

CS/CS/HB 1325 (2015) - Gainesville Regional Utilities Commission, Alachua County

Local Bill by Energy & Utilities Subcommittee and Local Government Affairs Subcommittee and Perry

Gainesville Regional Utilities Commission, Alachua County: Creates the Gainesville Regional Utilities Commission; requires referendum.

Effective Date: only upon its approval by a majority vote of those qualified electors of the City of Gainesville voting in a referendum

Last Event: Died in Regulatory Affairs Committee on Tuesday, April 28, 2015 1:15 PM

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; creating the Gainesville Regional
 5 Utilities Commission, a regional independent utilities
 6 commission, and prescribing its authority; repealing
 7 applicable existing and conflicting charter provisions
 8 and ordinances; providing a ballot statement;
 9 requiring a referendum; providing an effective date.

10
 11 Be It Enacted by the Legislature of the State of Florida:

12
 13 Section 1. Article VII is added to the charter of the City
 14 of Gainesville, as created by chapter 12760, Laws of Florida,
 15 (1927), and as amended, to read:

16
 17 ARTICLE VII GAINESVILLE REGIONAL UTILITIES COMMISSION

18
 19 7.01 Establishment.—

20 (1) There is hereby created and made a part of the
 21 government of the City of Gainesville, a regional independent
 22 utilities commission to be known and designated as the
 23 "Gainesville Regional Utilities Commission," ("utilities
 24 commission") which shall consist of five voting members. For the
 25 purposes of this act, unless otherwise designated, the term
 26 "utilities commission" shall mean the Regional Utilities

27 Commission of the City of Gainesville as a legal entity,
 28 organization, or governing body and the term "member" shall mean
 29 a member of the utilities commission. The term "utilities" shall
 30 mean, unless otherwise specified, the electric utility system,
 31 water utility system, wastewater utility system, reuse water
 32 utility system, natural gas utility system, communications
 33 utility system, and such other utility systems as are acquired
 34 in the future.

35 (2) As specified in this article, the utilities commission
 36 shall be created and remain an independent, not-for-profit
 37 enterprise and municipal legal entity with plenary authority and
 38 shall be governed by an independent governing commission
 39 consisting of five appointed members who are to be appointed by
 40 the city commission in compliance with the provisions of this
 41 act. Further, the utilities commission shall remain a part of
 42 the government of the City of Gainesville. The utilities
 43 commission is owned by the citizens of the City of Gainesville.

44 (3) The Regional Utilities Commission of the City of
 45 Gainesville is created with plenary authority for the express
 46 purpose of acquiring, constructing, operating, providing,
 47 financing, and otherwise having complete authority with respect
 48 to utilities.

49 7.02 Commission voting members.-

50 (1) The voting members of the utilities commission shall
 51 be determined and appointed by the city commission and consist
 52 of five members, each of whom resides year-round within the

53 utilities commission's electric service territory of the
54 electric utility system; is a customer of the utilities
55 commission; possesses, at a minimum, a 4-year baccalaureate
56 degree from an accredited institution with a major area of study
57 in a technical, business, accounting, law, or other similar
58 field of expertise; is a business owner or partner or officer in
59 a business with sales exceeding \$5 million dollars annually; has
60 not been convicted of a felony of the second degree or greater
61 as defined by general law or has not been convicted under a plea
62 of nolo contendere to any charge involving a felony of the
63 second degree or greater as defined by general law; and is
64 appointed to a staggered 5-year term by a simple majority vote
65 of the city commission. Voting members must, before and after
66 being appointed, maintain qualifications and representative
67 obligations as when appointed, maintain qualification as an
68 independent member under section 7.08(31), and maintain other
69 member requirements defined and stipulated elsewhere in this
70 article. Voting members shall have the power to make and adopt
71 such rules and regulations, consistent with and not in violation
72 of this act and applicable law, as the utilities commission may
73 deem prudent for the management, administration, and regulation
74 of the fiduciary, business, and other affairs of the utilities
75 commission. All members to be appointed shall be qualified
76 electors of the City of Gainesville, except a minimum of one
77 member shall be a qualified elector of Alachua County, appointed
78 from the unincorporated area of Alachua County, ("county") until

79 such time as the proportional ratio of total electric meters
80 outside the city exceeds the next highest or next lowest full
81 integer that will occasion the next appointment by the city
82 commission to add or remove a member appointment from an
83 unincorporated area of the county, but in no case is the number
84 to fall below one member from the unincorporated area of the
85 county.

86 (2) Each voting member shall be and remain qualified as
87 stated within this act. Until January 1, 2020, no current or
88 previous employee having been employed with the city after
89 January 1, 2000, or with the county after January 1, 2000, nor
90 current or previous elected or appointed officer or official of
91 the city after January 1, 2000, or the county after January 1,
92 2000, shall become a member, except that a qualified voting
93 member initially first appointed to the utilities commission in
94 2016 as provided for in this act shall be considered for
95 subsequent reappointment provided that such individual remains
96 otherwise qualified and chooses to be considered for
97 reappointment. Further, no voting member who has been properly
98 appointed for two full, consecutive 5-year terms shall succeed
99 herself or himself.

100 7.03 Voting member terms.-

101 (1) The city commission shall make initial utilities
102 commission member appointments within 30 calendar days after the
103 approval of the referendum required by this act. The initial
104 terms of office for the five appointed members shall commence at

105 12:01 a.m. of the first Wednesday after said appointments called
106 for in this act and shall be as follows: one member will be
107 designated to serve 1 year after the first Wednesday after said
108 appointment in 2016; one member will be designated to serve 2
109 years after the first Wednesday after said appointment in 2016;
110 one member will be designated to serve 3 years after the first
111 Wednesday after said appointment in 2016; one member will be
112 designated to serve 4 years after the first Wednesday after said
113 appointment in 2016; and one member will be designated to serve
114 5 years after the first Wednesday after said appointment in
115 2016. Members subsequently appointed in each respective year
116 beginning in 2017 will be appointed to and serve a full 5-year
117 term. Members will normally hold office for 5-year terms
118 commencing at 12:01 a.m. of the first Wednesday after the
119 referendum anniversary day of the year in which they are
120 appointed or until their successors in office are appointed or
121 as may be provided elsewhere in this act.

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

129 (3) As provided for elsewhere in this article, a voting
130 member may be removed from office as provided by law upon

131 conviction of malfeasance or misfeasance as a member or while
132 holding another public office or upon conviction of a felony. A
133 voting member may also be removed for failure to maintain all
134 voting member qualifications or for violation of a provision of
135 this act or a provision of stipulated governance policies as may
136 be subsequently adopted and enforced by the utilities
137 commission.

138 7.04 Utilities commission; initial meeting, organization,
139 and oath.—

140 (1) The first appointed utilities commission shall
141 initially meet at the utilities commission's headquarters at
142 6:00 p.m. on the second Wednesday of the month after the initial
143 appointment of all members in 2016. The utilities commission
144 shall meet at least once each month at the offices of the
145 utilities commission or as otherwise may be determined. All
146 meetings of the utilities commission shall be open to the public
147 and minutes shall be kept of all meetings. The utilities
148 commission shall have plenary authority to promulgate policies,
149 rules, and regulations for the conduct of its meetings and the
150 operation and management of its utilities. The initial meeting
151 of the first appointed utilities commission and at each
152 subsequent first regular meeting of the utilities commission
153 after each regularly scheduled annual appointment occurs as
154 specified in section 7.03 shall include an organizational agenda
155 item during this organizational meeting in which the new
156 utilities member shall be sworn by the Mayor of the City of

157 Gainesville and the voting members shall elect a chairperson, a
158 vice chairperson, and a secretary/treasurer from among its
159 voting membership. The utilities commission shall also establish
160 during its organizational meeting the utilities commission's
161 meeting schedule for the next 12 months. Members shall attend
162 all meetings of the utilities commission, except for emergencies
163 or other significant events, not to exceed three meeting
164 absences occurring within a rolling 12-month period.

165 (2) Before taking office for any term each member shall
166 swear or affirm: "I do solemnly swear (or affirm) that I will
167 support, honor, protect, and defend the Constitution and
168 Government of the United States and of the State of Florida;
169 that I am duly qualified to hold office under the Constitution
170 of the State and under the Charter of the City of Gainesville,
171 or the Charter of the County of Alachua; that I am a full-time
172 city or county resident and customer within the electric service
173 territory of the Regional Utilities Commission of the City of
174 Gainesville; and that I will well and faithfully perform the
175 duties and maintain the qualifications of a member of the
176 Regional Utilities Commission of the City of Gainesville on
177 which I am now about to enter."

178 7.05 Member compensation.—Each member shall be paid such
179 salary as may change from time to time and shall be a salary of
180 80 percent each month of the salary of a city commissioner and
181 include adjustments linked to the consumer price index, and
182 necessary individual expenses incurred solely in carrying on and

183 conducting the business of the utilities commission shall be
184 paid in accordance with utilities commission policy and
185 procedures and subject to the approval of the utilities
186 commission. No supplemental benefits are provided for a member
187 position.

188 7.06 Appointment of chief executive officer/general
189 manager.-

190 (1) The utilities commission shall have full and exclusive
191 authority over the management, operation, and control, now or
192 hereafter, over the city's utilities and shall employ and
193 discharge all employees only through the chief executive
194 officer/general manager ("CEO/GM") who directs and administers
195 utilities functions under the policies and authority authorized
196 solely by the utilities commission.

197 (2) As one of its priority actions during its first 60
198 calendar days, the first appointed utilities commission shall
199 select and appoint the utilities commission's first CEO/GM who
200 has full public, multi-utility CEO/GM organizational, financial,
201 operational, and cultural transformation qualifications applied
202 in a transparent governance environment; however, as an
203 alternative during such first 60 calendar day period, the first
204 appointed utilities commission may immediately select and
205 appoint a conservator/CEO/GM ("conservator"), interim/CEO/GM
206 ("interim"), or temporary/CEO/GM ("temporary") who also holds or
207 has held full public, multi-utility CEO/GM organizational,
208 financial, operational, and cultural transformation

209 qualifications applied in a transparent governance environment
210 to act in the capacity of CEO/GM in order to provide
211 transitional utilities and organizational leadership for the
212 utilities commission until a CEO/GM is subsequently selected and
213 appointed. Until the first CEO/GM is selected and appointed, the
214 term "CEO/GM" shall also apply to the conservator, interim, or
215 temporary CEO/GM. The conservator, interim, or temporary CEO/GM
216 and the CEO/GM first selected and appointed by the first elected
217 utility commission shall not have been or be currently employed
218 by the city or county or have been or currently be an elected or
219 appointed official, including the head of (as GM, interim GM, or
220 similar title) or an executive of any Gainesville utilities, of
221 the city or the county except that the first-selected
222 conservator, interim, or temporary CEO/GM may be subsequently
223 selected and appointed as CEO/GM. The CEO/GM is an at-will
224 position serving at the sole discretion of the utilities
225 commission. Additionally, the person chosen for CEO/GM shall,
226 within 6 months after selection, while in said position reside
227 in the electric service territory of the utilities commission.

228 (3) A member shall not be selected as conservator,
229 interim, temporary, or first CEO/GM.

230 7.07 General provisions.—

231 (1) All business of the utilities commission shall be
232 overseen by its members who shall have full control of the
233 affairs of the utilities commission and may exercise all its
234 powers as it may deem advisable for the management,

235 administration, and regulation of the business affairs of the
236 utilities commission except as otherwise provided by law and as
237 provided in this article.

238 (2) The utilities commission shall operate only as a
239 municipally owned, cost-based, not-for-profit, independent
240 special district and political subdivision of the state with no
241 ad valorem taxing authority. However, the utilities commission
242 may accrue reserve funds as it may deem advisable for the
243 management, administration, and regulation of the business
244 affairs of the utilities commission. No interest or dividends
245 shall be paid or be payable by the utilities commission on the
246 culmination of such utilities commission reserves or similar
247 contingency funding.

248 (3) The utilities commission is comprised of voting and
249 nonvoting members and oversees the management and operation of
250 the business activities of the utilities. As provided in section
251 7.02, voting members are appointed by the city commission to
252 staggered 5-year terms and shall legally reside either within
253 the city or within the electric service territory of said
254 utilities commission within unincorporated Alachua County.
255 Nonvoting members shall consist of the nondiscretionary
256 utilities commission's CEO/GM at a minimum; additional
257 discretionary nonvoting members consisting of other utilities
258 commission staff executives with the concurrence of the
259 utilities commission's CEO/GM; and external individuals who
260 reside in the electric service area of the utilities commission

261 and who are appointed and removed solely by the utilities
262 commission to serve at the utilities commission's will and
263 pleasure and serve as the utilities commission may deem
264 appropriate. Such discretionary nonvoting members shall not
265 exceed a total of five members at any given time and shall not
266 retain such appointments for more than 2 years, and such
267 discretionary nonvoting members may only be designated as a
268 member of the utilities commission for administrative
269 participation purposes and serve only in the capacity as the
270 utilities commission formally shall designate. Such
271 discretionary nonvoting members may be reappointed once for no
272 more than 2 additional years. Such discretionary nonvoting
273 members shall receive no compensation for said service except
274 for necessary individual expenses incurred solely in carrying on
275 and conducting the business of the utilities commission only in
276 the capacity the utilities commission has formally designated
277 and in accordance with commission policy and procedures and
278 subject to the approval of the utilities commission.

279 (4) The voting commission, having selected a qualified
280 conservator, interim, or temporary CEO/GM or CEO/GM, shall
281 provide guidance, advice, and direction to management through
282 the conservator, interim, or temporary CEO/GM or CEO/GM, and
283 ultimately monitor and assess management's performance. More
284 specifically, the voting commission shall, among other things,
285 review with management and approves business and financial
286 strategies and other major commission actions, and assess the

287 major risks facing the utilities commission and monitors the
288 management of those risks. The utilities commission shall ensure
289 that all aspects of the utilities commission's business are
290 carried out with integrity and in compliance with performance
291 standards, applicable laws, rules, and regulations, and the
292 utilities commission shall act to ensure that adequate processes
293 are in place to provide for full, timely, and accurate
294 disclosure of all material matters. The utilities commission
295 shall review the utilities commission's long-term strategic
296 plans during at least one meeting each year.

297 (5) The chairperson of the utilities commission, when
298 present, shall preside at all meetings of the utilities
299 commission unless the utilities commission has designated
300 another member to preside, and shall have such powers as
301 prescribed by the policies and procedures of the utilities
302 commission. A chairperson pro tempore may be chosen by the
303 utilities commission to perform any of the chairperson's duties
304 during the absence of the chairperson.

305 (6) The secretary/treasurer of the utilities commission
306 shall be present at all meetings of the utilities commission;
307 keep an accurate record of the proceedings at such meetings in
308 books provided for that purpose, which books shall be opened at
309 all times during business hours for such inspection as is
310 required by law with the chairperson; sign instruments and
311 obligations approved by the utilities commission; administer by
312 way of appropriate utility commission approvals and actions the

313 custody and care of the utilities commission's money, funds,
314 obligations, and valuable papers and documents as shall be
315 exercised, except for the secretary/treasurer bond, if any, by
316 the CEO/GM and other designated commission staff who shall have
317 appropriate bond and keep accurate books of account of the
318 utilities commission's transactions which shall be the property
319 of the utilities commission and together with all its property
320 in the CEO/GM and designated commission staff's possession shall
321 be subject at all times to the inspection and control of the
322 utilities commission; perform duties incident to the office; and
323 perform such other duties and have such other powers as the
324 utilities commission shall from time to time designate. A
325 secretary/treasurer pro tempore may be chosen by the utilities
326 commission to perform any of the secretary/treasurer's duties
327 during the absence or unavailability due to schedule of the
328 secretary/treasurer.

329 (7) The basic responsibility of a member is to exercise
330 business judgment and to act in what is reasonably believed to
331 be in the best overall interest of the utilities commission in
332 providing utilities and services and in compliance with the
333 provisions of this act. Members are expected to attend
334 commission meetings and meetings of all committees on which they
335 serve, and to spend the time needed and meet as frequently and
336 for as long as necessary to properly discharge their duties.
337 Information and data that are important to the utilities
338 commission's understanding of the business to be discussed at

339 meetings shall be distributed as much in advance as practicable
340 and are expected to be reviewed by members before the meeting.

341 (8) The CEO/GM shall, subject to the exclusive control of
342 the utilities commission and at-will employment by the utilities
343 commission, be a nonvoting member of the utilities commission
344 and have general charge of the business and affairs of the
345 utilities commission's utilities; have general charge of the
346 custody and care for the utilities commission's money, funds,
347 obligations, and valuable papers and documents only as
348 authorized by the utilities commission; have the power to sign
349 approved deeds and contracts for the utilities commission only
350 as authorized by the utilities commission; and have such other
351 powers and duties as may at any time be prescribed by the
352 utilities commission.

353 (9) The CEO/GM shall establish the agenda for each
354 meeting. Each member may request that an item be included on the
355 agenda and may raise at any meeting subjects that are not on the
356 agenda for that meeting during that portion of the agenda
357 designated for member comment and requested action.

358 (10) Any member, officer, or agent of the utilities
359 commission may resign at any time by giving written notice to
360 the utilities commission, the chairperson, or the
361 secretary/treasurer of the utilities commission, and any member
362 of any committee may resign by giving written notice either as
363 aforesaid or to the committee of which he or she is a member or
364 to the respective chairperson thereof. Any such resignation

365 shall take effect at the time specified therein or, if the time
366 is not specified, upon receipt thereof; and unless otherwise
367 specified therein, the acceptance of such resignation shall not
368 be necessary to make it effective.

369 (11) Members may only be removed from office by the
370 utilities commission acting in accordance with general law and
371 as contained in this act. In addition:

372 (a) Whenever a member is indicted or informed against for
373 the utilities commission of malfeasance, misfeasance, neglect of
374 duty, habitual drunkenness, incompetence, or permanent inability
375 to perform official duties, the utilities commission shall
376 request the Governor to temporarily suspend said member from
377 office in accordance with general law.

378 (b) Whenever any member is arrested for a felony or for a
379 misdemeanor related to the duties of office or is indicted or
380 informed against for the utilities commission of a federal
381 felony or misdemeanor or state felony or misdemeanor, the
382 utilities commission shall request the Governor to temporarily
383 suspend said member from office.

384 (c) Whenever or however it is made known to a member that
385 a member has allegedly failed to maintain member qualification,
386 respectively, or allegedly violated a provision of this article
387 or a provision of the utilities commission's policies or
388 procedures, the utilities commission shall expeditiously
389 commence an independent examination of the facts related to such
390 alleged failure and require a written report from the

391 independent examiner to be used by the utilities commission in
392 determining its decision and action in such matters. Upon
393 consideration of the facts as contained in such written
394 independent report, the utilities commission, upon an
395 affirmative, unanimous vote of all of the members not having
396 been so accused, shall submit a request to the Governor to
397 remove said member for failure to maintain a member's
398 qualification or for commission of malfeasance or neglect of
399 duty in the execution of said member's responsibilities under
400 this article. Upon consideration of the facts as contained in
401 such written independent report and upon a nonunanimous vote of
402 all of the members not having been so accused, such alleged
403 failure shall be dismissed.

404 (d) Such initial, temporary suspension, as may result from
405 affirmative action taken by the Governor in response to the
406 utilities commission's request, shall deem said member
407 unqualified or misfeasant and neglectful of duty, prohibit said
408 member from participating in commission activities or voting
409 upon any commission matters until a final determination is made
410 regarding such alleged offense herein referred, and create a
411 temporary vacancy of said member's position. Said temporary
412 vacancy may extend for the remainder of said member's current
413 term or until a final determination is made, if made before the
414 expiration of said member's term.

415 (e) Additionally, if the CEO/GM is formally alleged to
416 have commissioned or committed any of the offenses or failures

417 described in paragraphs(a) and (b), the utilities commission
418 shall expeditiously commence an independent examination of the
419 facts related to such alleged failure and require a written
420 report from an independent examiner to be used by the utilities
421 commission in determining its decision and action in such
422 matters and the CEO/GM will be temporarily suspended, without
423 compensation, until an expeditious hearing may be scheduled to
424 determine and conclude the matter. If such matters as formally
425 alleged in paragraph (a) or paragraph (b) are found by the
426 utilities commission to be without merit, the utilities
427 commission shall immediately restore the individual to the
428 CEO/GM position and make that individual whole. The utilities
429 commission may take any action it deems reasonable and prudent
430 for the formally alleged failures as described in paragraph (c).
431 By a vote of at least a majority of the entire utilities
432 commission, the utilities commission may remove from office the
433 CEO/GM at any time with or without cause; and, any person
434 holding a critical management position appointed by or under the
435 direct or indirect supervision of the CEO/GM may likewise be
436 removed by the CEO/GM or such designee as may be conveyed in
437 writing. Any such removal from office of the CEO/GM or other
438 critical management position holder, except as provided by this
439 act, shall not affect the contract rights, if any, of the person
440 so removed.

441 (12) Any member position that becomes known to be
442 permanently vacant for any reason will be filled within 2 months

443 by the city commission for the duration of the remaining
444 appointed term, provided that such remaining term exceeds 3
445 months. Any member position that becomes known to be temporarily
446 vacant for any reason during an appointed term may be
447 expeditiously filled for the duration of the remaining term
448 through appointment by a majority of the remaining commission,
449 provided that such remaining term exceeds 6 months. Such
450 appointed person will hold qualifications for such position as
451 if appointed to such position and such time spent on the
452 utilities commission to fill such temporary vacancy will be not
453 be included for purposes of calculating the term limitation
454 provision contained elsewhere in this act.

455 (13) The private tangible and intangible property of any
456 individual member of the utilities commission shall not be
457 subject to the payment of, and no member of the utilities
458 commission shall be individually responsible for, commission
459 debts to any extent whatsoever.

460 (14) (a) Any person who is or was an officer, executive, or
461 member of the utilities commission and who is or was a party to
462 any threatened, pending, or completed proceeding, by reason of
463 the fact that he or she is or was an officer, executive, or
464 member of the utilities commission legitimately acting in the
465 course of his or her duties or is or was serving at the request
466 of the utilities commission as an officer, executive, or member
467 or agent of a corporation, company, partnership, joint venture,
468 trust, or other enterprise shall be indemnified by the utilities

469 commission to the full extent permitted by law against all
470 expenses and liabilities incurred in connection with such
471 proceeding, including any appeal thereof. Notwithstanding the
472 foregoing, the utilities commission shall indemnify such person
473 in connection with a proceeding initiated by that person only if
474 such proceeding was authorized by the utilities commission;
475 provided, however, that the utilities commission shall indemnify
476 such person in connection with a proceeding to enforce such
477 person's rights under this provision. Such person shall also be
478 entitled to advancement of expenses incurred in defending a
479 proceeding in advance of its final disposition to the full
480 extent permitted by law, subject to the conditions imposed by
481 law.

482 (b) Any indemnification or advance of expenses under this
483 article shall be paid promptly, but within 30 calendar days,
484 under any event after the receipt by the utilities commission of
485 a written request therefore from the person to be indemnified,
486 unless with respect to a claim for indemnification, the person
487 is not entitled to indemnification under this provision. Unless
488 otherwise provided by law, the burden of proving that the person
489 is not entitled to indemnification shall be on the utilities
490 commission.

491 (c) The right of indemnification under this article shall
492 be a contract right inuring to the benefit of the persons
493 entitled to be indemnified hereunder and no amendment or repeal

494 of this article shall adversely affect any right of such persons
 495 existing at the time of such amendment or repeal.

496 (d) The indemnification provided hereunder shall inure to
 497 the benefit of the heirs, executors, and administrators of a
 498 person entitled to indemnification hereunder.

499 (e) The right of indemnification under this article shall
 500 be in addition to and not exclusive of all other rights to which
 501 persons entitled to indemnification hereunder may be entitled.
 502 Nothing contained in this article shall affect any rights to
 503 indemnification to which persons entitled to indemnification
 504 hereunder may be entitled by contract or otherwise under law.

505
 506 As used in this act, the terms "corporation," "other
 507 enterprises," "expenses," "proceeding," "agent," and "serving at
 508 the request of the utilities commission" shall have the meanings
 509 ascribed to them in s. 607.0850, Florida Statutes, of the
 510 Florida Business Corporation Act or any successor act.

511 (15) Every bond or debenture issued by the utilities
 512 commission shall be signed by the chairperson and by the
 513 secretary/treasurer and sealed with the seal of the utilities
 514 commission. The seal may be facsimile, engraved, or printed.
 515 Where such bond or debenture is authenticated with the manual
 516 signature of an authorized officer or executive of the utilities
 517 commission or other trustee designated by the indenture of trust
 518 or other agreement under which said security is issued, the
 519 signature of any of the utilities commission's officers or

520 executives named herein may be facsimile. In case any officer or
521 executive who signed or whose facsimile signature has been used
522 on any such bond or debenture shall cease to be an officer or
523 executive of the utilities commission for any reason before the
524 same has been delivered by the utilities commission, such bond
525 or debenture may be issued and delivered as though the person
526 who signed it or whose facsimile signature has been used thereon
527 had not ceased to be such officer or executive.

528 (16) All notes and other evidences of indebtedness of the
529 utilities commission other than bonds or debentures shall be
530 signed by the CEO/GM or such other officers, executives, agents,
531 or other persons as may be designated by the CEO/GM. All checks,
532 drafts, or other orders for the payment of money shall be signed
533 by such officers, executives, agents, or other persons as are
534 designated by the CEO/GM. The signature of any such officer,
535 executive, agent, or other person so designated by the utilities
536 commission to sign checks, drafts, or other orders for the
537 payment of money may be by facsimile, if authorized by the
538 CEO/GM.

539 (17) The seal of the utilities commission shall have the
540 words "Gainesville Regional Utilities Commission, Florida, 2016,
541 Official Seal" inscribed thereon and may be a facsimile,
542 engraved, printed, or an impression seal.

543 (18) Meetings of the utilities commission shall be held in
544 such places and at such times as the utilities commission may
545 determine by vote from time to time. Public notice of such

546 regular meeting shall state the date, time, and place of the
547 meeting and shall be given by the CEO/GM to each member either
548 by mail at least 48 hours before the time of the meeting or by
549 hand-delivery or by telephone or facsimile or other form of
550 electronic communication. Special meetings of the utilities
551 commission may be held at any time or place whenever called by
552 the chairperson, CEO/GM, or two or more members individually
553 notifying the CEO/GM. Notice of a special meeting stating the
554 date, time, and place of the meeting shall be given by the
555 CEO/GM to each member either by mail at least 48 hours before
556 the time of the meeting or by hand-delivery or by telephone or
557 facsimile or other form of electronic communication on 24 hours'
558 notice for emergency purposes and to the public by appropriate
559 methods and procedures as required by general law. A public,
560 written agenda shall be provided by the CEO/GM with said notice
561 of any commission meeting and shall specify with particularity
562 the business to be brought before the utilities commission in a
563 clear, unambiguous, and understandable manner for each matter
564 desired to be brought to the utilities commission for its
565 determination. Any commission member or member may waive, either
566 in writing or by attendance, any notice of meetings required to
567 be given to the utilities member by this act. Any meeting or
568 business conducted by the utilities commission shall be
569 conducted in compliance with applicable general law, including
570 chapters 112, 119, and 286, Florida Statutes, as specifically
571 applicable to the utilities commission.

572 (19) A simple majority of the full members shall
573 constitute a quorum for the transaction of business.

574 (20) The utilities commission may by resolution adopt by a
575 majority of the full commission and designate from their number
576 an executive committee and one or more other committees
577 ("committee"), each of which must be provided for by a separate
578 resolution and also be permitted by general law. All such
579 committees shall meet publicly and be advisory, shall function
580 under a charter approved by the utilities commission, and shall
581 publicly report to the utilities commission at or before each
582 meeting of the utilities commission all recommendations taken by
583 said committees since the preceding meeting of the utilities
584 commission. Each such committee may make rules for the holding
585 and conduct of its public meetings and the keeping of the public
586 records thereof which shall also be retained by the
587 secretary/treasurer.

588 (21) The utilities commission by a majority of the full
589 commission may by resolution adopt and designate one or more
590 members as alternate members of any such committee who may act
591 in the place and stead of any member absent or disqualified from
592 voting at any meeting of such committee.

593 (22) To effect the unrestricted transfer of commission
594 governing authority and control of land, facilities, equipment,
595 licenses, debt, funds, entitlements, or any other appropriate
596 utilities activity exercised by the utilities commission under
597 the authority of this act, the city commission and the city

598 shall create such conveyance instruments, power of attorney, or
599 other appropriate instruments as necessary for execution by and
600 at the will of the utilities commission to be used in accordance
601 with this act. Furthermore, the city commission and the city
602 shall not encumber such conveyance by establishing conditions
603 precedent or administrative requirements before or after the
604 effective date of this article.

605 (23) A special meeting with the city commission shall be
606 held once each calendar year whenever called by the chairperson
607 or if demanded by the city commission in writing and delivered
608 to the secretary/treasurer. A special meeting so demanded by the
609 city commission shall not occur more often once in any rolling
610 12-month period and shall be called by the chairperson and held
611 on a date which shall not be more than 30 calendar days after
612 the demand is made. As a condition precedent, the city
613 commission shall specify up to five matters describing with
614 particularity and accompanied by appropriate reference
615 information concerning the business to be brought before the
616 utilities commission which all must be stated in a clear,
617 unambiguous, and understandable manner at the time of such
618 submission of the demand; no other business shall be brought
619 before any said special meeting except as specified in such
620 demand or when called by the chairperson who shall specify up to
621 five matters describing with particularity and accompanied by
622 appropriate reference information concerning the business to be
623 brought before the utilities commission which all must be stated

624 in a clear, unambiguous, and understandable manner at the time
625 of such submission.

626 (24) The utilities commission shall cause to be
627 established and maintained a complete accounting system which,
628 among other things, shall be subject to applicable laws and
629 rules and regulations of a regulatory body and shall conform to
630 such accounting requirements and stipulations as may from time
631 to time be designated by governing authority. Financial
632 statements of the utilities commission shall be examined monthly
633 by the utilities commission at regular meetings. The utilities
634 commission shall also after the close of each fiscal year cause
635 to be made a full and complete audit of the accounts, books, and
636 financial condition of the utilities commission as of the end of
637 such fiscal year. Such audit reports shall be submitted to the
638 appropriate regulatory bodies, the city, and others as may be
639 required or desired. The utilities commission may purchase a
640 bond covering an officer, executive, or employee as may
641 originally be determined by the utilities commission in
642 executing financial transactions and other financially-involved
643 matters.

644 (25) The CEO/GM, through assigned staff, is responsible
645 for providing an orientation program for new members which
646 includes providing information designed to familiarize new
647 members with the utilities commission's business and general
648 industry; its strategic plans; its significant financial,
649 accounting, and risk management issues; its compliance programs;

650 its code of business conduct and ethics; its principal officers
651 and executives; its internal and independent auditors; and its
652 key policies and practices. This orientation is designed to be
653 conducted within a reasonable period of time after the meeting
654 at which new members are sworn. In addition to the orientation
655 program, staff management also will periodically provide
656 materials or briefing sessions for all members on subjects that
657 would assist them in discharging their duties. Commission
658 members are also encouraged to attend appropriate sessions or
659 programs and review materials relating to the responsibilities
660 of members of publicly owned utilities.

661 7.08 The utilities commission shall be afforded and adhere
662 to specific commission provisions to:

663 (1) Acquire by title or entitlement by transfer and
664 conveyance at no cost from the City of Gainesville, to the
665 utilities commission, all existing real or personal property,
666 cash and other liquid assets, reserve funds of any kind housed
667 within or external to the organization, retirement funds or
668 trusts or reserves, personnel, licenses, permits, contracts and
669 agreements, or any estate or interest or entitlement or
670 occupancy in property, within or without the city limits, for
671 any of the legitimate purposes of the utilities, and to improve,
672 sell, lease, mortgage, pledge, or otherwise dispose of its
673 property or any part of its property, or subsequently acquire or
674 dispose by the utilities commission by purchase, gift, devise,
675 lease, lease-purchase, condemnation, or otherwise all existing

676 real property, personnel, licenses, permits, agreements, or any
677 estate or interest or entitlement or by occupancy in property,
678 within or without the city limits, for any of the purposes of
679 the utilities, and to improve, sell, lease, mortgage, pledge, or
680 otherwise dispose of its property or any part of its property
681 except as modified by provisions of this act and other
682 provisions contained herein below.

683 (2) Acquire by title or entitlement or by transfer and
684 conveyance at no cost from the City of Gainesville to the
685 utilities commission any, all, and complete existing rights to
686 purchase, hire, construct, extend, maintain, own, operate, or
687 lease local public utilities, including electric, telephone, and
688 telegraph and communications systems, and cable television;
689 wastewater, reuse, and storm water facilities; the supply to the
690 city or county and its inhabitants with electric energy, water,
691 wastewater, reuse water, natural gas, communications and for
692 illuminating, heating, power, or other purposes; produce and
693 distribute electric, water, wastewater, natural gas, and
694 communications; any utility or utility-related transmission and
695 distribution systems; wastewater and storm water transmission
696 and disposal facilities; and, any and all other utilities,
697 except for transportation, as the welfare of its residents
698 reasonably demands.

699 (3) Acquire by title or entitlement by transfer and
700 conveyance at no cost from the city, to the utilities
701 commission, all existing utilities' long-term and short-term

702 debt, or short-term or long-term debt to finance the utilities
703 through the sale of bonds, pledging revenue, or otherwise; sell
704 electricity, gas, water, wastewater, or any other service,
705 product, or commodity gathered, provided, produced, or
706 manufactured by the utilities commission from the public
707 utilities systems and facilities owned or operated by the
708 utilities commission to any consumer within or without the
709 limits of the city; and locate utility plants, distribution
710 facilities, or any appurtenances either within or without
711 Alachua County.

712 (4) Enter into agreements with other municipalities either
713 within or without Alachua County, or with governmental units or
714 private utility companies, for selling or buying utility
715 services or other municipal services of any kind, wherever
716 located; sell any surplus of electric energy or water it may
717 have over and above the amount required to supply its own
718 inhabitants and any other services to persons, firms, and
719 corporations, public or private, on such terms and conditions as
720 the utilities commission considers appropriate; and exercise all
721 powers and authority of the utilities commission to acquire by
722 transfer, purchase, gift, lease, lease-purchase, or otherwise,
723 and real or personal property, including specifically all powers
724 and immunities granted by general law.

725 (5) Consistent with the provisions and effective date of
726 this act, such previous applicable nonconflicting utilities-
727 related ordinances, policies, rates, fees, rules, regulations,

728 budgets, and other provisions previously adopted under the
 729 Charter of the City of Gainesville are hereby considered as
 730 adopted, reenacted, or assumed by the utilities commission for
 731 transition purposes until such time that the utilities
 732 commission alone, through appropriate commission actions and
 733 resolutions, shall subsequently change, publish, and enforce
 734 such policies, rates, fees, rules, regulations, budgets, and
 735 other provisions and requirements stipulated by this act.

736 (6) Issue any bonds that municipalities are authorized to
 737 issue under the State Constitution or laws of the state, subject
 738 to the provisions of this act. For purposes of this subsection,
 739 the term "bonds" means revenue bonds and certificates,
 740 certificates of indebtedness, special assessment bonds and
 741 certificates, bond anticipation notes, revenue anticipation
 742 notes, and other evidences of indebtedness. The term "revenue
 743 bonds" means bonds payable solely from the revenues derived from
 744 sources of revenue other than ad valorem taxes.

745 (7) Exercise the power of eminent domain to acquire
 746 property, except state or federal, located within Alachua
 747 County, and exercise the power of eminent domain outside the
 748 county where permitted by general law, for the sole purpose of
 749 locating electrical generating, transmission, or distribution
 750 facilities of any of its utilities; sanitary sewerage or other
 751 waste collection, treatment, or disposal facilities;
 752 communication facilities; water production, treatment,
 753 transmission, and distribution facilities; and for a nonstated

754 use by the utilities commission in the performance and exercise
755 of any of its duties, rights, or plenary authority.

756 (8) Have full and exclusive power and authority to
757 prescribe rules, rates, and regulations governing the sale and
758 use of utilities wherever such services are furnished by said
759 commission and to change the same at its pleasure after
760 conducting a public hearing or hearings pertaining to changes
761 requiring such hearings. The utilities commission is authorized
762 to provide utilities to private individuals and corporations
763 wherever the same may be required and feasible as solely
764 determined by the utilities commission; and, for said purpose of
765 providing such utilities, the utilities commission shall have
766 the right to acquire, construct, maintain, extend, improve and
767 develop utilities, including the right to construct and maintain
768 utilities in, along, and under all public streets and highways
769 and to contract with and receive grants and contributions from
770 the United States or any of its agencies or departments, the
771 State of Florida or other states, and any municipality, public
772 body, corporation, partnership, or individual for said purposes.

773 (9) Have the exclusive power and authority to bill and
774 collect the prescribed fees or charges for all utilities and
775 services rendered under its control and, when collected, the
776 flow of funds shall be: first, the payment of all operating and
777 maintenance expenses of said utilities; second, the funding of
778 all commission discretionary or required reserves, including
779 those established by revenue certificates previously issued by

780 the city or said commission for projects under commission
781 control, including the debt service payments of all such revenue
782 certificates as the same become due; and, third, the payment to
783 the general fund of the city from revenues of the utilities
784 under the utilities commission's control a sum, after the
785 effective date of this legislation, not to exceed 9 percent of
786 the gross revenues. Said designated payments by the utilities
787 commission to the city's general fund shall be made monthly. At
788 the sole discretion of the utilities commission, any surplus, if
789 any, may be paid to the general fund of the city after reserving
790 an adequate fund for operation and maintenance expenses, capital
791 improvements, and other contingencies as solely determined by
792 the utilities commission.

793 (10) Have the power and authority to make agreements and
794 covenants with the city, and with the holders of any revenue
795 bonds or other obligations issued to finance, in whole or in
796 part, any repairs, extensions, construction, or improvements of
797 utilities with respect to the filing and collecting of fees,
798 rentals, and other charges for utility services and other
799 services. All such agreements and covenants shall constitute and
800 be deemed valid contracts between the utilities commission and
801 the holders of any revenue bonds or other obligations and may be
802 enforced by any holder of such revenue bonds or any other
803 obligations in any court of competent jurisdiction subject;
804 however, to any provisions for enforcement which may be
805 contained in such agreements or covenants or in the resolution

806 or resolutions of the city or the city commission pursuant to
807 which such obligations were issued.

808 (11) Be authorized, upon appropriate commission approval,
809 to borrow at any time an amount of money equal to 10 percent of
810 the book value of the utilities' physical plant assets for any
811 12-month period and to pay interest on such sum borrowed at a
812 rate not to exceed the then-prevailing interest rate of banks
813 located in Alachua County, and to issue its promissory note or
814 notes as evidence of said indebtedness which notes shall be
815 signed by the chairperson and the secretary/treasurer thereof,
816 provided that at no time shall such promissory note or notes
817 exceed 10 percent of the book value of such utilities' physical
818 plant assets and provided further that money so borrowed shall
819 be expended only for current operating expenses.

820 (12) Have, after conducting a public hearing or hearings,
821 the right, power, and authority to issue revenue certificates or
822 promissory notes for the purpose of paying for all or a part of
823 the costs of acquisition, construction, repairing, extensions,
824 additions, equipping, and reconstructing any of the utilities.
825 All such revenue certificates or promissory notes while
826 authorized and issued by the utilities commission shall be
827 obligations of the utilities commission and no referendum or
828 freeholder election shall be required as a condition precedent
829 to the issuance of such revenue certificates or promissory
830 notes. All revenue certificates shall be offered for sale to not
831 less than three responsible bond brokers and the best bid

832 accepted unless, in the discretion of the utilities commission,
833 a better bid may be obtained by negotiation. In such case the
834 utilities commission shall have the right to reject all bids and
835 sell said certificates upon the best terms offered there from.

836 In addition:

837 (a) Revenue certificates issued under the provisions of
838 said commission shall be payable solely from the revenues
839 derived from the operation of the utilities or services under
840 the supervision, operation, and control of the utilities
841 commission and from any other funds legally available to the
842 utilities commission.

843 (b) The utilities commission shall not convey or mortgage
844 any property or facility or any part thereof as security for the
845 payment of revenue certificates.

846 (c) In the sole discretion of the utilities commission,
847 each or any issue of such revenue certificates may be secured by
848 a trust agreement by and between the utilities commission and a
849 trustee which may be any trust company or bank having the powers
850 of a trust company within or without the state. Such trust
851 agreement may pledge or assign the revenues to be received by
852 the utilities commission. The resolution providing for the
853 issuance of revenue certificates or such trust agreement may
854 contain such provisions for protecting and enforcing the rights
855 and remedies of the certificate holders as may be reasonable,
856 proper, and not in violation of law, including covenants setting
857 forth the duties of the utilities commission in relation to the

858 acquisition, construction, improvements, maintenance, operation,
859 repair, equipping, and insurance of the facilities, and the
860 custody, safeguarding, and application of all monies. It shall
861 be lawful for any bank or trust company incorporated under the
862 laws of Florida to act as such depository and to furnish such
863 indemnifying bonds or to pledge such securities as may be
864 required by the utilities commission. Such resolution or such
865 trust agreement may restrict the individual right of action by
866 certificate holders as is customary in trust agreements securing
867 bonds or debentures of corporations. In addition to the
868 foregoing, such resolution or trust agreement may contain such
869 other provisions as the utilities commission may deem reasonable
870 and proper for the security of certificate holders. Except as
871 this section otherwise provides, the utilities commission may
872 provide, by resolution or by trust agreement, for the payment of
873 the proceeds of the sale of the revenue certificates and the
874 revenues of the utilities and services to such officer,
875 executive, board, or depository as it may determine for the
876 custody thereof and for the method of disbursement thereof with
877 such safeguards and restrictions as it may determine. All
878 expenses incurred in carrying out such trust agreement may be
879 treated as a part of the cost of operation of the utilities
880 affected by such trust agreement.

881 (d) The resolution or trust agreement providing for the
882 issuance of the revenue certificates may also contain such
883 limitations upon the issuance of additional revenue certificates

884 as the utilities commission may deem proper and such additional
885 certificates shall be issued under such restrictions or
886 limitations as may be prescribed by the resolution or trust
887 agreement.

888 (13) Be authorized to provide by resolution for the
889 issuance of refunding revenue certificates for the purpose of
890 refundng any revenue certificates heretofore issued by the city
891 then outstanding or issued under the provisions of the utilities
892 commission. The utilities commission is further authorized to
893 provide by resolution for the issuance of revenue certificates
894 for the combined purpose of:

895 (a) Paying the cost of any acquisition, construction,
896 extension, addition, improvement, equipment, or reconstruction
897 of a facility or facilities of the utilities commission.

898 (b) Refunding revenue certificates heretofore issued by
899 the city and of the utilities commission which shall theretofore
900 have been issued under the provisions this act and shall then be
901 outstanding. The issuance of such obligations, the maturities
902 and other details thereof, the rights and remedies of the
903 holders thereof, the rights, powers, privileges, duties, and
904 obligations of the utilities commission with respect to the same
905 shall be governed by the foregoing provisions of this act
906 insofar as the same may be applicable.

907 (14) Have any revenue certificates or other obligations
908 issued pursuant to this act become and constitute legal
909 investments for bonds, savings banks, trustees, executors,

910 administrators, and all other fiduciaries for all state,
911 municipal, and public funds and shall also become and constitute
912 securities eligible for deposit as security for all state,
913 municipal, or other public funds notwithstanding the provisions
914 of any other law or laws to the contrary.

915 (15) Be authorized to invest money not required for
916 immediate use, including proceeds from the sale of any bonds or
917 revenue certificates or notes, in such obligations, securities,
918 and other investments as the utilities commission shall deem
919 prudent, subject to any agreement with bondholders, revenue
920 certificate holders, or note holders and in accordance with
921 general law governing investment for municipal entities.

922 (16) Prepare, present, and approve an integrated
923 operations and maintenance commission budget for the ensuing
924 year on or before July 1 of each year, setting forth its
925 estimated gross revenues and estimated requirements for
926 operations and maintenance expenses, debt service, and
927 depreciation. Additionally, a 5- and a 10-year commission
928 capital budget shall be annually prepared and integrated with
929 the operations and maintenance commission budget on or before
930 July 1 of each year, setting forth each project, estimated
931 costs, anticipated in-service dates, and anticipated funding
932 sources.

933 (17) Submit to the city a monthly statement showing all
934 sums or amounts received, operating expenses, amount charged to
935 depreciation and extensions, reserve fund and amount

936 appropriated to interest, and sinking funds. The fiscal year of
937 the utilities commission shall begin October 1 and end September
938 30 of each year. Within 90 calendar days after the close of the
939 fiscal year, the books and records relating to the utilities
940 will be properly audited by a nationally recognized independent
941 certified public accountant or auditing firm. Such audit shall
942 contain a complete report of operations of the utilities
943 commission, including, but not limited to, a comparison with the
944 current budget and with the operations of the previous year, the
945 balance sheet, a schedule of insurance in existence, a schedule
946 of the application of all revenues of the utilities, a schedule
947 of reserves and investments and income therefrom, and a
948 certificate by the auditors stating whether the utilities
949 commission is in default with respect to any covenant wherein
950 which has been disclosed by reason of such audit. At a minimum,
951 the auditors selected are to be changed every 3 years. A copy of
952 such annual audit shall regularly be furnished to the city,
953 county, and any person having requested in writing that a copy
954 be furnished to such individual.

955 (18) Diligently enforce and collect all fees, rates, or
956 other charges for the services and facilities of the utilities,
957 and take all steps, actions, and proceedings for the enforcement
958 and collection of such fees, rates, or other charges which shall
959 become delinquent to the full extent permitted or authorized by
960 the laws of the State of Florida; and that the utilities
961 commission will, under reasonable rules and regulations,

962 discontinue and shut off the supply of services and facilities
963 of said utilities for nonpayment of such fees, rates, or
964 charges, and will not restore such services and facilities of
965 said utilities until all such delinquent charges, with
966 reasonable penalties and charges for restoration of service,
967 have been paid in full.

968 (19) Ensure that no entity of the city, county, or state,
969 no elected city or county official, no officer or executive of
970 the city or county, not the utilities commission, and no member
971 may dictate any employment for commission positions or in any
972 manner interfere with the independence of commission officers,
973 executives, or employees in the performance of their duties.
974 Except for the purpose of an inquiry for information or public
975 records, the city commission or the Alachua County Board of
976 County Commissioners and all of their members must communicate
977 with the utilities commission solely through the utilities
978 commission secretary/treasurer regarding commission business,
979 and the city commission, the Alachua County Board of County
980 Commissioners, any respective city or county commissioners, the
981 Gainesville Regional Utilities Commission, and members may not
982 give, either publicly or privately, any individual orders to or
983 interfere with any direct or indirect subordinates of the
984 CEO/GM, including staff officers and executives, employees,
985 contractors, consultants, or other agents.

986 (20) Ensure that individual members are granted complete
987 access to the utilities commission's management, any and all

988 records and documents, and any and all transactions in
989 accordance with law and subject to reasonable advance notice to
990 the CEO/GM and reasonable efforts to avoid disruption to
991 management, business, and operations. The utilities commission
992 and each committee shall have access to any independent legal,
993 financial, or other advisors, as they may deem necessary in
994 their sole discretion. However, inquiry and information requests
995 considered by the CEO/GM as excessive or interfering with an
996 employee's or work unit's performance of its duties may be
997 presented to the chairperson for mediation before filing a
998 formal interference complaint by the CEO/GM with the utilities
999 commission.

1000 (21) Ensure that the utilities commission does not, in any
1001 manner, dispose of or agree to sell or convey the utilities
1002 commission's used and useful assets exceeding 5 percent of the
1003 respective individual utility's total assets, using depreciated
1004 book value, unless the utilities commission does so with the
1005 prior approval of a simple majority vote of the qualified
1006 electors of the city voting at a regular or special election for
1007 the purpose of such conveyance. The title to all property, real
1008 or personal, owned or acquired by the utilities commission is
1009 ultimately vested in the city such that should the utilities
1010 commission be dissolved, all assets shall then be under the
1011 control of the city, and be conveyed to the city upon
1012 dissolution. Additionally, title for all property, real or
1013 personal, acquired by the utilities commission shall be in the

1014 name of and under the sole control of the utilities commission;
 1015 however, said title and all property, real or personal, shall be
 1016 transferred and conveyed without any cost whatsoever by the
 1017 utilities commission to the city as is when said property, real
 1018 or personal, not exceeding 5 percent of the respective
 1019 individual utility's total assets, using depreciated book value,
 1020 is determined and declared solely by the utilities commission as
 1021 no longer necessary for utility purposes. The city may reuse or
 1022 dispose of said property at the city's sole determination and
 1023 benefit consistent with laws or other regulatory requirements.
 1024 Neither the utilities commission nor the city commission may in
 1025 any manner agree to dispose of any utility or portion thereof
 1026 exceeding 5 percent of the respective individual utility's total
 1027 assets, using depreciated book value, unless either commission
 1028 does so with the prior approval of a simple majority vote of the
 1029 qualified electors of the city voting at an election for the
 1030 purpose of such conveyance.

1031 (22) Ensure that to the full extent permitted by law, the
 1032 city will not grant, cause, consent to, or allow the granting of
 1033 any franchise or permit to any person, firm, corporation, body,
 1034 agency, or instrumentality whatsoever, for the furnishing of
 1035 services which will compete with those of the utilities
 1036 commission. No discriminatory franchise, right-of-way, license,
 1037 permit, tax, or usage fee shall be levied upon the utilities
 1038 commission or its utilities by the city or by the county unless
 1039 provided by general law.

1040 (23) Not render or cause to be rendered, directly or
1041 indirectly, any free utilities, subsidies, sponsorships, grants,
1042 contributions, donations, free services, or in-kind services of
1043 any nature from the utilities or commission, nor will any
1044 preferential rates be established for users of the same class;
1045 the utilities commission and the city or county, including its
1046 departments, agencies, and instrumentalities, shall use the
1047 services provided by the utilities commission within the
1048 utilities commission's service areas, or any part thereof, and
1049 the same rates, fees, or charges applicable to other customers
1050 receiving like services under similar circumstances shall be
1051 charged to the utilities commission and the city or county and
1052 any such department, agency, or instrumentality. Such charges
1053 shall be paid as they become due. The revenues so received shall
1054 be deemed to be revenues derived from the operation of the
1055 utilities and shall be deposited and accounted for in the same
1056 manner as other revenues derived from such operation of the
1057 utilities.

1058 (24) Retain, every 5 years, and cause to be prepared by a
1059 consulting engineering firm, having a nationwide and favorable
1060 reputation, a report of the utilities with respect to the
1061 operation and management of the properties thereof, operation
1062 and economics of facilities of comparable size and character as
1063 the utilities, the sufficiency of the rates and charges for
1064 services, conclusions as to changes in the operation of the
1065 utilities, and the necessity for capital improvements. In making

1066 such report or survey, the consulting engineers shall accept
1067 certified statements of the independent certified public
1068 accountants, auditors, and other consultants of the utilities
1069 commission. The utilities commission may, however, employ
1070 additional engineers or specialized services at any time with
1071 relation to specific projects and services required in
1072 connection with the utilities. Copies of each report shall be
1073 provided to the city, placed on file with the utilities
1074 commission, and open to the inspection and copying by other
1075 interested parties.

1076 (25) (a) Annually approve the goals and objectives for
1077 compensating the CEO/GM.

1078 (b) Evaluate the CEO/GM's performance in light of these
1079 goals before setting his or her salary or other compensation.

1080 (c) Annually approve the compensation structure for the
1081 utilities commission staff.

1082 (d) Review and evaluate the performance of the utilities
1083 commission's officers and executives conducted by the CEO before
1084 approving their salary or other compensation, if any.

1085 (26) The utilities commission shall annually review plans
1086 for development and succession to the position of CEO/GM as well
1087 as other senior management positions. To assist the utilities
1088 commission, the CEO/GM, at a frequency established by the
1089 utilities commission, but at least biennially, will provide the
1090 utilities commission with an assessment of senior managers and
1091 of their potential to succeed him or her and information on any

1092 persons considered potential successors to senior management
1093 positions. These assessments are then reviewed by the utilities
1094 commission to ensure it has in effect policies regarding
1095 succession in the event of an emergency, retirement, or an
1096 unplanned event affecting the CEO/GM or other senior management
1097 staff.

1098 (27) Provide for and conduct an annual self-evaluation to
1099 determine whether the utilities commission and its committees
1100 are functioning effectively. The full commission shall discuss
1101 the results to determine what, if any, action could improve the
1102 utilities commission's performance as a whole. The executive
1103 committee, if established, or the utilities commission shall
1104 consider the results of the evaluation in assessing and
1105 determining the characteristics and critical skills required of
1106 prospective candidates for appointments to the utilities
1107 commission. The executive committee, if established, or the
1108 utilities commission itself shall review governance guidelines
1109 at least annually and recommend or adopt any changes as
1110 appropriate.

1111 (28) Secure, as may be financially justified, adequate
1112 fire, flood, and windstorm insurance on all buildings and
1113 structures and facilities of the utilities which are subject to
1114 loss through fire, flood, or windstorm, secure adequate public
1115 liability insurance, and otherwise carry insurance of all kinds
1116 and in the amounts normally carried in the operation of
1117 facilities and properties of similar size and character.

1118 (a) The proceeds of all insurance shall be available for
 1119 and shall, to the extent necessary, be applied to the repair,
 1120 replacement, or reconstruction of the damaged or destroyed
 1121 property. If such proceeds are more than sufficient for such
 1122 purpose, the balance remaining shall be deposited to the credit
 1123 of an appropriate capital account. If such proceeds shall be
 1124 insufficient for such purpose, the deficiency may be supplied
 1125 out of any moneys in a capital account or any other moneys
 1126 available therefore.

1127 (b) All insurance policies shall be open to inspection at
 1128 reasonable times.

1129 (c) Nothing in this section shall prohibit the utilities
 1130 commission from instituting and maintaining self-insurance
 1131 programs with regard to such risks as shall be consistent with
 1132 the recommendations of a professional, qualified insurance
 1133 consultant.

1134 (29) Ensure that all existing City of Gainesville
 1135 authority, laws, ordinances, resolutions, and administrative
 1136 regulations, interpretations, franchises, and controls directly
 1137 and indirectly affecting and controlling said utilities are
 1138 hereby conveyed to and exclusively vested within said commission
 1139 and its respective governance and authority as contained herein.
 1140 All rights, claims, actions, orders, and legal or administrative
 1141 proceedings involving the utilities commission immediately prior
 1142 to the effective date of this act shall continue, except as

1143 modified pursuant to the provisions of and plenary authority
 1144 granted by this act.

1145 (30) Shall ensure the development of an ethics policy and
 1146 a code of business conduct policy which shall be reviewed at
 1147 least biennially. Such policy and code shall be adhered to in
 1148 accordance with this act and any additional adherence
 1149 requirements which may subsequently be approved by the utilities
 1150 commission. Members, as well as all officers, executives, and
 1151 management and supervisory employees, shall each acknowledge
 1152 annually in writing their compliance with the utilities
 1153 commission's Code of Ethics and Business Conduct. Any waiver of
 1154 this requirement for a member, said officer, said executive, or
 1155 said employee shall only be granted unanimously by vote of the
 1156 full commission. Any member of the utilities commission
 1157 requesting the waiver shall be excluded from all meetings and
 1158 votes during which the requested matter is discussed or
 1159 deliberated, until decided.

1160 (31) Ensure that the utilities commission shall be
 1161 comprised of members who continuously qualify as independent as
 1162 defined by corporate law for an independent director.
 1163 Independent member characteristics and appropriate discharge of
 1164 responsibilities are:

1165 (a) A member shall not be independent if, within the
 1166 preceding 3 years, the voting member was employed by or acted as
 1167 a consultant to the utilities commission, an immediate family
 1168 member of a voting member was employed by or acted as a

1169 consultant to the utilities commission, or a member or an
1170 immediate family member of the member received more than \$50,000
1171 in direct or indirect compensation from the utilities
1172 commission, other than member fees.

1173 (b) A member shall not be independent if the voting member
1174 is a current employee or partner of the utilities commission's
1175 independent or internal auditor; an immediate family member of a
1176 voting member is a current partner of the utilities commission's
1177 independent or internal auditor, or is a current employee who
1178 personally works on the utilities commission's audit; or a
1179 voting member or an immediate family member was a partner or an
1180 employee of the independent auditor and personally worked on the
1181 utilities commission's audit within the last 3 years.

1182 (c) The following business or charitable relationships,
1183 based on the last completed fiscal year, shall not be considered
1184 to be material relationships that would impair a member's
1185 independence:

1186 1. If a member is an employee or consultant, or if the
1187 immediate family member of a member is an executive officer, of
1188 a company that does business with the utilities commission and
1189 the annual sales to, or purchases from, the utilities commission
1190 are less than the greater of \$100,000 or 1 percent of the
1191 consolidated annual gross revenues of the utilities commission's
1192 or respective utility for which he or she serves as an executive
1193 officer or employee or consultant; or

1194 2. If a member is an executive officer of a company that
1195 is indebted to the utilities commission, or to which the
1196 utilities commission is indebted, and the total amount of either
1197 entity's indebtedness to the other is less than 1 percent of the
1198 total consolidated assets of the company for which he or she
1199 serves as an executive officer. However, members should not
1200 avoid volunteering as directors or trustees of charitable
1201 organizations.

1202 (d) For relationships the character of which is not
1203 included in the categories in paragraphs (a)-(c), the
1204 determination of whether the relationship is material or not,
1205 and therefore whether the voting member would be independent or
1206 not, shall be made by the voting members who satisfy the
1207 independence guidelines set forth in paragraphs (a)-(c).

1208 (e) The utilities commission shall annually review all
1209 business relationships of members; whether members meet these
1210 categorical independence tests shall be made public annually.
1211 The utilities commission shall make appropriate disclosure of
1212 the basis for any commission determination that a relationship
1213 was immaterial despite the fact that it did not meet the
1214 categorical standards of immateriality in paragraphs (a)-(c) and
1215 provisions contained in this act.

1216 (f) Members must be willing to devote the time and effort
1217 necessary to properly discharge their responsibilities. No
1218 member may serve on the board of directors of more than two
1219 public companies, or three public companies if the voting member

1220 is not employed on a full-time basis; or on the audit committee
1221 of more than two public companies, unless in either case the
1222 utilities commission determines that doing so would not impair
1223 the voting member's ability to serve on the utilities
1224 commission. Members are expected to advise the chairperson
1225 before accepting an invitation to serve on the board or audit
1226 committee of a public company.

1227 (g) It shall be the policy of the utilities commission to
1228 publicly offer as information to the utilities commission any
1229 significant change in a member's personal business
1230 circumstances, including retirement or a change in a member's
1231 principal employment responsibilities. Further, the utilities
1232 commission policy will specify that members who retire or change
1233 from the outside position they held when they came on the
1234 utilities commission should not necessarily leave the utilities
1235 commission, but only that there should be an opportunity for the
1236 utilities commission to review each circumstance and confirm the
1237 opportunity of the voting member to fully participate on the
1238 utilities commission.

1239 (h) The utilities commission shall review at least
1240 annually the direct and indirect relationship that each member
1241 has with the utilities commission. Only those members whom the
1242 utilities commission affirms by unanimous vote as having no
1243 direct or indirect relationship with the utilities commission
1244 that would impair their independent judgment and is compliant

1245 with the applicable elements of an independent member will be
1246 considered and retain qualification as an independent member.

1247 (32) Upon discovery or presentation of information, the
1248 utilities commission shall make a determination regarding the
1249 validity of any past contract of the City of Gainesville doing
1250 business as Gainesville Regional Utilities, a department of the
1251 City of Gainesville, or regarding any contract of the utilities
1252 commission in which any member or previous member of the City of
1253 Gainesville has, or has had, or may, or may have had, a conflict
1254 of interest. Any past, present, or future contract involving
1255 utilities owned by the City of Gainesville in which any member
1256 or previous member of the City of Gainesville has, or has had,
1257 or may, or may have had, a conflict of interest is voidable by
1258 the utilities commission.

1259 (33) Ensure that anyone who has a concern about the
1260 utilities commission's practices or conduct or its accounting,
1261 internal accounting controls, or auditing matters, may
1262 communicate that concern to any one of the members by writing or
1263 e-mailing to special addresses published on the utilities
1264 commission's website or by other secure communication methods.
1265 All such concerns shall be forwarded to all members for their
1266 review and in compliance with government-in-the-sunshine laws.
1267 The members may publicly specify special treatment, including
1268 the retention of independent advisors or counsel, for any
1269 concern addressed to them. The status of all outstanding
1270 concerns shall be publicly reviewed by the utilities commission

1271 on at least a quarterly basis. The utilities commission and its
1272 officers, executives, directors, employees, contractors,
1273 subcontractors, and agents are prohibited from retaliating or
1274 taking any adverse action against anyone or an employee of the
1275 utilities commission solely for raising or helping to resolve
1276 any such concerns.

1277 (34) Ensure, except as otherwise specifically provided in
1278 this act, that the rights or privileges, if any, of persons who
1279 were city utility employees immediately before the effective
1280 date of this act are not affected or impaired.

1281 Section 2. (1) SEVERABILITY.—Headings and sections of
1282 this act are not intended to be construed, limiting, or
1283 interpreted in isolation from each other. If any word, phrase,
1284 clause, paragraph, section, or provision of this act or the
1285 application hereof to any person or circumstance is held invalid
1286 or unconstitutional, such finding shall not affect the other
1287 provisions or applications of this act which can be given effect
1288 without the invalid or unconstitutional provisions or
1289 application, and to this end the provisions of this act are
1290 declared severable.

1291 (2) TRANSITION.—In order to provide for the transitional
1292 administrative needs and orderly compliance with the provisions
1293 in this act, upon the effective date of this act, utility
1294 commission functions as described in section 7.08(5) are
1295 authorized and shall continue until amended, changed, or
1296 repealed by the utilities commission. The chairperson and

1297 secretary/treasurer are authorized, upon their respective
 1298 appointment by the utilities commission, to execute documents
 1299 required for the transition as may be appropriate or otherwise
 1300 determined by the utilities commission and to provide required
 1301 direction and administration of utilities functions for up to 60
 1302 calendar days during such time as the selection of the CEO/GM or
 1303 a conservator/CEO/GM, interim/CEO/GM, or temporary/CEO/GM is in
 1304 process as provided in section 7.06 of the charter.

1305 (3) CONFLICT WITH LAWS.—All laws or parts of laws in
 1306 conflict with this act are repealed. City of Gainesville and
 1307 Alachua County Charter provisions, ordinances, resolutions,
 1308 decrees, or parts thereof, in conflict herewith are to the
 1309 extent of such conflict hereby also repealed.

1310 Section 3. The referendum question shall be posed as
 1311 follows:

1312 Shall the Charter of the City of Gainesville be amended by
 1313 creating the Gainesville Regional Utilities Commission, a
 1314 municipally owned, independent, appointed, and representative
 1315 commission?

1316 Yes

1317 No

1318 Section 4. This act shall take effect only upon its
 1319 approval by a majority vote of those qualified electors of the
 1320 City of Gainesville voting in a referendum to be held in
 1321 conjunction with the next primary election to be held in Alachua

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1322 County, except that this section and section 3 shall take effect
1323 upon becoming a law.