

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           establishing it as the governing board of Gainesville  
 10          Regional Utilities; providing definitions; providing a  
 11          ballot statement; requiring a referendum; providing an  
 12          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 17 chapter 90-394, Laws of Florida, is repealed.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 created a regional utilities  
 25 authority to be known as the "Gainesville Regional Utilities  
 26 Authority" ("authority"). Gainesville Regional Utilities shall

27 be governed by the authority upon installation of the  
 28 authority's members pursuant to this article. The authority  
 29 shall operate as a unit of city government and, except as  
 30 otherwise provided in this article, shall be free from direction  
 31 and control of the Gainesville City Commission. The authority is  
 32 created for the express purpose of managing, operating,  
 33 controlling, and otherwise having broad authority with respect  
 34 to the utilities owned by the City of Gainesville.

35 7.02 Definitions.—For the purposes of this article, unless  
 36 otherwise designated, or the context otherwise requires, the  
 37 following terms have the following meanings:

38 (1) "Authority" means the Gainesville Regional Utilities  
 39 Authority created in this article.

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

41 (3) "City commission" means the Gainesville City  
 42 Commission.

43 (4) "County" means Alachua County.

44 (5) "Customer" means a person or entity that makes  
 45 application for and is supplied with service by GRU for its  
 46 ultimate use.

47 (6) "GRU" means Gainesville Regional Utilities.

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

49 (8) "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 Powers and duties.-

55 (1) The authority shall have the following powers and  
56 duties, in addition to the powers and duties otherwise conferred  
57 by this article:

58 (a) To manage, operate, and control the utilities, and to  
59 do all things necessary to effectuate an orderly transition of  
60 the management, operation, and control of the utilities from the  
61 city to the authority, consistent with this article;

62 (b) To establish and amend the rates, fees, assessments,  
63 charges, rules, regulations, and policies governing the sale and  
64 use of services provided through the utilities;

65 (c) To acquire real or personal property and to construct  
66 such projects as necessary to operate, maintain, enlarge,  
67 extend, preserve, and promote the utility systems in a manner  
68 that will ensure the economic, responsible, safe, and efficient  
69 provision of utility services, provided that title to all such  
70 property is vested in the city.

71 (d) To exercise the power of eminent domain pursuant to  
72 chapter 166, Florida Statutes, and to use utility funds to  
73 appropriate or acquire property, excluding federal or state  
74 property, for the purpose of obtaining, constructing, and  
75 maintaining utility facilities, provided that title to all such  
76 property is vested in the city.

77        (e) To issue revenue bonds, upon resolution of the  
78 authority establishing the form, terms, and purpose of such  
79 bonds, for the purpose of financing or refinancing utility  
80 system projects, and to exercise all powers in connection with  
81 the authorization, issuance, and sale of such bonds as conferred  
82 upon municipalities by part II of chapter 166, Florida Statutes,  
83 provided that such bonds may be validated in accordance with  
84 chapter 75, Florida Statutes. The authority may not issue  
85 general obligation bonds.

86        (f) To dispose of utility system assets only to the extent  
87 and under the conditions that the city commission may dispose of  
88 such assets pursuant to section 5.04 of Article V.

89        (g) To prepare and submit to the city commission, at least  
90 3 months before the start of the city's fiscal year, an annual  
91 budget for all authority and GRU operations, including the  
92 amount of any transfer to the city. The term of the budget shall  
93 coincide with the city's fiscal year. Absent prior approval of  
94 the city commission, the authority's budget may not reduce the  
95 amount of any transfer to the city by more than 3 percent from  
96 the previous fiscal year.

97        (h) To appoint and remove a chief executive  
98 officer/general manager as provided in this article.

99        (i) To recommend, by resolution to the city commission,  
100 the acquisition and operation of a utility system not owned or  
101 operated by GRU as of the date of transfer of governing  
102 authority to the authority.

103        7.04 Authority members.—  
 104        (1) There shall be five members of the authority appointed  
 105 by a simple majority vote of the city commission. Each member  
 106 shall be a person of recognized ability and good business  
 107 judgment as identified by the city commission who is expected to  
 108 perform his or her official duties in the best interests of GRU  
 109 and its customers. Appointments shall be made as follows:  
 110        (a) One member shall be a residential customer with  
 111 substantial knowledge of GRU, its operations, and its history.  
 112        (b) One member shall be a private, nongovernment customer  
 113 consuming at least 10,000 kilowatt hours per month of electric  
 114 usage during each of the previous 12 months. This member may be  
 115 the owner or representative of the customer.  
 116        (c) Three members shall be competent and knowledgeable in  
 117 one or more specific fields substantially related to the duties  
 118 and functions of the authority, including, but not limited to,  
 119 law, economics, accounting, engineering, finance, or energy.  
 120        (2) All members of the authority shall:  
 121        (a) Maintain primary residence within the electric service  
 122 territory of GRU's electric utility system.  
 123        (b) Receive GRU electric utility system service at all  
 124 times during the term of appointment.  
 125        (c) Not have been convicted of a felony as defined by  
 126 general law.  
 127        (d) Be a qualified elector of the city, except that a  
 128 minimum of one member must be a resident of the unincorporated

129 area of the county or a municipality in the county other than  
130 the City of Gainesville.

131 (3) The composition of the authority shall be adjusted  
132 upon expiration of any member's term, or upon any authority  
133 vacancy, to reflect the ratio of total electric meters serving  
134 GRU electric customers outside the city's jurisdictional  
135 boundaries to total electric meters serving all GRU electric  
136 customers. For example, upon expiration of a member's term or  
137 upon an authority vacancy, if the ratio of total electric meters  
138 serving customers outside the city boundaries to total electric  
139 meters serving all electric customers reaches 40 percent, the  
140 city commission must appoint a second member from outside the  
141 city boundaries to serve the next term that would otherwise be  
142 served by a qualified elector of the city. Conversely, upon  
143 expiration of any member's term or upon any authority vacancy,  
144 if the ratio subsequently falls below 40 percent, the city  
145 commission must appoint a qualified elector of the city to serve  
146 the next term that otherwise would have been served by a  
147 resident from outside the city boundaries.

148 (4) Until January 1, 2022, no current or previous elected  
149 official of the city or county having held office after January  
150 1, 2000, may become a member, except that a member initially  
151 appointed to the authority may be considered for subsequent  
152 reappointment if such individual remains otherwise qualified and  
153 chooses to be considered for reappointment.

154 (5) A member who is appointed for three full consecutive  
155 4-year terms may not succeed herself or himself.

156 7.05 Member terms.—

157 (1) The city commission shall make initial authority  
158 member appointments within 120 calendar days after the approval  
159 at referendum of the creation of this article. The initial terms  
160 of office for the five members shall commence at 12 a.m. on  
161 October 1, 2017. The terms of the initial appointments shall be  
162 as follows: one member shall be designated to serve until 12  
163 a.m. October 1, 2018; one member shall be designated to serve  
164 until 12 a.m. October 1, 2019; one member shall be designated to  
165 serve until 12 a.m. October 1, 2020; and two members shall be  
166 designated to serve until 12 a.m. October 1, 2021. Members  
167 appointed for subsequent terms shall be appointed for 4-year  
168 terms commencing at 12 a.m. on October 1 of the year in which  
169 they are appointed. If a member is appointed to complete an  
170 unexpired term, the member's term shall commence at the time of  
171 appointment and shall continue through the remainder of the  
172 unexpired term.

173 (2) The city commission shall fill any vacancy for the  
174 unexpired portion of a term within 60 days after the vacancy  
175 becomes known if the remainder of the term exceeds 90 days.

176 7.06 Member compensation.—Beginning October 1, 2017, each  
177 member shall be paid an annual salary of \$18,000, adjusted  
178 annually to reflect changes in the most recently released  
179 Consumer Price Index for All Urban Consumers as defined by the

180 United States Department of Labor, Bureau of Labor Statistics.  
181 Necessary expenses of members incurred in carrying out and  
182 conducting the business of the authority shall be paid in  
183 accordance with authority policy and procedures, subject to the  
184 approval of a majority of the members of the authority. No  
185 supplemental benefits shall be provided for a member position.

186 7.07 Authority; oath; organization; and meeting.—

187 (1) The authority shall initially meet at the chambers of  
188 the city commission at 6 p.m. on Wednesday, October 4, 2017.

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

193 (3) The first official action of the authority shall be  
194 election of a chairperson and a vice chairperson from among its  
195 membership.

196 (4) The authority shall meet at least once each month,  
197 except in case of unforeseen circumstances. All meetings of the  
198 authority shall be noticed and open to the public, and minutes  
199 shall be kept as required by law, except that meetings related  
200 to settlement of then existing litigation may be held as allowed  
201 by law.

202 (5) The GRU general manager or his or her designee shall  
203 be responsible for making arrangements for and providing  
204 adequate notice for the initial meeting of the authority.

205 7.08 Removal and suspension of members.—



206       (1) A member may be removed or suspended from office by  
207 the city commission in accordance with s. 112.501, Florida  
208 Statutes. In addition to the grounds for removal set forth  
209 therein, a member may be removed by the city commission for  
210 failure to maintain the qualifications specified in section  
211 7.04.

212       (2) The authority may recommend to the city commission  
213 that a member be removed or suspended from office if it finds,  
214 by vote of at least three members, a reasonable basis for  
215 removal or suspension on one or more of the grounds set forth in  
216 s. 112.501, Florida Statutes, or for failure to maintain the  
217 qualifications specified in section 7.04. The authority shall  
218 give reasonable notice of any proceeding in which such action is  
219 proposed and must provide the member against whom such action is  
220 proposed a written statement of the basis for the proposed  
221 action and an opportunity to be heard. The member against whom  
222 such action is proposed may not participate in the authority's  
223 debate or vote on the matter.

224       7.09 Management and personnel.—

225       (1) A chief executive officer/general manager (CEO/GM)  
226 shall direct and administer all utility functions, subject to  
227 the rules and resolutions of the authority. The CEO/GM shall  
228 serve at the pleasure of the authority. Appointment or removal  
229 of the CEO/GM shall be by majority vote of the authority. Until  
230 such time as the authority appoints a CEO/GM, the sitting

231 general manager of GRU shall serve as the CEO/GM. A sitting  
232 member of the authority may not be selected as the CEO/GM.

233 (2) All officers and employees of the city who serve under  
234 the supervision and direction of the sitting general manager of  
235 GRU shall serve under the CEO/GM. The CEO/GM shall have the  
236 exclusive authority to hire, transfer, promote, discipline, or  
237 terminate employees under his or her supervision and direction.

238 (3) The authority shall fix the salary of the CEO/GM, and  
239 the CEO/GM shall fix the salaries of all other employees who  
240 serve under his or her direction consistent with the annual  
241 budget approved by the authority. The sitting general manager of  
242 GRU, as well as all officers and employees of the city who, by  
243 virtue of this article, become subject to the supervision and  
244 direction of the CEO/GM, shall continue without any loss of  
245 rights or benefits as employees under the pension plans and  
246 civil service merit system of the city existing as of the  
247 creation of the authority.

248 7.10 General provisions.—

249 (1) The city and the authority shall perform all acts  
250 necessary and proper to effectuate an orderly transition of the  
251 governance, operation, management, and control of the utilities  
252 to the authority, including, but not limited to, the creation of  
253 such instruments as are necessary for the authority to function  
254 in accordance with this article.

255 (2) All city ordinances, policies, rates, fees,  
256 assessments, charges, rules, regulations, and budgets related to

257 operation of the utilities shall remain in effect until such  
 258 time as the authority, pursuant to the powers granted in this  
 259 article, modifies any such item. In the event that any city  
 260 charter provision, ordinance, resolution, decree, or any part  
 261 thereof conflicts with the provisions of this article, the  
 262 provisions of this article shall govern. This subsection is not  
 263 intended to and shall not interfere with existing contractual  
 264 arrangements between the city and county, regardless of whether  
 265 such arrangements are reflected in charter provisions,  
 266 ordinances, resolutions, decrees, or any part thereof.

267 (3) All rights, responsibilities, claims, and actions  
 268 involving GRU as of the transfer to the authority shall  
 269 continue, except as may be modified by the authority under the  
 270 powers granted by this article and consistent with law.

271 (4) No franchise, right-of-way, license, permit or usage  
 272 fee or tax may be levied by the city upon the authority or the  
 273 utilities unless allowed by general law.

274 (5) Any utility advisory board created by the city  
 275 commission shall have no role with respect to the authority.

276 (6) No member of the authority shall be individually  
 277 responsible for authority debts or liabilities.

278 (7) The authority shall develop an ethics policy and a  
 279 code of business conduct that shall be reviewed at least  
 280 biennially.

281 Section 3. In order to provide for the transitional  
 282 administrative needs and orderly compliance with the provisions

283 of this act, the chairperson of the authority or his or her  
 284 designee is authorized to execute documents required for the  
 285 transition.

286 Section 4. The ballot statement shall read as follows:  
 287 "Shall the Charter of the City of Gainesville be amended by  
 288 creating the Gainesville Regional Utilities Authority as the  
 289 governing board of Gainesville Regional Utilities and appointed  
 290 by the City Commission of the City of Gainesville?"

291 Yes

292 No

293 Section 5. This act shall take effect only upon its  
 294 approval by a majority vote of those qualified electors of the  
 295 City of Gainesville voting in a referendum to be held in March  
 296 2017, in conjunction with the citywide election to be held in  
 297 the City of Gainesville, except that this section and section 4  
 298 shall take effect upon becoming a law.