

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           relating to the city's charter; repealing section 3.06  
 6           of the charter, relating to the general manager for  
 7           utilities of Gainesville Regional Utilities; creating  
 8           the Gainesville Regional Utilities Authority and  
 9           prescribing its authority over Gainesville Regional  
 10          Utilities; providing definitions; repealing applicable  
 11          existing and conflicting charter provisions and  
 12          ordinances; providing a ballot statement; requiring a  
 13          referendum; providing an effective date.

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

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 18 chapter 90-394, Laws of Florida, is repealed.

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

22  
 23                   ARTICLE VII GAINESVILLE REGIONAL UTILITIES AUTHORITY

24  
 25           7.01 Establishment.—There is created a regional utilities  
 26 authority to be known as the "Gainesville Regional Utilities

27 Authority" ("authority"). Gainesville Regional Utilities ("GRU")  
 28 shall be governed by the authority upon installation of the  
 29 authority's governing members pursuant to this article. The  
 30 authority shall operate as a unit of city government and, except  
 31 as otherwise provided in this article, the authority shall be  
 32 free from direction and control of the city commission and the  
 33 city charter officers. The authority is created for the express  
 34 purpose of acquiring, constructing, operating, providing  
 35 utility-related products and services, financing, and otherwise  
 36 having broad authority with respect to utilities.

37 7.02 Definitions.—For the purposes of this article, unless  
 38 otherwise designated, or the context otherwise requires, the  
 39 following terms have the following meanings:

40 (1) "Authority" means the Gainesville Regional Utilities  
 41 Authority of the City of Gainesville.

42 (2) "City" means the City of Gainesville.

43 (3) "City commission" means the Gainesville City  
 44 Commission.

45 (4) "County" means Alachua County.

46 (5) "GRU" means Gainesville Regional Utilities, a  
 47 subdivision of the authority.

48 (6) "Member" means a member of the authority.

49 (7) "Utilities" means the electric utility system, water  
 50 utility system, wastewater utility system, reuse water utility  
 51 system, natural gas utility system, communications utility

52 system, and such other utility systems as may be acquired by GRU  
53 in the future.

54 7.03 Authority members.—

55 (1) There shall be five members of the authority appointed  
56 by a simple majority vote of the city commission. Each member  
57 shall be a person of recognized ability and good business  
58 judgment identified by the commission who can and will perform  
59 his or her official duties in the best interests of the  
60 citizens. Appointments shall be made as follows:

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

63 (b) One member shall be a private, nongovernment customer  
64 consuming at least 10,000 kilowatt hours per month of electric  
65 usage during the previous 12 months. This member may be the  
66 owner or representative of the user.

67 (c) Three members shall be competent and knowledgeable in  
68 one or more specific fields substantially related to the duties  
69 and functions of the authority, including, but not limited to,  
70 law, economics, accounting, engineering, finance, or energy.

71 (2) All members of the authority shall:

72 (a) Maintain primary residence within the electric service  
73 territory of GRU's electric utility system.

74 (b) Receive GRU electric utility system service at all  
75 times during the term of appointment.

76 (c) Not have been convicted of a felony as defined by  
77 general law.

78        (d) Be a qualified elector of the city, except that a  
79 minimum of one member must be a resident of the unincorporated  
80 area of Alachua County or a municipality in the county other  
81 than the City of Gainesville.

82        (3) The composition of the authority shall be adjusted  
83 upon expiration of any member's term or upon any authority  
84 vacancy, to reflect the ratio of total electric meters serving  
85 GRU electric customers outside the city boundaries to total  
86 electric meters serving all GRU electric customers. For example,  
87 upon expiration of a member's term or upon an authority vacancy,  
88 if the ratio of total electric meters serving customers outside  
89 the city boundaries to total electric meters serving all  
90 electric customers reaches 40 percent, the city commission must  
91 appoint a second member from outside the city boundaries to  
92 serve the next term that would otherwise be served by a  
93 qualified elector of the city. Conversely, upon expiration of  
94 any member's term or upon any authority vacancy, if the ratio  
95 subsequently falls below 40 percent, the city commission must  
96 appoint a qualified elector of the city to serve the next term  
97 that otherwise would be served by a resident from outside the  
98 city boundaries.

99        (4) Until January 1, 2022, no current or previous elected  
100 or appointed officer or official of the city or county having  
101 held office after January 1, 2000, may become a member, except  
102 that a member initially appointed to the authority may be  
103 considered for subsequent reappointment if such individual

104 remains otherwise qualified and chooses to be considered for  
 105 reappointment.

106 (5) A member who is appointed for three full consecutive  
 107 4-year terms may not succeed herself or himself.

108 7.04 Member terms.—

109 (1) The city commission shall make initial authority  
 110 member appointments within 120 calendar days after the approval  
 111 at referendum of the creation of this article. The initial terms  
 112 of office for the five members shall commence at 12 a.m. on  
 113 October 1, 2017. The initial appointments shall be as follows:  
 114 one member shall be designated to serve until 12 a.m. October 1,  
 115 2018; one member shall be designated to serve until 12 a.m.  
 116 October 1, 2019; one member shall be designated to serve until  
 117 12 a.m. October 1, 2020; and two members shall be designated to  
 118 serve until 12 a.m. October 1, 2021. Members subsequently  
 119 appointed shall be appointed for 4-year terms commencing at 12  
 120 a.m. on October 1 of the year in which they are appointed. If a  
 121 member is appointed to complete an unexpired term, the member's  
 122 term shall commence at the time of appointment and shall  
 123 continue through the remainder of the unexpired term.

124 (2) The city commission shall expeditiously schedule an  
 125 appointment session to fill any vacancy for the unexpired  
 126 portion of a term within 60 days after the vacancy occurs or  
 127 becomes known if the remainder of the term exceeds 3 months.

128 7.05 Member compensation.—Beginning October 1, 2017, each  
 129 member shall be paid an annual salary of \$18,000, adjusted

130 annually to the Consumer Price Index for All Urban Consumers as  
131 defined by the United States Department of Labor, Bureau of  
132 Labor Statistics. Necessary expenses of members incurred in  
133 carrying out and conducting the business of the authority shall  
134 be paid in accordance with authority policy and procedures,  
135 subject to the approval of a majority of the members of the  
136 authority. No supplemental benefits shall be provided for a  
137 member position.

138 7.06 Authority; oath; organization; and meeting.—

139 (1) The first appointed authority shall initially meet at  
140 the chambers of the city commission at 6 p.m. on Wednesday,  
141 October 4, 2017.

142 (2) Before taking office for any term, each member shall  
143 be given an oath or affirmation by the Mayor or his or her  
144 designee similar to the oath or affirmation required of a member  
145 of the city commission.

146 (3) The first official action of the authority shall be  
147 election of a chairperson and a vice chairperson from among its  
148 membership.

149 (4) The authority shall meet at least once each month,  
150 except in case of emergency. All meetings of the authority shall  
151 be noticed and open to the public, and minutes shall be kept of  
152 all meetings as required by law, except that meetings related to  
153 settlement of then existing litigation may be held in accordance  
154 with law.

155 (5) The Gainesville Regional Utilities' sitting general  
156 manager shall be responsible for providing adequate notice and  
157 office space for the initial meeting.

158 7.07 Appointment and removal of chief executive  
159 officer/general manager.—

160 (1) A chief executive officer/general manager ("CEO/GM")  
161 shall direct and administer utility functions.

162 (2) The authority, by a majority vote, shall appoint or  
163 remove the CEO/GM.

164 (3) The sitting general manager of GRU, absent action by  
165 the authority, shall be retained in office as CEO/GM of the  
166 authority.

167 (4) A sitting member of the authority may not be selected  
168 as the CEO/GM.

169 7.08 Removal and suspension of members.—

170 (1) Members may be removed or suspended from office in  
171 accordance with chapter 112, Florida Statutes.

172 (2) A member may be removed for failure to maintain all  
173 member qualifications as specified in section 7.03 or for  
174 violation of a provision of this article, or for violation of  
175 rules or policies adopted by the authority.

176 (3) A member who is the subject of a proceeding to request  
177 suspension or to remove under this section may not participate  
178 in the authority's deliberations, debate, or vote on the matter.

179 (4) Request for suspension shall be by vote of at least  
180 three members of the authority.

181 (5) Removal or reinstatement shall be by vote of at least  
 182 three members of the authority.

183 7.09 General provisions.—

184 (1) The city commission is required to create such  
 185 instruments as are necessary for the authority to function in  
 186 accordance with this article.

187 (2) Consistent with the provisions and effective date of  
 188 this article, such previous applicable utilities-related  
 189 ordinances, policies, rates, fees, rules, regulations, budgets,  
 190 and other provisions previously adopted under the city charter  
 191 and in effect as of the effective date of this article are  
 192 deemed adopted, reenacted, or assumed by the authority for  
 193 transition purposes until such time that the authority, pursuant  
 194 to the powers granted by this article, shall make changes.  
 195 However, to the extent of conflict with this act, the city and  
 196 the county charter provisions, ordinances, resolutions, decrees,  
 197 or parts thereof, are hereby repealed. This subsection is not  
 198 intended to interfere with existing contractual arrangements  
 199 between the city and the county, regardless of whether those  
 200 arrangements are charter provisions, ordinances, resolutions,  
 201 decrees, or parts thereof.

202 (3) No franchise, right-of-way, license, permit, or usage  
 203 fee or tax may be levied upon the authority or its utilities by  
 204 the city or by the county unless allowed by general law. No  
 205 franchise, right-of-way, license, permit, or usage fee or tax  
 206 may be levied upon the authority or its utilities that impose an



207 unreasonable burden. Any additional allowable but not required  
 208 franchise, right-of-way, license, permit, tax or usage fee  
 209 assessed by the city as to the authority or any of the utilities  
 210 under the authority's jurisdiction after April 30, 2016, shall  
 211 be totaled for each fiscal year and a like amount subtracted  
 212 from the subsequent fiscal year's transfer to the city's general  
 213 fund, unless such subtraction is waived by a vote of four  
 214 members of the authority 3 months before the start of each  
 215 subsequent fiscal year.

216 (4) The rights or privileges, if any, of persons who were  
 217 GRU employees, including the general manager, immediately before  
 218 the effective date of this article are not impaired.

219 (5) Any utility advisory boards created by the commission  
 220 may continue to advise the city commission. However, such boards  
 221 shall have no advisory role as to the authority, the utilities  
 222 under its jurisdiction, or their employees.

223 7.10 Powers and duties.-

224 (1) The authority's powers and duties shall be no less  
 225 extensive than those exercised by the city commission with  
 226 respect to GRU as existed on January 1, 2016, including the  
 227 powers and duties associated with the management, operation, and  
 228 control of the utilities; the acquisition, construction, and  
 229 financing of utility projects; and the provision of utility-  
 230 related products and services.

231 (2) The authority has the power to make and adopt rules,  
 232 policies, and regulations consistent with this act and

233 applicable law for the management, administration, operation,  
234 and regulation of the fiduciary, business, and other affairs of  
235 the authority.

236 (3) The authority may not enact rules relating to the  
237 disposal or sale of any GRU property which are more expansive  
238 than the rules applicable to the city commission as were in  
239 effect on January 1, 2016.

240 (4) The authority is authorized to exercise the power of  
241 eminent domain for utilities purposes.

242 (5) Upon the effective date of this article, all existing  
243 City of Gainesville laws, ordinances, resolutions, and  
244 administrative regulations, interpretations, franchises, and  
245 controls directly or indirectly affecting and controlling said  
246 utilities are exclusively vested in said authority. All rights,  
247 claims, actions, orders, and legal or administrative proceedings  
248 involving GRU immediately before the effective date of this  
249 article shall continue, except as modified by the authority  
250 pursuant to the provisions of and authority granted by this  
251 article.

252 (6) No member of the authority shall be individually  
253 responsible for authority debts.

254 (7) The authority shall ensure the development of an  
255 ethics policy and a code of business conduct policy which aim to  
256 achieve best practices for municipal utilities, which shall be  
257 reviewed at least biennially.

258           Section 3. In order to provide for the transitional  
 259 administrative needs and orderly compliance with the provisions  
 260 in this act, the chairperson or designee of the authority is  
 261 authorized to execute documents required for the transition.

262           Section 4. The ballot statement shall read as follows:

263  
 264 "Shall the Charter of the City of Gainesville be amended by  
 265 creating the Gainesville Regional Authority, to be the governing  
 266 board of Gainesville Regional Utilities and appointed by the  
 267 City Commission of the City of Gainesville?"

268           Yes

269           No

270           Section 5. This act shall take effect only upon its  
 271 approval by a majority vote of those qualified electors of the  
 272 City of Gainesville voting in a referendum to be held in March  
 273 2017, in conjunction with the citywide election to be held in  
 274 the City of Gainesville, except that this section and section 4  
 275 shall take effect upon becoming a law.