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11/30/2015	2	General Policy Committee	Approved, as shown above	Pass
11/19/2015	2	City Commission	Heard	
11/5/2015	1	City Commission	Discussed	

UTILITY GOVERNANCE ALTERNATIVES (B)

The City Commission: 1) discuss the draft charter amendment ordinance and revisions suggested by the Regional Utilities Committee; 2) discuss the draft non-binding referendum language; and 3) decide whether to take any further action with respect to utility governance alternatives.

At its November 5, 2015 meeting, the City Commission adopted, on first reading, an ordinance to create a utility advisory board. In addition, the Commission continued its discussion of: 1) placing a binding referendum question before the voters (by adopting a proposed charter amendment ordinance that creates a utility governance board with relevant expertise appointed by the City Commission); or 2) placing a non-binding referendum question before the voters (by adoption of a resolution) to gauge voter interest in the City Commission proposing a charter amendment to create a utility governance board with relevant expertise appointed by the City Commission.

At the November 5, 2015 City Commission meeting, the City Commission directed the City Attorney's Office to work with Commissioner Budd to draft a non-binding referendum question and place it on the November 19th City Commission meeting agenda. The City Attorney's Office discussed the matter with Commissioner Budd and provided him with the following draft question:

"Should the City prepare and submit a charter amendment to the city electors on the spring 2017 city election ballot which amendment, if approved, would remove policy-making authority and management oversight over the City's electric, water, wastewater, natural gas and telecommunication utilities from the elected City Commission and grant that policy-making authority and management oversight to a citizen board with relevant expertise appointed by the City Commission?"

In addition, at the November 5, 2015 meeting, the City Commission requested the City Attorney's Office provide each member of the Commission with a draft ordinance that would place a binding referendum

question before the voters. As requested, the City Attorney's Office provided a draft charter amendment ordinance via email on Monday, November 9th and that draft is included in the back-up to this agenda item.

As drafted, the charter amendment would add a new section 4.04 to the City Charter. Section 4.04 is divided into ten (10) paragraphs that address the following matters:

Paragraphs 1-3 create and establish the membership of the board; Paragraphs 4 and 5 define the responsibilities and duties of the board; Paragraph 6 identifies the responsibilities and authority that the city commission retains over the utilities; Paragraph 7 defines the responsibilities and duties of the general manager of utilities and Paragraphs 8, 9, and 10 reaffirm that the utilities remain a city asset; that utility employees remain city employees; and that the utility board will have all rights and obligations with respect to existing utility obligations, including contracts and bonds, as the City Commission had.

The Regional Utilities Committee (RUC) met on Thursday, November 12, 2015 and discussed the draft charter amendment (Legistar No. 150524 titled GRU Governance - Draft Charter Amendment.) At the meeting, the RUC suggested revisions as follows:

Change the name of the governing body from Board of Trustees to Board of Directors.

Remove paragraph 4(b) regarding renewable energy.

Remove the word compensation from paragraph 6(b) and replace it with reimbursement for training and out of pocket expenses for travel to training and professional meetings associated with utility business.

Change the authority to employ and set the compensation for the general manager from solely the board of directors to the city commission with agreement from the board of directors. This would require a change to paragraph 4(v), paragraph 6(l), and paragraph 7(a).

Change paragraph 5(e) to reflect that the current general fund transfer formula provided by Resolution No. 130852 will continue through September 30, 2019 at which time the city commission will establish a new general fund transfer amount by ordinance.