issuance of refunding revenue certificates for the purpose of refunding any revenue certificates heretofore issued by the City then outstanding or issued under the provisions of the Commission. The Commission is further authorized to provide by resolution for the issuance of revenue certificates for the combined purpose of:

a) Paying the cost of any acquisition, construction, extension, addition, improvement, equipment, or reconstruction of a facility or facilities of the Commission;

b) Refunding revenue certificates heretofore issued by the City and of the Commission which shall theretofore have been issued under the provisions this act and shall then be outstanding. The issuance of such obligations, the maturities and other details thereof, the rights and remedies of the holders thereof, the rights, powers, privileges, duties, and obligations of the Commission with respect to the same shall be governed by the foregoing provisions of this act insofar as the same may be applicable.

14) Legal Investment and Securities. Have any revenue certificates or other obligations issued pursuant to this act become and constitute legal investments for bonds, savings

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775 banks, trustees, executors, administrators and all other fiduciaries for all state,
776 municipal, and public funds and shall also become and constitute securities eligible for
777 deposit as security for all state, municipal, or other public funds notwithstanding the
778 provisions of any other law or laws to the contrary.

779
780 15) Reserve Investments. Be authorized to invest money not required for immediate
781 use, including proceeds from the sale of any bonds, revenue certificates or notes, in such
782 obligations, securities, and other investments as the Commission shall deem prudent,
783 subject to any agreement with bondholders, revenue certificate holders, or note holders
784 and in accordance with Florida Statutes governing investment for municipal entities.

785
786 16) Budgets. Prepare, present, and approve an integrated operations and maintenance
787 Commission budget for the ensuing year on or before July 1 of each year, setting forth
788 its estimated gross revenues and estimated requirements for operations and
789 maintenance expenses, debt service, and depreciation. Additionally, a five- and a ten-
790 year Commission capital budget shall be annually prepared and integrated with the
791 operations and maintenance Commission budget on or before July 1 of each year,
792 setting forth each project, estimated costs, anticipated in-service dates, and anticipated
793 funding sources.

794
795 17) Monthly Financial Report. Submit to the City of Gainesville, Florida, a monthly
796 statement showing all sums or amounts received, operating expenses, amount charged
797 to depreciation and extensions, reserve fund and amount appropriated to interest and
798 sinking funds. The fiscal year of the Commission shall begin October 1 and end
799 September 30 of each year. Within ninety (90) calendar days after the close of the fiscal
800 year, the books and records relating to the utilities will be properly audited by a
801 nationally recognized independent certified public accountant or auditing firm. Such
802 audit shall contain a complete report of operations of the Commission including, but
803 not limited to, a comparison with the current budget and with the operations of the
804 previous year, the balance sheet, a schedule of insurance in existence, a schedule of the
805 application of all revenues of the utilities, a schedule of reserves and investments and
806 income there from, and a certificate by the auditors stating whether the Commission is
807 in default with respect to any covenant wherein which has been disclosed by reason of
808 such audit. At a minimum, the auditors selected are to be changed every three years. A

copy of such annual audit shall regularly be furnished to the City, County, and any person having requested in writing that a copy be furnished to such individual.

18) Collection and Enforcement. Diligently enforce and collect all fees, rates, or other charges for the services and facilities of the utilities, and take all steps, actions, and proceedings for the enforcement and collection of such fees, rates, or other charges which shall become delinquent to the full extent permitted or authorized by the laws of the State of Florida; and that the Commission will, under reasonable rules and regulations, discontinue and shut off the supply of services and facilities of said utilities for nonpayment of such fees, rates or charges, and will not restore such services and facilities of said utilities until all such delinquent charges, with reasonable penalties and charges for restoration of service, have been paid in full.

19) Commission Communication Protocols. Ensure that no entity of the City, County, State, nor any elected City or County Official, nor any Officer or executive of the City or County, nor the Commission, nor any Commissioner may dictate any employment for Commission positions nor in any manner interfere with the independence of Commission officers, executives, or employees in the performance of their duties. Except for the purpose of an inquiry for information or public records, the Gainesville City Commission or the Alachua County Board of County Commissioners and all of their members must communicate with the Commission solely through the Commission Secretary/Treasurer regarding Commission business, and neither the Gainesville City Commission nor the Alachua County Board of County Commissioners nor any respective City or County Commissioners nor the Gainesville Regional Utilities Commission nor any Gainesville Regional Utilities Commissioners may give, either publicly or privately, any individual orders to or interfere with any direct or indirect subordinates of the CEO/GM, including staff officers and executives, employees, contractors, consultants, or other agents.

20) Commissioner Access. Ensure that individual Commissioners are granted complete access to the Commission's management, any and all records and documents, and any and all transactions in accordance with law and subject to reasonable advance notice to the CEO/GM and reasonable efforts to avoid disruption to management, business, and operations. The Commission and each committee shall have access to any independent

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843 legal, financial, or other advisors, as they may deem necessary in their sole discretion.
844 However, inquiry and information requests considered by the CEO/GM as excessive or
845 interfering with an employee's or work unit's performance of its duties may be
846 presented to the Chairman for mediation prior to filing a formal interference complaint
847 by the CEO/GM with the Commission.

848
849 21) Disposal of Assets. Ensure that the Commission not, in any manner, dispose of or
850 agree to sell or convey the Commission's used and useful assets exceeding five percent
851 (5%) of the respective individual utility's total assets, using depreciated book value,
852 unless the Commission does so with the prior approval of a simple majority vote of the
853 qualified electors of the City voting at a regular or special election for the purpose of
854 such conveyance. The title to all property, real or personal, owned or acquired by the
855 Commission is ultimately vested in the City such that should the Commission be
856 dissolved, all assets shall then be under the control of the City of Gainesville, Florida,
857 and be conveyed to the City upon dissolution. Additionally, title for all property, real
858 or personal, acquired by the Commission shall be in the name of and under the sole
859 control of the Commission; however, said title and all property, real or personal, shall
860 be transferred and conveyed without any cost whatsoever by the Commission to the
861 City "as is" when said property, real or personal, not exceeding five percent (5%) of the
862 respective individual utility's total assets, using depreciated book value, is determined
863 and declared solely by the Commission as no longer necessary for utility purposes. The
864 City may reuse or dispose of said property at the City's sole determination and benefit
865 consistent with laws or other regulatory requirements. Neither the Commission nor the
866 City Commission may in any manner agree to dispose of any utility of portion thereof
867 exceeding five percent (5%) of the respective individual utility's total assets, using
868 depreciated book value, unless either Commission does so with the prior approval of a
869 simple majority vote of the qualified electors of the City voting at an election for the
870 purpose of such conveyance.

871
872 22) Exclusivity. Ensure that to the full extent permitted by law, the City will not grant,
873 cause, consent to, or allow the granting of any franchise or permit to any person, firm,
874 corporation, body, agency, or instrumentality whatsoever, for the furnishing of services
875 which will compete with those of the Commission. No discriminatory franchise, right-

of-way, license, permit, tax, or usage fee shall be levied upon the Commission or its utilities by the City or by the County unless provided by Florida Statutes.

23) No Free Service. Not render or cause to be rendered, directly or indirectly, any free utilities, subsidies, sponsorships, grants, contributions, donations, any free services, or in-kind services of any nature from the utilities or Commission, nor will any preferential rates be established for users of the same class; the Commission and the City or County, including its departments, agencies and instrumentalities, shall use the services provided by the Commission within the Commission's utility service areas, or any part thereof, and the same rates, fees, or charges applicable to other customers receiving like services under similar circumstances shall be charged to the Commission and the City or County and any such department, agency or instrumentality. Such charges shall be paid as they become due. The revenues so received shall be deemed to be revenues derived from the operation of the utilities, and shall be deposited and accounted for in the same manner as other revenues derived from such operation of the utilities.

24) External Status Review. Retain, every five (5) years, and cause to be prepared by a consulting engineering firm, having a nationwide and favorable reputation, a report of the utilities with respect to the operation and management of the properties thereof, operation and economics of facilities of comparable size and character as the utilities, the sufficiency of the rates and charges for services, conclusions as to changes in the operation of the utilities, and the necessity for capital improvements. In making such report or survey, the consulting engineers shall accept certified statements of the independent certified public accountants, auditors, and other consultants of the Commission. The Commission may, however, employ additional engineers or specialized services at any time with relation to specific projects and services required in connection with the utilities. Copies of each report shall be provided to the City, placed on file with the Commission, and shall be opened to the inspection and copying by other interested parties.

25) Perform CEO/GM Evaluations.

a) Annually approve the goals and objectives for compensating the CEO/GM;

909 b) Evaluate the CEO/GM's performance in light of these goals before setting his
910 or her salary or other compensation;

911 c) Annually approve the compensation structure for the Commission staff; and

912 d) Review and evaluate the performance of the Commission's officers and
913 executives conducted by the CEO before approving their salary or other compensation,
914 if any.

915
916 26) Provide for Management Succession. The Commission shall annually review plans
917 for development and succession to the position of Chief Executive Officer/General
918 Manager as well as other senior management positions. To assist the Commission, the
919 CEO/GM, at a frequency established by the Commission, but at least biennially, will
920 provide the Commission with an assessment of senior managers and of their potential
921 to succeed him or her and information on any persons considered potential successors
922 to senior management positions. These assessments are then reviewed by the
923 Commission to ensure it has in effect policies regarding succession in the event of an
924 emergency, retirement, or an unplanned event affecting the CEO/GM or other senior
925 management staff.

926
927 27) Commission Self-Evaluation. Provide for and conduct an annual self-evaluation to
928 determine whether the Commission and its committees are functioning effectively. The
929 full Commission shall discuss the results to determine what, if any, action could
930 improve the Commission's performance as a whole. The Executive Committee, if
931 established, or the Commission shall consider the results of the evaluation in assessing
932 and determining the characteristics and critical skills required of prospective candidates
933 for appointments to the Commission. The Executive Committee, if established, or the
934 Commission itself shall review governance guidelines at least annually and recommend
935 or adopt any changes as appropriate.

936
937 28) Adequate Insurance. Secure, as may be financially justified, adequate fire, flood,
938 and windstorm insurance on all buildings and structures and facilities of the utilities
939 which are subject to loss through fire, flood, or windstorm, secure adequate public lia-
940 bility insurance, and otherwise carry insurance of all kinds and in the amounts normally
941 carried in the operation of facilities and properties of similar size and character.

943 The proceeds of all insurance shall be available for and shall, to the extent necessary, be
944 applied to the repair, replacement, or reconstruction of the damaged or destroyed
945 property. If such proceeds are more than sufficient for such purpose, the balance
946 remaining shall be deposited to the credit of an appropriate capital account. If such
947 proceeds shall be insufficient for such purpose, the deficiency may be supplied out of
948 any monies in a capital account or any other monies available therefore.

949
950 All insurance policies shall be open to inspection at reasonable times.

951 Nothing in this section shall prohibit the Commission from instituting and maintaining
952 self-insurance programs with regard to such risks as shall be consistent with the
953 recommendations of a professional, qualified insurance consultant.

954
955 29) Valid Conveyance. Ensure that all existing City of Gainesville authority, laws,
956 ordinances, resolutions, and administrative regulations, interpretations, franchises, and
957 controls directly and indirectly affecting and controlling said utilities are hereby
958 conveyed to and exclusively vested within said Commission and its respective
959 governance and authority as contained herein. All rights, claims, actions, orders, and
960 legal or administrative proceedings involving the Commission immediately prior to the
961 effective date of this act shall continue, except as modified pursuant to the provisions of
962 and plenary authority granted by this act.

963
964 30) Ethics Policy and Code of Business Conduct Policy. Shall ensure the development
965 of an ethics policy and a code of business conduct policy which shall be reviewed at
966 least biennially. Such policy and code shall be adhered to in accordance with this act
967 and any additional adherence requirements which may subsequently be approved by
968 the Commission. Commissioners, as well as all officers, executives, and management
969 and supervisory employees, shall each acknowledge annually in writing their
970 compliance with the Commission's Code of Ethics and Business Conduct. Any waiver
971 of this requirement for a Commissioner, said officer, said executive, or said employee
972 shall only be granted unanimously by vote of the full Commission. Any member of the
973 Commission requesting the waiver shall be excluded from all meetings and votes
974 during which the requested matter is discussed or deliberated, until decided.

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31) "Independent" Commissioner. Ensure that the Commission shall be comprised of Commissioners who continuously qualify as "independent" as defined by corporate law for an "Independent Director." Independent Commissioner characteristics and appropriate discharge of responsibilities are:

a) A Commissioner shall not be independent if, within the preceding three years: (i) the Commissioner was employed by or acted as a consultant to the Commission; (ii) an immediate family member of the Commissioner was employed by or acted as a consultant to the Commission; or (iii) the Commissioner or an immediate family member of the Commissioner received more than \$50,000 in direct or indirect compensation from the Commission, other than Commissioner fees.

b) A Commissioner shall not be independent if (i) the Commissioner is a current employee or partner of the Commission's independent or internal auditor; (ii) an immediate family member of the Commissioner is a current partner of the Commission's independent or internal auditor, or is a current employee who personally works on the Commission's audit; or (iii) the Commissioner or an immediate family member was a partner or an employee of the independent auditor and personally worked on the Commission's audit within the last three years.

c) The following business or charitable relationships, based on the last completed fiscal year, shall not be considered to be material relationships that would impair a Commissioner's independence: (i) if a Commissioner is an employee or consultant, or if the immediate family member of the Commissioner is an executive officer, of a company that does business with the Commission and the annual sales to, or purchases from, the Commission are less than the greater of \$100,000 or one percent of the consolidated annual gross revenues of the Commission's or respective utility for which he or she serves as an executive officer or employee or consultant; or, (ii) if a Commissioner is an executive officer of a company which is indebted to the Commission, or to which the Commission is indebted, and the total amount of either entity's indebtedness to the other is less than one percent of the total consolidated assets of the company for which he or she serves as an executive officer. However, Commissioners should not avoid volunteering as directors or trustees of charitable organizations.

d) For relationships the character of which are not included in the categories in paragraphs a) through c) immediately above, the determination of whether the relationship is material or not, and therefore whether the Commissioner would be

independent or not, shall be made by the Commissioners who satisfy the independence guidelines set forth in paragraphs a) through c) immediately above.

e) The Commission shall annually review all business relationships of Commissioners; whether Commissioners meet these categorical independence tests shall be made public annually. The Commission shall make appropriate disclosure of the basis for any Commission determination that a relationship was immaterial despite the fact that it did not meet the categorical standards of immateriality in paragraphs A-C above and provisions contained in this act.

f) Commissioners must be willing to devote the time and effort necessary to properly discharge their responsibilities. No Commissioner may serve (i) on the board of Directors of more than 2 public companies, or 3 public companies if the Commissioner is not employed on a full-time basis, or (ii) on the audit committee of more than 2 public companies, unless in either case the Commission determines that doing so would not impair the Commissioner's ability to serve on the Commission. Commissioners are expected to advise the Chairman prior to accepting an invitation to serve on the board or audit committee of a public company.

It shall be the policy of the Commission to publicly offer as information to the Commission any significant change in a Commissioner's personal business circumstances, including retirement or a change in a Commissioner's principal employment responsibilities. Further, the Commission policy will further specify that Commissioners who retire or change from the outside position they held when they came on the Commission should not necessarily leave the Commission, but only that there should be an opportunity for the Commission to review each circumstance and confirm the opportunity of the Commissioner to fully participate on the Commission.

The Commission shall review at least annually the direct and indirect relationship that each Commissioner has with the Commission. Only those Commissioners whom the Commission affirms by unanimous vote as having no direct nor indirect relationship with the Commission that would impair their independent judgment and is compliant with the applicable elements of a "Independent" Commissioner will be considered and retain qualification as an "Independent" Commissioner.

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32) Commissioner Conflict of Interest. Upon discovery or presentation of information, the Commission shall make a determination regarding the validity of any past contract of the City of Gainesville doing business as Gainesville Regional Utilities, a department of the City of Gainesville, or regarding any contract of the Commission in which any Commissioner or previous Commissioner of the City of Gainesville has, or has had, or may, or may have had, a conflict of interest. Any past, present, or future contract involving utilities owned by the City of Gainesville in which any Gainesville Regional Utilities Commission Commissioner or previous Commissioner of the City of Gainesville has, or has had, or may, or may have had, a conflict of interest is voidable by the Commission.

33) Commission Business Conduct. Ensure that anyone who has a concern about the Commission's practices or conduct, or about its accounting, internal accounting controls, or auditing matters, may communicate that concern to any one of the Commissioners by writing or e-mailing to special addresses published on the Commission's website or by other secure communication methods. All such concerns shall be forwarded to all Commissioners for their review and in compliance with Florida "sunshine" laws. The Commissioners may publicly specify special treatment, including the retention of independent advisors or counsel, for any concern addressed to them. The status of all outstanding concerns shall be publicly reviewed by the Commission on at least a quarterly basis. The Commission and its officers, executives, directors, employees, contractors, subcontractors, and agents are prohibited from retaliating or taking any adverse action against anyone or an employee of the Commission solely for raising or helping to resolve any such concerns.

34) Rights or Privileges. Ensure, except as otherwise specifically provided in this act, that the rights or privileges, if any, of persons who were City utility employees immediately prior to the effective date of this act are not affected nor impaired.

7.09 Other Provisions:

Severability. Headings and sections of this act are not intended to be construed, limiting, or interpreted in isolation from each other. If any word, phrase, clause, paragraph, section, or provision this act or the application hereof to any person or

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circumstance is held invalid or unconstitutional, such finding shall not affect the other provisions or applications of this act which can be given effect without the invalid or unconstitutional provisions or application, and to this end the provisions of this act are declared severable.

Transition. In order to provide for the transitional administrative needs and orderly compliance with the provisions in this act, upon the effective date of this act Commission functions as described in Section 7.08-5) of this act are authorized and shall continue until amended, changed, or deleted by the Commission. The Chairman and Secretary Treasurer are authorized, upon their respective appointment by the Commission, to execute documents required for the transition as may be appropriate or otherwise determined by the Commission and to provide required direction and administration of utilities functions for up to sixty (60) calendar days during such time as the selection of the CEO/GM or a Conservator/CEO/GM ("Conservator") or Interim/CEO/GM ("Interim") or Temporary/CEO/GM ("Temporary") is in process as provided in Section 7.06

Conflict with Laws. All laws or parts of laws in conflict herewith are repealed. City of Gainesville and Alachua County Charter provisions, ordinances, resolutions, decrees, or parts thereof, in conflict herewith are to the extent of such conflict hereby also repealed.

Referendum Question. Before this act shall become operative, a referendum shall be held in the manner of holding elections as now authorized in the City of Gainesville and the question to be voted upon is as follows:

"Shall the Charter of the City of Gainesville, Florida, be amended by repealing all Charter provisions and City Ordinances applicable to the governance and operation of Gainesville Regional Utilities (GRU) under said City's Charter and by instead creating, enabling, and transferring to a municipally-owned, independent, appointed, and representative Gainesville Regional Utilities Commission all such powers and duties with respect to said governance and operation in accordance with legislation adopting HIB XXX. Yes or No."

Said act shall not become operative unless a simple majority of qualified electors voting on said question shall vote "Yes"; the determination of the results of said charter

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1111 referendum election by the City Commission of the City of Gainesville shall be
1112 conclusive. The City Commission of the City of Gainesville shall legally and
1113 appropriately call such election at the City of Gainesville's sole expense, if any, to be
1114 held on the Presidential Preference Primary election on March 1, 2016.

1115

1116 This act shall take effect immediately upon approval of the heretofore stated referendum by
1117 qualified electors of the City of Gainesville.

1118

END