

City of Gainesville

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



Minutes

February 15, 2017

3:00 PM

MODIFIED AGENDA

City Hall Auditorium

Utility Advisory Board

*Annie Orlando
Darin Cook
David Denslow
Robert Walpole
Mary Alford
Sandra Campbell
Michael Selvester*

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

CALL TO ORDER

The meeting was called to order at 3:00 p.m.

ROLL CALL

Present: Annie Orlando, David Denslow, Sandy Campbell, Mary Alford, Robert Walpole, Michael Selvester. Darin Cook

ADOPTION OF THE AGENDA

The agenda was adopted by a vote of 6-0 with the following modifications:

Items number 150907 - Draft Rules of the Utility Advisory Board, 160745 - Vist Rate Structures for Both Relief and Economic Opportunity and 160747 - GRU Bills, were moved to the end of the agenda.

Citizen Jim Konish requested that the State of Utility item be removed from the agenda and the Board instead discuss HB 759 regarding the governance of GRU, which was recently filed by Representative Chuck Clemons. The Vice Chair requested that rather than having the discussion about the bill today, it be put on the March 15, 2017 meeting agenda.

APPROVAL OF MINUTES

[160750.](#) UAB January 18, 2017 Meeting Minutes (B)

Attachments: [160750 UAB 1.18.17 Meeting Minutes 20170215](#)

The minutes of the January 18, 2017 UAB meeting were approved as drafted.

RECOMMENDATION Approve minutes as drafted.

CITIZEN COMMENT

Citizen Jim Konish spoke.

STATE OF THE UTILITY

[160742.](#) State of the Utility (B)

Attachments: [160742 UAB Operations Report 2017Jan 20170215](#)

Chief Operating Officer Tom Brown gave an update on GRU's operations for the month of January 2018. The Board requested that the emissions report be broken down by plant in the future.

RECOMMENDATION Receive information and metrics regarding GRU's operations.

OLD BUSINESS**150907. Draft Rules of the Utility Advisory Board (B)**

Attachments: [150907 Board Logistics Matrix 20160412](#)
[150907 UAB Draft Rules 20160504](#)
[150907 UAB Rules of Order - Draft 20160504](#)
[150907 UAB Draft Rules 20160720](#)
[150907 UAB Draft Rules 20161116](#)
[150907 UAB Draft Rules 20161201](#)
[150907 UAB Draft Rules 20170118](#)
[150907 UAB Draft Rules-Orlando Revision 20170118](#)
[150907 Draft Rules of Procedure - UAB 20170215](#)
[150907 Final UAB Rules of Procedure 20170302](#)

RECOMMENDATION *Review draft rules.*

NEW BUSINESS**160267. Murphree Water Treatment Plant Electrical Upgrade (B)**

Attachments: [160267 CH2M Elec Eval Facilities Asmt 2016.08.17](#)
[160267 Murphree Water Plant Elec Upgrade Pres 20160817](#)
[160267 CH2M Elec Eval Facilities Asmt 20160901](#)
[160267 Murphree Water Plant Elec Upgrade Pres 20160901](#)
[160267 MWTP Bid Tab wPricing 20170215](#)
[160267 MWTP Electric Upgrade Presentation 20170215](#)
[160267 MWTP Electric Upgrade Presentation 20170302](#)
[160267 CC Bid Tab 2016-090 with Pricing 20160302](#)

Water/Wastewater Officer Tony Cunningham gave a presentation to describe the process used to evaluate the bids that were received for the project. He explained that the budget for the project was \$11 million and that the chosen firm came in under budget. He also explained that plant employees were involved in the design process. He said that GRU will have a project manager and a GRU engineer onsite to ensure that the project stays on time and on budget. He explained that if the project went more than 10% over budget, he would come back to the UAB and the City Commission for approval of the overage. Mr. Cunningham also explained that we didn't go with the lowest bid because the chosen firm had more experience with this size project. That experience is crucial for this project because it is vital that the plant still be able to operate during the entire course of the project.

The Board voted 6-0 to recommend that the City Commission approve staff's recommendation.

RECOMMENDATION

Staff recommends that the City Commission: 1) authorize the General Manager, or his designee, to execute a contract with Ortega Industrial Contractors, Inc., subject to approval by the City Attorney, for the construction of the Murphree Water Treatment Plant Electrical System Upgrade Project; and 2) approve the issuance of a purchase order to Ortega Industrial Contractors, Inc. for the project in the amount of \$7,937,885 subject to approval of the City Attorney as to form and legality, subject to the final appropriation of funds.

[160752.](#)**Retention of Norton Rose Fulbright to Advise the City in the Review of Legal Issues Associated with a Potential Purchase or Other Beneficial Transaction Involving the Gainesville Renewable Energy Center Facility (NB)**

CFO Justin Locke explained the need to put this firm on retainer. He explained that any potential deal GRU may reach with GREC for purchase of the facility would require a significant amount of tax counsel to help understand any impact such a transaction would have on GRU's tax exempt status. After a significant amount of discussion between the Board, staff and citizens, the Board voted 5-1 (with Darin Cook absent and Annie Orlando in dissent) to recommend that the City Commission approve staff's recommendation.

RECOMMENDATION

Authorize the Office of the City Attorney, on behalf of GRU, to retain Norton Rose Fulbright for representation of the City in the review of issues associated with a potential purchase or other beneficial transaction involving the GREC facility.

[160743.](#)**Professional Services Agreement Extension for Financial Advisory Services (NB)**

CFO Justin Locke explained this item. The Board voted 6-0 to approve with Darin Cook absent.

RECOMMENDATION

The City Commission: 1) authorize the General Manager, or his designee, to negotiate and execute up to five (5) years of contract amendments with Public Financial Management, Inc. for Financial Advisory Services, subject to the approval of the City Attorney as to form and legality; and 2) approve the issuance of purchase orders to Public Financial Management, Inc. in amounts not exceeding \$120,000 for each year of the contract amendment pending final appropriation of funds for each fiscal year.

[160745.](#)**Visit Rate Structures for Both Relief and Economic Opportunity (B)**

Attachments: [160745 Overview of Electric Rates 20170215](#)

During discussion of adopting the agenda, the Board voted to continue this item to their March 15, 2017 meeting.

RECOMMENDATION

- 1) Hear a presentation from staff*
- 2) Vote on whether to focus only on non-residential electric rate structures at this time.*

[160747.](#)

GRU Bills (B)

Attachments: [160747 Sample Bill 2016Dec 20170215](#)

During discussion of the adoption of the agenda, the Board voted to continue this item to their March 15, 2017 agenda.

RECOMMENDATION *Discuss.*

[160748.](#)**Evaluation of GRU and General Manager Ed Bielarski (NB)**

Each member gave their appraisal of General Manager Ed Bielarski's performance for Fiscal Year 2016. The Board voted unanimously to have Chair Darin Cook distill their opinions into a letter for the City Commission and to put that item on the next City Commission agenda.

RECOMMENDATION *Discuss.*

[160749.](#)**Non-Disclosure Agreement for GREC (B)**

Attachments: [160749 Email from D.Cook re GREC NDA 20170215](#)
 [160749 Email from E.Bielarski re GREC NDA 20170215](#)

The Board had a lengthy discussion with staff about the pros and cons of the signing an NDA. The City Attorney and the General Manager expressed that signing an NDA prohibits the signer from ever speaking about the issue publically again and that it is a heavy burden. Both assured the Board that any MOU would be made public with plenty of time to be fully vetted by the Board. The Board decided there is no value in them signing an NDA.

RECOMMENDATION *Discuss.*

MEMBER COMMENT**CITIZEN COMMENT****NEXT MEETING DATE****ADJOURNMENT**

The meeting was adjourned at 6:11 p.m.