

**CALL TO ORDER****ADOPTION OF THE AGENDA****APPROVAL OF MINUTES**150389.**RUC August 13, 2015 Meeting Minutes (B)**RECOMMENDATION*Approve the minutes of the August 13, 2015 RUC meeting as drafted.*150389 RUC 8-13-15 Meeting Minutes 20151008**CURRENT ACTION ITEMS**140194.**Update on Dual Capacity Rate Phase-In (NB)***Explanation: At the August 13, 2015 meeting, the Committee asked staff to give an update on GRU's progress phasing in the new dual capacity rate for our existing customers who have been receiving the service.*RECOMMENDATION*The Committee hear an update from Energy Delivery Officer Dave Beaulieu.*140194 Electric Service Charge Update 20150514140194 Gas Service Charges 20150514140194 Water Service Charges 20150514140194 WW Service Charges 20150514140194 Electric System Rate Proposals 20150709140194 Electric System Rate Proposals 20150903140384.**GRU Governance (B)***Explanation: At the September 17, 2015 City Commission meeting, RUC Committee Chair Budd stated that the RUC would discuss GRU governance at its October 8, 2015 meeting.*RECOMMENDATION*Discuss GRU's governance structure.*

[140384 FMEA Governance Presentation 2014.10.21](#)

[140384 Governance Chart 2014.10.21](#)

[140384 GRU Governance and APPA Workshop 2014.10.21](#)

[140384 GRU Governance Memorandum 2014.10.21](#)

[140384 Utility Governance Changes and Examples 20150121.pdf](#)

[140384 Outline of Proposed Advisory Committee 20150330.pdf](#)

[140384 Lakeland Information 20150330.pdf](#)

[140384 GRUadvisoryboardproposal 20150226.pdf](#)

[140384 draft language to create utility board 20150702.pdf](#)

[140384 GEAC 20151008](#)

[140384 Draft Perry Bill 20151008](#)

[140384 Draft Ordinance Language Util Brd 20151008](#)

[140384 City Charter Article I 20151008](#)

**MEMBER COMMENT**

**CITIZEN COMMENT**

**NEXT MEETING DATE**

*November 12, 2015*

**ADJOURNMENT**

**CALL TO ORDER****ADOPTION OF THE AGENDA****APPROVAL OF MINUTES****150389. RUC August 13, 2015 Meeting Minutes (B)**

*The minutes of the August 13, 2015 RUC meeting were approved as drafted.*

**RECOMMENDATION**

*Approve the minutes of the August 13, 2015 RUC meeting as drafted.*

**CURRENT ACTION ITEMS****140194. Update on Dual Capacity Rate Phase-In (NB)**

*Chief Energy Delivery Officer Dave Beaulieu gave an update on the progress in notifying our large accounts about our new stand-by and dual-capacity rates. He said that the VA and Santa Fe College understand the need for the rate and also understand that they arrive considerable benefit from the service. He said that Shands received the news but has not made a decision yet of which way they want to go. He said he spoke with the ATT&T Data Center, Nationwide Insurance, US Postal Service and North Florida Regional Medical Center and that all but North Florida Regional Medical Center were aware of the rate. The remaining customers have not been able to be reached through phone calls and that we will send emails to those customers. Mr. Beaulieu said that in one month, all affected customers should have notified and he could bring a report to the full Commission.*

**RECOMMENDATION**

*The Committee hear an update from Energy Delivery Officer Dave Beaulieu.*

**140384. GRU Governance (B)**

*Chair Budd explained that the discussion would center around the draft ordinance for creating a new utility advisory board, and that the Committee would take a report back to the October 12th meeting of the Committee of the Whole. Discussion ensued regarding the number of members and the types of qualifications each member should have. After discussion, with input from staff and citizens, the committee agreed to recommend to the full commission that the board be composed of 9 members, all of whom must receive GRU services, with qualifications to include a major business owner (25 or more employees), investment banker/finance, business/contract/corporate attorney, two City Commissioners, one County Commissioner, an engineer, someone with utility experience and an at-large member.*

**RECOMMENDATION**

*Discuss GRU's governance structure.*

**MEMBER COMMENT**

## **GAINESVILLE ENERGY ADVISORY COMMITTEE (GEAC)**

### **DIVISION 7. - ENERGY ADVISORY COMMITTEE; Utilities, Ch. 27.**

#### **Sec. 2-356. - Created.**

The energy advisory committee is hereby created and established. The committee shall be advisory to the city commission. (Code 1960, § 2-175)

#### **Sec. 2-357. - Membership.**

(a) The energy advisory committee shall consist of nine members appointed by the city commission, each of whom, following initial appointments, shall be appointed for a term of three years. The terms of appointment shall be staggered such that only three terms shall expire in any given year. Each term shall expire on September 30.

(b) When any member of the committee resigns or is removed as provided for in section 2-247, such member shall then be deemed to have been removed and a vacancy created. The city commission shall fill these and all other vacancies for the unexpired terms.

(c) The committee members shall serve without pay, but shall be reimbursed for necessary expense incurred in the performance of their official duties, upon approval of the city commission.

(d) All members of the committee shall be residents of the county, with preference being given to those persons residing in the Gainesville urban area. The city commission shall, to the extent possible, select members of the committee who are broadly representative of the community interests.

(Code 1960, §§ 2-176, 2-177; Ord. No. 3542, § 1, 6-12-89; Ord. No. 080365, § 1, 4-1-10)

#### **Sec. 2-358. - Officers; meetings.**

(a) The energy advisory committee shall select one of its members as chairperson for a one-year term. In addition to the chairperson, the members of the committee shall elect such officers as may be deemed necessary or desirable to serve at the will of the committee.

(b) A majority of current members of the committee shall constitute a quorum, which shall be necessary for the conduct of any official meeting or action of the committee.

(c) Meetings of the committee may be called by the chairperson, by written notice signed by a majority of current members of the committee, or by action of the committee at any meeting.

(d) Minutes shall be kept of all meetings of the committee and all such meetings shall be open to the public.

(Code 1960, § 2-178; Ord. No. 3542, § 1, 6-12-89)

**Sec. 2-359. - Duties and powers.**

The energy advisory committee shall have the following duties, functions, powers and responsibilities:

- (1) Serve as a channel of communications between the city commission, utility staff, and the citizens of the city, in order to understand and solve the many complex problems relating to energy;
- (2) Promote public access to information on the city facilities, services, policies, and programs concerning energy, and consider the future energy needs of the community with respect to the utilities as well as general government;
- (3) Assist utility staff by suggesting and reviewing policies affecting programs and services that affect acquisition, delivery, or utilization of energy resources within the community;
- (4) Perform any other duties which may be within the purview of the committee which may be assigned by the city commission.

(Code 1960, § 2-179)

**Sec. 2-360. - Bylaws.**

At the first meeting of the energy advisory committee, or as soon thereafter as possible, the committee shall adopt such bylaws as may be necessary for the orderly administration of the business of the committee. The committee may by majority vote amend its bylaws from time to time subject to approval of the city commission. The city commission may review and alter such bylaws or amendments within 60 days of their adoption by the committee.

(Code 1960, § 2-180)

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**Gainesville Energy Advisory Committee:** 9 member board appointed by city commission; open to anyone residing in Alachua County.

**Current GEAC membership - serve three year terms** (\* term expire Sept. 2014)

\*Business owner - solar panel installation

\*Licensed Environmental Professional/International Society for Technical Environmental Professionals

\*Expertise in muni. & private business mgt, investment banking & non-profit mgt.

\*Retired from Honeywell

Energy Manager w/ UF; Association of Engineers

Energy Efficiency Coordinator w/ UF Physical Plant Division/ Energy Mgt. Policy

Energy Auditor/Green Home Certif. Agent

Energy Mgr. w/ACSB/30 yrs.Bldg. Science & Construction industry/former GRU Program Mgr.

Former Vero Bch. city council member

Student: Industrial & Systems Engineering major

*Suggested action for GEAC membership: In September, the county can appoint 3 of the 4 open seats.*



## FLORIDA HOUSE OF REPRESENTATIVES

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1 A bill to be entitled  
2 An act relating to the City of Gainesville, Alachua  
3 County; amending chapter 12760, Laws of Florida  
4 (1927), as amended by chapter 90-394, Laws of Florida;  
5 repealing section 3.06, relating to the general  
6 manager for utilities of Gainesville Regional  
7 Utilities; creating the Gainesville Regional Utilities  
8 Authority and prescribing its authority over  
9 Gainesville Regional Utilities; repealing applicable  
10 existing and conflicting charter provisions and  
11 ordinances; providing a ballot statement; requiring a  
12 referendum; providing an effective date.

13  
14 Be It Enacted by the Legislature of the State of Florida:

15  
16 Section 1. Section 3.06 of Article III of section 1 of  
17 chapter 90-394, Laws of Florida, is repealed.

18 Section 2. Article VII is added to chapter 12760, Laws of  
19 Florida (1927), as amended by chapter 90-394, Laws of Florida,  
20 to read:

21  
22 ARTICLE VII GAINESVILLE REGIONAL UTILITIES AUTHORITY  
23

24 7.01 Establishment.—There is hereby created a regional  
25 utilities authority to be known and designated as the



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"Gainesville Regional Utilities Authority"

("Authority").Gainesville Regional Utilities ("GRU") shall be remain a legal entity but after the effective date of this act shall be governed by the dependent Authority. The Authority shall operate as a political subdivision of the City of Gainesville ("the city") with no ad valorem taxing authority. The Authority is created for the express purpose of acquiring, constructing, operating, providing utility-related products and services, financing, and otherwise having broad authority with respect to utilities. The Authority shall have the power to make and adopt rules, policies and regulations, consistent with and not in violation of this act and applicable law, for the management, administration, operation, and regulation of the fiduciary, business, and other affairs of the Authority.

7.02 Definitions.—for the purposes of this act, unless otherwise designated, or the context otherwise requires:

(1)The term "city commission" shall mean the Gainesville City Commission.

(2) The term "Authority" shall mean the Gainesville Regional Utilities Authority of the City of Gainesville.

(3) The term "GRU" shall mean Gainesville Regional Utilities, a subdivision of the Authority.

(4) The term "member" shall mean a member of the Authority.

(5) The term "utilities" shall mean, unless otherwise specified, the electric utility system, water utility system,

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wastewater utility system, reuse water utility system, natural gas utility system, communications utility system, and such other utility systems as may be acquired by GRU in the future.

(6) The term "user" shall mean a GRU electric utility system customer.

7.03 Commission voting members.

(1) There shall be 5 voting members of the Authority appointed by a simple majority vote of the city commission. Each member shall be a person of recognized ability of good business judgment who can and will perform their official duties to the best interest of the citizens. Appointments shall be made as follows:

(a) One member shall be a residential user with substantial knowledge of GRU, its operations and its history.

(b) One member shall be a private, non-government user consuming at least 10,000 kilowatt hours per month of electric usage over the last 12 months. This member may be the owner or representative of the user.

The remaining members shall have at least one of the following qualifications:

(a) A certified public accountant or a Bachelor of Science Degree, or higher, in Engineering or Bachelor of Science Degree in Finance or Business Administration, or higher, or a Juris Doctorate, or equivalent, from an accredited law school.

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76        (2) Members of the Authority shall:

77        (a) Reside year-round within the electric service  
78 territory of Gainesville Regional Utilities' electric utility  
79 system.

80        (b) Receive service as a GRU electric utility system  
81 customer at the time of the appointment of the initial members,  
82 and, thereafter, be a customer of Gainesville Regional  
83 Utilities.

84        (c) Have not been convicted of a felony as defined by  
85 applicable law.

86        (3) In addition to these qualifications, each voting member  
87 must be, at the time of appointment and during the time that  
88 person serves as a voting member, a qualified elector of the  
89 city, except that:

90        (a) At all times, a minimum of one voting member must be a  
91 resident of the unincorporated area of the Alachua County or a  
92 municipality in the county other than the City of Gainesville.

93        (b) The composition of the Authority shall be adjusted  
94 upon the expiration of any utility commissioner's term, or upon  
95 any utility commission vacancy, to reflect the ratio of total  
96 electric meters serving customers in the unincorporated area of  
97 Alachua County to total electric meters serving all electric  
98 customers based on the most recent annual information provided  
99 by the Authority to the city commission. For example, at such  
100 time as the ratio of total electric meters serving customers in

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the unincorporated area of Alachua County to total electric meters serving all electric customers reaches 40 percent, upon the expiration of any utility commissioner's term, or upon any utility commission vacancy, the city commission must appoint a second voting member from a municipality in the county other than the City of Gainesville, or from the unincorporated area of the county to serve the next term that would otherwise be served by a qualified elector of the City of Gainesville. If the ratio subsequently falls below 40 percent, the city commission upon the expiration of any utility commissioner's term, or upon any utility commission vacancy, must appoint a qualified elector of the City of Gainesville to serve the next term that would otherwise be served by a qualified elector from the unincorporated area of the county or from a municipality in the county other than the City of Gainesville.

(4) Until January 1, 2020, no current or previous elected or appointed officer or official of the city or county having held office after January 1, 2000, shall become a member, except that a qualified voting member initially first appointed to the Authority in 2016 as provided for in this act shall be considered for subsequent reappointment provided that such individual remains otherwise qualified and chooses to be considered for reappointment. (5) No voting member who has been appointed for three full, consecutive 4-year terms shall succeed herself or himself.

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7.04 Voting member terms.--

(1) The city commission shall make initial Authority member appointments within 120 calendar days after the approval of the referendum required by this act. The initial terms of office for the five appointed members shall commence at 12:01 a.m. on October 1, 2016. The initial appointments called for in this act and shall be as follows: one member will be designated to serve until 12:01 a.m. October 1, 2017; one member will be designated to serve until 12:01 a.m. October 1, 2018 in 2016; one member will be designated to serve until 12:01 a.m. October 1, 2019 and two members will be designated to serve until 12:01 a.m. October 1, 2020. Members subsequently appointed will normally hold office for 4-year terms commencing at 12:01 a.m. on October 1 in the year they are appointed, or until their successors in office are appointed or as may be provided elsewhere in this act.

(2) The city commission shall expeditiously schedule an appointment session and fill any Authority voting member vacancy within 2 months after a permanent vacancy occurs or becomes known by virtue of resignation, death, or removal in order to fill the remaining period of the vacant member term provided that such remaining term exceeds 3 months.

7.05 Member compensation.--Beginning October 1, 2016 each member shall be paid an annual salary of \$18,000, adjusted annually to the All Urban CPI as defined by the Bureau of Labor

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151 and Statistics. Necessary individual expenses of members  
152 incurred solely in carrying on and conducting the business of  
153 the Authority shall be paid in accordance with Authority policy  
154 and procedures and subject to the approval of a majority of the  
155 Authority. No supplemental benefits are provided for a member  
156 position.

157 7.06 Authority; initial meeting, organization, and oath.-

158 (1) The first appointed Authority shall initially meet at  
159 the chambers of the city commission at 6:00 p.m. on Wednesday  
160 October 5, 2016. The first official action of the Authority  
161 shall be election of a chair and vice chair. The Authority  
162 shall meet at least once each month at the offices of the  
163 Authority or as otherwise may be determined. All meetings of  
164 the Authority shall be noticed and open to the public and  
165 minutes shall be kept of all meetings, except that meetings  
166 related to settlement of then existing litigation may be held in  
167 accordance with law. The initial meeting of the first appointed  
168 Authority and at each subsequent first regular meeting of the  
169 Authority after each regularly scheduled annual appointment  
170 occurs as specified in section 7.03 shall include an  
171 organizational agenda item during this organizational meeting in  
172 which the new utilities member shall be sworn by the Mayor of  
173 the City of Gainesville and the voting members shall elect a  
174 chairperson and a vice chairperson from among its voting  
175 membership.

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(2) Before taking office for any term each member shall be given an oath or affirmation similar to the oath or affirmation required of a member of the city commission.

7.07 Appointment and removal of chief executive officer/general manager.-

(1) The Authority, by a majority vote, shall appoint a chief executive officer/general manager ("CEO/GM") to direct and administer utilities functions under the policies and authority authorized by the Authority.

(2) The Authority by a majority vote, may exercise their exclusive authority to terminate the CEO/GM.

(3) A member shall not be selected as the first CEO/GM.

7.08 Removal or Suspension of Members.-

(1) Members may only be removed or suspended from office in accordance with chapter 112, F.S.

(2) A member may also be removed for failure to maintain all voting member qualifications as set forth in section 7.03 or for violation of a provision of this act or rules or policies as may be subsequently adopted and enforced by the Authority.

(3) A member who is the subject of a proceeding to request suspension or removal or a proceeding to consider reinstatement under this section may not participate in the Authority's deliberations, debate, or vote on the matter.

7.09 General provisions.-

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200       (1) The city commission shall be required to create such  
201       instruments as are necessary for the Authority to exercise its  
202       authority in accordance with this act. The city commission shall  
203       not encumber or allow to be encumbered any property, rights or  
204       future interests of GRU by establishing conditions precedent or  
205       administrative requirements before or after the effective date  
206       of this article.

207       (2) No member of the Authority shall be individually  
208       responsible for Authority debts.

209       7.10 Powers and duties.-

210       (1) Consistent with the provisions and effective date of  
211       this act, such previous applicable utilities-related ordinances,  
212       policies, rates, fees, rules, regulations, budgets, and other  
213       provisions previously adopted under the Charter of the City of  
214       Gainesville are hereby considered as adopted, reenacted, or  
215       assumed by the Authority for transition purposes until such time  
216       that the Authority shall make changes.

217       (2) The Authority's powers and duties shall be no less than  
218       those exercised by the city commission with respect to GRU as  
219       existed on January 1, 2015.

220       (3) The Authority is authorized to exercise the power of  
221       eminent domain, but for utilities purposes only.

222       (4) The Authority has the obligation to transfer a  
223       percentage of revenue to the city for the city's general fund  
224       use. The total amount of such annual transfer shall be



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determined by the city commission. Such transfer shall not exceed nine percent of the total operating revenue of GRU, set annually. Said transfer shall be placed on each monthly bill on a line item identified as "Transfer set by City Commission". GRU shall continue to pass on the city transfer on a monthly basis. No additional funds shall be transferred to the city's general fund from the utility.

(5) The Authority shall not enact rules relating to the disposal or sale of any GRU property that are less restrictive than the rules applicable to the city commission as were in effect on January 1, 2015.

(6) No franchise, right-of-way, license, permit, tax, or usage fee shall be levied upon the Authority or its utilities by the city or by the county unless provided by general Florida law, and no unreasonable franchise, right-of-way, license, permit, tax, or usage fee shall be levied upon the Authority or its utilities that amount to an unreasonable burden.

(7) All existing City of Gainesville authority, laws, ordinances, resolutions, and administrative regulations, interpretations, franchises, and controls directly and indirectly affecting and controlling said utilities are hereby conveyed to and exclusively vested within said commission and its respective governance and authority as contained herein. All rights, claims, actions, orders, and legal or administrative proceedings involving the Authority immediately prior to the

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250 effective date of this act shall continue, except as modified by  
251 the Authority pursuant to the provisions of and authority  
252 granted by this act.

253 (8) The Authority shall ensure the development of an  
254 ethics policy and a code of business conduct policy consistent  
255 with best practices for municipal utilities, which shall be  
256 reviewed at least biennially.

257 (9) The rights or privileges, if any, of persons who were  
258 GRU employees immediately before the effective date of this act  
259 are not affected or impaired.

260 Section 3. (1) SEVERABILITY.—Headings and sections of  
261 this act are not intended to be construed, limiting, or  
262 interpreted in isolation from each other. If any word, phrase,  
263 clause, paragraph, section, or provision of this act or the  
264 application hereof to any person or circumstance is held invalid  
265 or unconstitutional, such finding shall not affect the other  
266 provisions or applications of this act which can be given effect  
267 without the invalid or unconstitutional provisions or  
268 application, and to this end the provisions of this act are  
269 declared severable.

270 (2) TRANSITION.—In order to provide for the transitional  
271 administrative needs and orderly compliance with the provisions  
272 in this act, upon the effective date of this act, utility  
273 commission functions as described in section 7.08(5) are  
274 authorized and shall continue until amended or repealed by the

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Authority. The chairperson or designee is authorized upon appointment by the Authority, to execute documents required for the transition as may be appropriate or otherwise determined by the Authority and to provide required direction and administration of utilities functions for up to 60 calendar days during such time as the selection of the CEO/GM is in process as provided in section 7.06 of the Charter.

(3) CONFLICT WITH LAWS.—all laws or parts of laws in conflict with this act 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.

Section 4. The referendum question shall be posed as follows:

Shall the Charter of the City of Gainesville be amended by creating the Gainesville Regional Authority to be the governing board of Gainesville Regional Utilities?

Yes

No

Section 5. This act shall take effect only upon its approval by a majority vote of those qualified electors of the City of Gainesville voting in a referendum to be held in conjunction with the next presidential preference primary election to be held in Alachua County, except that this section and section 4 shall take effect upon becoming a law.

# Legislative #

# 140384

**Draft language for an ordinance to  
create a Utility Board**

**DIVISION 7. UTILITY ADVISORY BOARD**

**Section 2-356. Intent.** It is the intent of the city commission to create, empower, staff, and fund a utility advisory board to advise and make recommendations to the city commission regarding all aspects of the governance of the city's electric, gas, telecommunications, water, and wastewater collection utilities.

**Section 2-357. Definitions.**

(a) *Utility services* means the electric, gas, telecommunications, water, and wastewater collection services provided by the city doing business as Gainesville Regional Utilities.

(b) *Customer* means the natural person or legal entity that has a utility services account in his/her/its name and is responsible for payment for utility services at that specific location.

(c) *Utility board* means the advisory board created by this division.

(d) *City representatives* means utility board members appointed by the city commission.

(e) *County representatives* means utility board members appointed by the Alachua County Commission.

(f) *Utility governance* means the making and administering of the utility's course of action. Governance decisions are those decisions designed to influence and guide management's decisions, actions and other matters of the utility. The responsibilities of utility governance are more specifically described in Subsections 1.04(2), (3), (4), (5), (6), (7), and (8), of the city charter.

(g) *Utility management* means the directing, supervising or carrying on of utility business

1       affairs in a manner as directed by the city commission. The responsibility for utility  
2       management is more specifically described in Section 3.06 of the city charter.

3       **Section 2-358. Creation.**

- 4       (a)   *Establishment.* The utility board is hereby created as a citizen advisory board to advise  
5       the city commission regarding all matters of utility governance as more fully described in  
6       Section 2-360.

7       **Section 2-359. Utility Board; membership; terms; officers; procedural rules.**

- 8       (a)   *Membership.* The utility board shall have nine members. Six members shall be appointed  
9       by the city commission. The city commission will endeavor to appoint a cross-section of  
10      the different customer classes within the city limits. At a minimum, the city commission  
11      shall appoint the following:

- 12      (1)   a residential customer residing in the city;  
13      (2)   a general service customer who has an ownership interest in a business located  
14      within the city; and  
15      (3)   an individual residing in the city who represents the interests of low-income  
16      customers.

17      Three members, all of whom are customers (either residential or general service), shall be  
18      appointed by the Alachua County Commission.

19      (b)   *Term.*

- 20      (1)   Each member shall be appointed to a four-year term, provided however that for  
21      the first six city appointees, three will serve an initial term of two years and three  
22      will serve an initial term of four years. The city commission will designate which  
23      of its initial appointees will serve the two year terms. Provided further, for the

1 first three county appointees, one will serve an initial term of two years and two  
2 will serve an initial term of four years. The county commission will designate  
3 which of its initial appointees will serve the two year term.

4 (2) Members may be reappointed for consecutive terms and may hold office after  
5 expiration of their term until a successor has been appointed and qualified.

6 (3) When a city representative position becomes vacant before the end of the term,  
7 the city commission shall appoint a substitute member to fill the vacancy for the  
8 duration of the vacated term. When a county representative position becomes  
9 vacant before the end of the term, the county commission shall appoint a  
10 substitute member to fill the vacancy for the duration of the vacated term.

11 (c) *Officers.* The members of the utility board shall annually elect a chair and vice-chair from  
12 among their membership.

13 (d) *Compensation of members.* The utility board members shall not be deemed employees  
14 of the city, nor entitled to compensation, pension, or other retirement benefits on account  
15 of service on the utility board. Utility board members may be paid for mileage, travel  
16 and any other such expenses incurred on board business from funds budgeted by the city  
17 commission pursuant to the city financial policies and procedures.

18 (e) *Attendance.* Utility board members are required to attend all regular and special meetings  
19 of the utility board. Each utility board member may be granted two (2) excused absences  
20 per calendar year. A utility board member shall notify the board secretary of an absence  
21 prior to the meeting, if practicable.

22 (f) *Removal from board*

23 A utility board member may be removed by the city commission, with or without cause.

1 (g) *Rules of Procedure.*

2 (1) The utility board shall adopt rules of procedure to carry out its purposes. All rules  
3 must conform to this code and state law and must be approved by the city  
4 commission.

5 (2) The utility board shall meet at least once each calendar month, unless cancelled  
6 by the board or its chair. The utility board may meet more often at the call of the  
7 chair, the city commission, or two or more members of the utility board. When  
8 the most efficient use of utility staff time and city resources dictate, the utility  
9 board may meet concurrently with the city commission. All utility board  
10 meetings shall be publicly noticed and accessible to the public.

11 (3) A quorum shall consist of a majority of the members of the utility board;  
12 however, a smaller number may adjourn a meeting. Official action may be taken  
13 by majority vote when a quorum is present.

14 (4) The utility board and its members shall be subject to the provisions of Florida's  
15 Government in the Sunshine Law (section 286.012, Florida Statutes), Florida's  
16 Code of Ethics for Public Officers and Employees (Part III, Chapter 112, Florida  
17 Statutes), and Florida Public Record's Law (Chapter 119, Florida Statutes), all as  
18 may be amended from time to time.

19 **Section 2-360. Functions, Powers and Duties of the Utility Board.**

20 The utility board shall serve as an advisor to the city commission on all policy and governance  
21 decisions to be made by the city commission regarding utility services. The utility board has full  
22 authority to make and shall make independent recommendations regarding all aspects of utility  
23 governance to the city commission and the general manager for utilities. Utility board



1 recommendation prior to city commission consideration of an item is not required if the utility  
2 business item is an emergency or a time-sensitive or important item. If the utility board fails to  
3 timely make recommendations to the city commission or the general manager for utilities, the  
4 city commission or general manager for utilities may take action on the item as either deems  
5 necessary. The functions, powers, and duties of the utility board include, but are not limited to:

6 (a) *Rates and charges:* The utility board shall consider and make recommendations  
7 regarding proposed changes in fees, rates or charges for utility services.

8 (b) *Rate Structure:* The utility board shall consider and make recommendations regarding a  
9 proposed change to the rate structure for utility services.

10 (c) *Budget:* The utility board shall consider and make recommendations regarding GRU's  
11 budget.

12 (d) *Energy advisory duties:* The utility board shall provide recommendations on energy and  
13 shall serve as an energy advisory board, including but not limited to:

14 (1) Serving as a channel of communications between the city commission, utility  
15 staff, and the gas and electric utility customers, in order to understand and solve  
16 the many complex problems relating to energy;

17 (2) Promoting public access to information regarding the city facilities, services,  
18 policies, and programs concerning energy;

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20 and gas utilities; and

21 (4) Assisting utility staff by suggesting and reviewing policies, programs and services  
22 that affect acquisition, delivery, or utilization of energy resources within the  
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1 (e) *Water and wastewater advisory duties:* The utility board shall serve as a water and  
2 wastewater collection advisory board to provide information and make recommendations  
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5 improvements and the funding thereof; and the cost of additional regulations by local,  
6 state and federal agencies.

7 (f) *Telecommunications advisory duties:* The utility board shall serve as a  
8 telecommunications advisory board to provide recommendations on the expansion,  
9 reduction or sale of telecommunication services.

10 (g) *City Commission Referrals:* The city commission may refer issues, questions of interests,  
11 or areas of study to the utility board. Upon receipt of the referral, the utility board shall  
12 meet, review, and study the referred issue and shall subsequently provide a  
13 recommendation to the city commission within six months (or sooner if so specified by  
14 the city commission) of the referral.

15 (h) *General Manager for Utilities Items:* For items the general manager of utilities intends to  
16 place on a city commission agenda, the general manager will first seek recommendation  
17 from the utility board.

18 **Section 2-361. Utility Board Guidelines.**

19 (a) In carrying out its functions, powers, and duties, the utility board shall foremost consider  
20 the need to operate GRU in a manner that provides safe and reliable utility services, at  
21 fair, just and reasonable rates, which includes a reasonable return on the City of  
22 Gainesville's investment.

23 (b) Utility board members are expected to actively engage in the collection and evaluation of

1 information related to utility management and governance. The utility board members  
2 shall conduct research, gather information and learn from the experiences of industry  
3 experts and board members from throughout the state in order to make informed and  
4 independent recommendations to the city commission. The utility board members may  
5 consider information from sources such as, but not limited to, the American Public Power  
6 Association, the Florida Municipal Power Association, the Warrington School of  
7 Business's Public Utility Research Center, National Association of Regulatory Utility  
8 Commissioners' Rate School and other public utilities in the State of Florida and  
9 throughout the United States.

10 **Section 2-362. City Resources.**

11 (a) The utility board may request information and assistance from the general manager for  
12 utilities and such other city charter officers as the utility board finds necessary. At the  
13 direction of the city charter officers, city staff shall prepare such reports, analysis, and  
14 recommendations as the utility board deems necessary to remain fully informed and to  
15 carry out its responsibilities as set forth in this ordinance.

16 (b) The utility board may make requests to the city auditor for specified audits of GRU utility  
17 services.

18 (c) The city attorney, or designee, shall serve as legal advisor to the utility board.

19 (d) The general manager for utilities shall designate a staff member to serve as clerk to the  
20 utility board. The clerk shall prepare notices of meetings, shall prepare an agenda and  
21 shall record and keep minutes of each utility board meeting.

**Draft language for an ordinance to  
create a Utility Board**

**DIVISION 7. UTILITY ADVISORY BOARD**

**Section 2-356. Intent.** It is the intent of the city commission to create, empower, staff, and fund a utility advisory board to advise and make recommendations to the city commission regarding all aspects of the governance of the city's electric, gas, telecommunications, water, and wastewater collection utilities.

**Section 2-357. Definitions.**

(a) *Utility services* means the electric, gas, telecommunications, water, and wastewater collection services provided by the city doing business as Gainesville Regional Utilities.

(b) *Customer* means the natural person or legal entity that has a utility services account in his/her/its name and is responsible for payment for utility services at that specific location.

(c) *Utility board* means the advisory board created by this division.

(d) *City representatives* means utility board members appointed by the city commission.

(e) *County representatives* means utility board members appointed by the Alachua County Commission.

(f) *Utility governance* means the making and administering of the utility's course of action. Governance decisions are those decisions designed to influence and guide management's decisions, actions and other matters of the utility. The responsibilities of utility governance are more specifically described in Subsections 1.04(2), (3), (4), (5), (6), (7), and (8), of the city charter.

(g) *Utility management* means the directing, supervising or carrying on of utility business

1       affairs in a manner as directed by the city commission. The responsibility for utility  
2       management is more specifically described in Section 3.06 of the city charter.

3       **Section 2-358. Creation.**

- 4       (a)   *Establishment.* The utility board is hereby created as a citizen advisory board to advise  
5       the city commission regarding all matters of utility governance as more fully described in  
6       Section 2-360.

7       **Section 2-359. Utility Board; membership; terms; officers; procedural rules.**

- 8       (a)   *Membership.* The utility board shall have nine members. Six members shall be appointed  
9       by the city commission. The city commission will endeavor to appoint a cross-section of  
10      the different customer classes within the city limits. At a minimum, the city commission  
11      shall appoint the following:

- 12      (1)   a residential customer residing in the city;  
13      (2)   a general service customer who has an ownership interest in a business located  
14      within the city; and  
15      (3)   an individual residing in the city who represents the interests of low-income  
16      customers.

17      Three members, all of whom are customers (either residential or general service), shall be  
18      appointed by the Alachua County Commission.

- 19      (b)   *Term.*

- 20      (1)   Each member shall be appointed to a four-year term, provided however that for  
21      the first six city appointees, three will serve an initial term of two years and three  
22      will serve an initial term of four years. The city commission will designate which  
23      of its initial appointees will serve the two year terms. Provided further, for the

1 first three county appointees, one will serve an initial term of two years and two  
2 will serve an initial term of four years. The county commission will designate  
3 which of its initial appointees will serve the two year term.

4 (2) Members may be reappointed for consecutive terms and may hold office after  
5 expiration of their term until a successor has been appointed and qualified.

6 (3) When a city representative position becomes vacant before the end of the term,  
7 the city commission shall appoint a substitute member to fill the vacancy for the  
8 duration of the vacated term. When a county representative position becomes  
9 vacant before the end of the term, the county commission shall appoint a  
10 substitute member to fill the vacancy for the duration of the vacated term.

11 (c) *Officers.* The members of the utility board shall annually elect a chair and vice-chair from  
12 among their membership.

13 (d) *Compensation of members.* The utility board members shall not be deemed employees  
14 of the city, nor entitled to compensation, pension, or other retirement benefits on account  
15 of service on the utility board. Utility board members may be paid for mileage, travel  
16 and any other such expenses incurred on board business from funds budgeted by the city  
17 commission pursuant to the city financial policies and procedures.

18 (e) *Attendance.* Utility board members are required to attend all regular and special meetings  
19 of the utility board. Each utility board member may be granted two (2) excused absences  
20 per calendar year. A utility board member shall notify the board secretary of an absence  
21 prior to the meeting, if practicable.

22 (f) *Removal from board*

23 A utility board member may be removed by the city commission, with or without cause.

1 (g) *Rules of Procedure.*

2 (1) The utility board shall adopt rules of procedure to carry out its purposes. All rules  
3 must conform to this code and state law and must be approved by the city  
4 commission.

5 (2) The utility board shall meet at least once each calendar month, unless cancelled  
6 by the board or its chair. The utility board may meet more often at the call of the  
7 chair, the city commission, or two or more members of the utility board. When  
8 the most efficient use of utility staff time and city resources dictate, the utility  
9 board may meet concurrently with the city commission. All utility board  
10 meetings shall be publicly noticed and accessible to the public.

11 (3) A quorum shall consist of a majority of the members of the utility board;  
12 however, a smaller number may adjourn a meeting. Official action may be taken  
13 by majority vote when a quorum is present.

14 (4) The utility board and its members shall be subject to the provisions of Florida's  
15 Government in the Sunshine Law (section 286.012, Florida Statutes), Florida's  
16 Code of Ethics for Public Officers and Employees (Part III, Chapter 112, Florida  
17 Statutes), and Florida Public Record's Law (Chapter 119, Florida Statutes), all as  
18 may be amended from time to time.

19 **Section 2-360. Functions, Powers and Duties of the Utility Board.**

20 The utility board shall serve as an advisor to the city commission on all policy and governance  
21 decisions to be made by the city commission regarding utility services. The utility board has full  
22 authority to make and shall make independent recommendations regarding all aspects of utility  
23 governance to the city commission and the general manager for utilities. Utility board

1 recommendation prior to city commission consideration of an item is not required if the utility  
2 business item is an emergency or a time-sensitive or important item. If the utility board fails to  
3 timely make recommendations to the city commission or the general manager for utilities, the  
4 city commission or general manager for utilities may take action on the item as either deems  
5 necessary. The functions, powers, and duties of the utility board include, but are not limited to:

6 (a) *Rates and charges:* The utility board shall consider and make recommendations  
7 regarding proposed changes in fees, rates or charges for utility services.

8 (b) *Rate Structure:* The utility board shall consider and make recommendations regarding a  
9 proposed change to the rate structure for utility services.

10 (c) *Budget:* The utility board shall consider and make recommendations regarding GRU's  
11 budget.

12 (d) *Energy advisory duties:* The utility board shall provide recommendations on energy and  
13 shall serve as an energy advisory board, including but not limited to:

14 (1) Serving as a channel of communications between the city commission, utility  
15 staff, and the gas and electric utility customers, in order to understand and solve  
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## CHARTER LAWS

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## ARTICLE I. ESTABLISHMENT, CORPORATE LIMITS, AND POWERS

### 1.01. Establishment and general powers.

The City of Gainesville, created by chapter 12760, Laws of Florida, 1927, as amended, shall continue and is vested with all governmental, corporate, and proprietary powers to enable it to conduct municipal government, perform municipal functions, render municipal services, and exercise any power for municipal purposes, except as otherwise provided by law.

### 1.02. Territorial limits.

The territorial limits and boundaries of the municipality existing in Alachua County under the name of the City of Gainesville shall embrace all of the territory described as follows:

*Editor's note*—At the discretion of the city, the legal description of the municipal corporate limits of the city, formerly set out in § 1.02, has been placed in Appendix I to the Charter.

### 1.03. Construction.

(1) The powers of the city shall be construed liberally in favor of the city, limited only by the State Constitution, general law, and specific limitations contained in this act.

(2) If any provision of this act or the application thereof to any person or circumstance is held invalid by a court of competent jurisdiction, the invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared severable.

(3) All powers and authority granted by this act are supplemental and additional to all other statutory and constitutional authority.

(4) For purposes of this act, the term:

- (a) "City" means the City of Gainesville.
- (b) "Commission" means the city commission as established in Article II.
- (c) "State" means the State of Florida.

### 1.04. Special powers.

In addition to its general powers, the city may:

- (1) Acquire by purchase, gift, devise, lease, lease-purchase, condemnation, or otherwise, real or personal property, or any estate or interest in property, within or without the city limits, and for any of the purposes of the city, and to improve, sell, lease, mortgage, pledge, or otherwise dispose of its property or any part of its property.
- (2) Acquire, purchase, hire, construct, extend, maintain, own, operate, or lease local public utilities, including: cable television, transportation, electric, telephone, and telegraph systems; wastewater and stormwater facilities; works for supplying the city and its inhabitants with water, gas, and electric energy for illuminating, heating, or power purposes; water, electric, and gas production, transmission, and distribution systems; sanitary sewage facilities; wastewater transmission and disposal facilities; and any and all other utilities as the welfare of its residents reasonably demands.
- (3) Finance local public utilities through the sale of bonds, pledging revenue, general taxation, or otherwise; sell water, electricity, gas, wastewater, or any other service, product, or commodity gathered, provided, produced, or manufactured by the city from the public utilities systems and facilities owned or operated by the city to any consumer within or without the limits of the city; and locate utility plants, distribution facilities, or any appurtenances either within or without Alachua County.
- (4) Enter into agreements with other municipalities either within or without Alachua County, or with governmental units or private utility companies, for selling or buying utility services or other municipal services of any kind, wherever located; sell any surplus of water or electric energy it may have over and above the amount required to supply its own inhabitants and any other services to persons, firms, and corporations, public or private, on such terms and conditions as the commission considers appro-

priate; exercise all powers and authority of the city to acquire by purchase, gift, lease, lease-purchase, or otherwise, real or personal property; and exercise the power of eminent domain within Alachua County, and exercise the power of eminent domain anywhere outside the county where permitted by general law.

- (5) Make reasonable rules and regulations for promoting the purity of its water supply and for protecting it from pollution, and for this purpose may exercise full police powers and sanitary control over all lands comprised within the limits of the watershed tributary to any such supply wherever such lands may be located in this state; impose and enforce any such rules and regulations; and prevent, by injunction, any pollution or threatened pollution of such water supply and any act likely to impair the purity of the water.
- (6) Acquire, build, construct, erect, extend, enlarge, improve, furnish, equip, and operate as a separate bulk power supply utility or system, electric generating plants, transmission lines, interconnections, and substations for generating, transmitting, distributing, and exchanging electric power and energy both within and without the limits of the city, including specifically all powers and immunities granted by chapter 75-375, Laws of Florida.
- (7) Fix the maximum rate and establish, impose, and enforce, by ordinance, the rates to be charged for gas, electric, wastewater, and all other public utilities or other services or conveniences whether operated, rendered, furnished, or owned by the city or by any person, firm, or corporation.
- (8) Require that all electric wires and all telephone and telegraph wires be placed in underground conduits; prescribe rules and regulations for constructing and using the conduits; enforce compliance with such rules and regulations; and, if the public utilities company fails or refuses to comply with such rules and regulations, construct such conduits and place the wires underground and maintain a lien against the franchises and property of such company.
- (9) Compel the abatement and removal of all nuisances within the city limits, or upon property owned by the city beyond its limits, at the expense of the person causing the nuisance or of the owner or occupant of the ground or premises where the nuisance is found; require all lands, lots, and other premises to be kept clean, sanitary, and free from weeds or make them so at the expense of the owner or occupant; regulate or prevent noisome or offensive businesses; regulate or prohibit the keeping of animals, poultry, or other fowl, or the exercise of any dangerous or unwholesome business, trade, or employment within the city limits; and regulate the transportation of all articles through the streets of the city.
- (10) Provide and maintain, either within or without the city limits, charitable, recreative, curative, corrective, detention, or penal institutions.
- (11) Provide and regulate hospitals within and without the city limits; enforce the removal of persons afflicted with contagious or infectious diseases to hospitals provided for them; establish and maintain a quarantine ground within or without the city limits and such quarantine regulations against infectious and contagious diseases as the city sees fit to impose; and protect the health of the public.
- (12) Acquire by purchase, gift, devise, condemnation, or otherwise, lands, either within or without the city limits, to be used, kept, and improved as a place of interment of the dead; make and enforce all necessary rules and regulations for the protection and use of all cemeteries within the city limits; and generally regulate the burial of the dead.
- (13) Provide fire protection and other governmental services within and without the city limits and enter into contracts for such purposes.
- (14) License, tax, cause to be registered, control the drivers of, and fix the rate to be charged