	COMMITTEE/SUBCOMMITTEE ACTION	
	ADOPTED (Y/N)	
	ADOPTED AS AMENDED (Y/N)	
	FAILED TO ADOPT (Y/N)	
	WITHDRAWN (Y/N)	
	OTHER	
1	Committee/Subcommittee hearing bill: Local Government Affairs	
2	Subcommittee	
3	Representative Perry offered the following:	
4		
5	Amendment (with title amendment)	
6	Remove everything after the enacting clause and insert:	
7		
8	Chapter 90-394, Laws of Florida, is repealed.	
	-	
9	Section 2. Article VII is added to the charter of the City	
10	of Gainesville, as created by chapter 12760, Laws of Florida,	
11	(1927), and as amended, to read:	
12		
13	ARTICLE VII GAINESVILLE REGIONAL UTILITIES COMMISSION	
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15	7.01 Establishment.—	
	7.01 Establishment.— (1) There is hereby created and made a part of the	

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18	utilities commission to be known and designated as the
19	"Gainesville Regional Utilities Commission," ("utilities
20	commission") which shall consist of five voting members. For the
21	purposes of this act, unless otherwise designated, the term
22	"utilities commission" shall mean the Regional Utilities
23	Commission of the City of Gainesville as a legal entity,
24	organization, or governing body and the term "member" shall mean
25	a member of the utilities commission. The term "utilities" shall
26	mean, unless otherwise specified, the electric utility system,
27	water utility system, wastewater utility system, reuse water
28	utility system, natural gas utility system, communications
29	utility system, and such other utility systems as are acquired
30	in the future.

- (2) As specified in this article, the utilities commission shall be created and remain an independent, not-for-profit enterprise and municipal legal entity with plenary authority and shall be governed by an independent governing commission consisting of five appointed members who are to be appointed by the city commission in compliance with the provisions of this act. Further, the utilities commission shall remain a part of the government of the City of Gainesville. The utilities commission is owned by the citizens of the City of Gainesville.
- (3) The Regional Utilities Commission of the City of Gainesville is created with plenary authority for the express purpose of acquiring, constructing, operating, providing,

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financing, and otherwise having complete authority with respect to utilities.

7.02 Commission voting members.

(1) The voting members of the utilities commission shall be determined and appointed by the city commission and consist of five members, each of whom resides year-round within the utilities commission's electric service territory of the electric utility system; is a customer of the utilities commission; possesses, at a minimum, a 4-year baccalaureate degree from an accredited institution with a major area of study in a technical, business, accounting, law, or other similar field of expertise; is a business owner or partner or officer in a business with sales exceeding \$5 million dollars annually; has not been convicted of a felony of the second degree or greater as defined by general law or has not been convicted under a plea of nolo contendere to any charge involving a felony of the second degree or greater as defined by general law; and is appointed to a staggered 5-year term by a simple majority vote of the city commission. Voting members must, before and after being appointed, maintain qualifications and representative obligations as when appointed, and maintain other member requirements defined and stipulated elsewhere in this article. Voting members shall have the power to make and adopt such rules and regulations, consistent with and not in violation of this act and applicable law, as the utilities commission may deem prudent for the management, administration, and regulation of

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the fiduciary, business, and other affairs of the utilities commission. All members to be appointed shall be qualified electors of the City of Gainesville, except a minimum of one member shall be a qualified elector of Alachua County, appointed from the unincorporated area of Alachua County, ("county") until such time as the proportional ratio of total electric meters outside the city exceeds the next highest or next lowest full integer that will occasion the next appointment by the city commission to add or remove a member appointment from an unincorporated area of the county, but in no case is the number to fall below one member from the unincorporated area of the county.

(2) Each voting member shall be and remain qualified as stated within this act. Until January 1, 2020, no current or previous employee having been employed with the city after January 1, 2000, or with the county after January 1, 2000, nor current or previous elected or appointed officer or official of the city after January 1, 2000, or the county after January 1, 2000, shall become a member, except that a qualified voting member initially first appointed to the utilities commission in 2016 as provided for in this act shall be considered for subsequent reappointment provided that such individual remains otherwise qualified and chooses to be considered for reappointment. Further, no voting member who has been properly appointed for two full, consecutive 4-year terms shall succeed herself or himself.

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7.03	Votina	member	terms

- (1) The city commission shall make initial utilities commission member appointments within 90 calendar days after the approval of the referendum required by this act. The initial terms of office for the five appointed members shall commence at 12:01 a.m. on October 4th 2016. The said appointments called for in this act and shall be as follows: one member will be designated to serve 1 year after the first Wednesday after said appointment in 2016; one member will be designated to serve 2 years after the first Wednesday after said appointment in 2016; one member will be designated to serve 3 years after the first Wednesday after said appointment in 2016; one member will be designated to serve 4 years after the first Wednesday after said appointment in 2016; and one member will be designated to serve 5 years after the first Wednesday after said appointment in 2016. Members subsequently appointed in each respective year beginning in 2017 will be appointed to and serve a full 4 -year term. Members will normally hold office for 4-year terms commencing at 12:01 a.m. of the first Wednesday after the referendum anniversary day of the year in which they are appointed or until their successors in office are appointed or as may be provided elsewhere in this act.
- (2) The city commission shall expeditiously schedule an appointment session and fill any utilities commission voting member vacancy within 2 months after a permanent vacancy occurs on the utilities commission or becomes known by virtue of

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resignation, death, or removal in order to fill the remaining period of the vacant member term provided that such remaining term exceeds 3 months.

- (3) As provided for elsewhere in this article, a voting member may be removed from office as provided by law upon conviction of malfeasance or misfeasance as a member or while holding another public office or upon conviction of a felony. A voting member may also be removed for failure to maintain all voting member qualifications or for violation of a provision of this act or a provision of stipulated governance policies as may be subsequently adopted and enforced by the utilities commission.
- $\underline{7.04}$ Utilities commission; initial meeting, organization, and oath.—
- initially meet at the utilities commission's headquarters at 6:00 p.m. on the second Wednesday of October after the initial appointment of all members in 2016. The utilities commission shall meet at least once each month at the offices of the utilities commission or as otherwise may be determined. All meetings of the utilities commission shall be open to the public and minutes shall be kept of all meetings. The utilities commission shall have plenary authority to promulgate policies, rules, and regulations for the conduct of its meetings and the operation and management of its utilities. The initial meeting of the first appointed utilities commission and at each

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subsequent first regular meeting of the utilities commission after each regularly scheduled annual appointment occurs as specified in section 7.03 shall include an organizational agenda item during this organizational meeting in which the new utilities member shall be sworn by the Mayor of the City of Gainesville and the voting members shall elect a chairperson, a vice chairperson, and a secretary/treasurer from among its voting membership.

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

7.05 Member compensation.—Each member shall be paid such salary as may change from time to time and shall be a salary of 60 percent each month of the salary of a city commissioner and include adjustments linked to the consumer price index, and necessary individual expenses incurred solely in carrying on and

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

- 7.06 Appointment of chief executive officer/general manager.—
- authority over the management, operation, and control, now or hereafter, over the city's utilities and shall employ and discharge all employees only through the chief executive officer/general manager ("CEO/GM") who directs and administers utilities functions under the policies and authority authorized solely by the utilities commission.
 - (2) A member shall not be selected as the first CEO/GM.7.07 General provisions.—
- (1) All business of the utilities commission shall be overseen by its members.
- (2) The utilities commission shall operate only as a municipally owned, cost-based, not-for-profit, and political subdivision of the state with no ad valorem taxing authority.
- (3) The utilities commission is comprised of voting and nonvoting members. Nonvoting members shall consist of the nondiscretionary utilities commission's CEO/GM at a minimum; additional discretionary nonvoting members consisting of other utilities commission staff executives with the concurrence of

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the utilities commission's CEO/GM; and external individuals who	2
reside in the electric service area of the utilities commission	<u>n</u>
and who are appointed and removed solely by the utilities	
commission. Such discretionary nonvoting members shall not	
exceed a total of three members at any given time and shall no	<u>t</u>
retain such appointments for more than 2 years, and such	
discretionary nonvoting members may only be designated as a	
member of the utilities commission for administrative	
participation purposes and serve only in the capacity as the	
utilities commission formally shall designate. Such	
discretionary nonvoting members may be reappointed once for no	
more than 2 additional years. Such discretionary nonvoting	
members shall receive no compensation for said service except	
for necessary individual expenses incurred solely in carrying	on_
and conducting the business of the utilities commission only is	<u>n</u>
the capacity the utilities commission has formally designated	
and in accordance with commission policy and procedures and	
subject to the approval of the utilities commission.	

- (4) Members may only be removed from office by the utilities commission acting in accordance with general law and as contained in this act. In addition:
- (a) Whenever a member is indicted for the utilities

 commission of malfeasance, misfeasance, neglect of duty,

 habitual drunkenness, incompetence, or permanent inability to

 perform official duties, the utilities commission shall request

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224 the Governor to temporarily suspend said member from office in accordance with general law.

- (b) Whenever any member is arrested for a felony or for a misdemeanor related to the duties of office or is indicted or informed against for the utilities commission of a federal felony or misdemeanor or state felony or misdemeanor, the utilities commission shall request the Governor to temporarily suspend said member from office.
- The utilities commission, upon an affirmative, unanimous vote of all of the members not having been so accused, shall submit a request to the Governor to remove said member for failure to maintain a member's qualification or for commission of malfeasance or neglect of duty in the execution of said member's responsibilities under this article. Upon consideration of the facts as contained in such written independent report and upon a nonunanimous vote of all of the members not having been so accused, such alleged failure shall be dismissed.
- (5) The private tangible and intangible property of any individual member of the utilities commission shall not be subject to the payment of, and no member of the utilities commission shall be individually responsible for, commission debts to any extent whatsoever.
- (6)(a) Any person who is or was an officer, executive, or member of the utilities commission and who is or was a party to any threatened, pending, or completed proceeding, by reason of the fact that he or she is or was an officer, executive, or

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member of the utilities commission legitimately acting in the course of his or her duties or is or was serving at the request of the utilities commission as an officer, executive, or member or agent of a corporation, company, partnership, joint venture, trust, or other enterprise shall be indemnified by the utilities commission to the full extent permitted by law against all expenses and liabilities incurred in connection with such proceeding, including any appeal thereof. Notwithstanding the foregoing, the utilities commission shall indemnify such person in connection with a proceeding initiated by that person only if such proceeding was authorized by the utilities commission; provided, however, that the utilities commission shall indemnify such person in connection with a proceeding to enforce such person's rights under this provision. Such person shall also be entitled to advancement of expenses incurred in defending a proceeding in advance of its final disposition to the full extent permitted by law, subject to the conditions imposed by law.

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

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is not entitled to indemnification shall be on the utilities commission.

- (c) The right of indemnification under this article shall be a contract right inuring to the benefit of the persons entitled to be indemnified hereunder and no amendment or repeal of this article shall adversely affect any right of such persons existing at the time of such amendment or repeal.
- (d) The indemnification provided hereunder shall inure to the benefit of the heirs, executors, and administrators of a person entitled to indemnification hereunder.
- (e) The right of indemnification under this article shall be in addition to and not exclusive of all other rights to which persons entitled to indemnification hereunder may be entitled.

 Nothing contained in this article shall affect any rights to indemnification to which persons entitled to indemnification hereunder may be entitled by contract or otherwise under law.
- governing authority and control of land, facilities, equipment, licenses, debt, funds, entitlements, or any other appropriate utilities activity exercised by the utilities commission under the authority of this act, the city commission and the city shall create such conveyance instruments, power of attorney, or other appropriate instruments as necessary for execution by and at the will of the utilities commission to be used in accordance with this act. Furthermore, the city commission and the city shall not encumber such conveyance by establishing conditions

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precedent or administrative requirements before or after the effective date of this article.

- (8) A special meeting with the city commission shall be held whenever called by the chairperson or if demanded by the city commission in writing and delivered to the secretary/treasurer.
- (9) The CEO/GM, through assigned staff, is responsible for providing an orientation and training program for new members which includes providing information designed to familiarize new members with the utilities commission's business and general industry; its strategic plans; its significant financial, accounting, and risk management issues; its compliance programs; its code of business conduct and ethics; its principal officers and executives; its internal and independent auditors; and its key policies and practices. This orientation is designed to be conducted within a reasonable period of time after the meeting at which new members are sworn. In addition to the orientation program, staff management also will periodically provide materials or briefing sessions for all members on subjects that would assist them in discharging their duties. Commission members are also encouraged to attend appropriate sessions or programs and review materials relating to the responsibilities of members of publicly owned utilities.
 - 7.08 Powers and duties.—
- (1) Consistent with the provisions and effective date of this act, such previous applicable utilities-related ordinances,

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

- (2) Exercise the power of eminent domain to acquire property, except state or federal, located within Alachua

 County, and exercise the power of eminent domain outside the county where permitted by general law, for the sole purpose of locating electrical generating, transmission, or distribution facilities of any of its utilities; water production, treatment, transmission, and distribution facilities; and for a nonstated use by the utilities commission in the performance and exercise of any of its duties, rights, or plenary authority.
- (3) Have the exclusive power and authority to bill and collect the prescribed fees or charges for all utilities and services rendered under its control and, when collected, the flow of funds shall be: first, the payment of all operating and maintenance expenses of said utilities; second, the funding of all commission discretionary or required reserves, including those established by revenue certificates previously issued by the city or said commission for projects under commission

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control, including the debt service payments of all such revenue
certificates as the same become due; and, third, the payment to
the general fund of the city from revenues of the utilities
under the utilities commission's control a sum, after the
effective date of this legislation, not to exceed 9 percent or
to be less than 7 percent of the gross revenues. Said designated
payments by the utilities commission to the city's general fund
shall be made monthly. At the sole discretion of the utilities
commission, any surplus, if any, may be paid to the general fund
of the city after reserving an adequate fund for operation and
maintenance expenses, capital improvements, and other
contingencies as solely determined by the utilities commission.

- (4) Submit to the city a monthly statement showing all sums or amounts received, operating expenses, amount charged to depreciation and extensions, reserve fund and amount appropriated to interest, and sinking funds. The fiscal year of the utilities commission shall begin October 1 and end September 30 of each year.
- other charges for the services and facilities of the utilities, and take all steps, actions, and proceedings for the enforcement and collection of such fees, rates, or other charges which shall become delinquent to the full extent permitted or authorized by the laws of the State of Florida.
- 377 (6) Ensure that no entity of the city, county, or state, no elected city or county official, no officer or executive of

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the city or county, not the utilities commission, and no member may dictate any employment for commission positions or in any manner interfere with the independence of commission officers, executives, or employees in the performance of their duties. Except for the purpose of an inquiry for information or public records, the city commission or the Alachua County Board of County Commissioners and all of their members must communicate with the utilities commission solely through the utilities commission secretary/treasurer regarding commission business, and the city commission, the Alachua County Board of County Commissioners, any respective city or county commissioners, the Gainesville Regional Utilities Commission, and members may not give, either publicly or privately, any individual orders to or interfere with any direct or indirect subordinates of the CEO/GM, including staff officers and executives, employees, contractors, consultants, or other agents.

(7) Ensure that individual members are granted complete access to the utilities commission's management, any and all records and documents, and any and all transactions in accordance with law and subject to reasonable advance notice to the CEO/GM and reasonable efforts to avoid disruption to management, business, and operations. The utilities commission and each committee shall have access to any independent legal, financial, or other advisors, as they may deem necessary in their sole discretion. However, inquiry and information requests considered by the CEO/GM as excessive or interfering with an

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employee's or work unit's performance of its duties may be presented to the chairperson for mediation before filing a formal interference complaint by the CEO/GM with the utilities commission.

- (8) Ensure that the utilities commission does not, in any manner, dispose of or agree to sell or convey the utilities commission's used and useful assets exceeding 5 percent of the respective individual utility's total assets, using depreciated book value, unless the utilities commission does so with the prior approval of a simple majority vote of the city commission.
- (9) Ensure that to the full extent permitted by law, the city will not grant, cause, consent to, or allow the granting of any franchise or permit to any person, firm, corporation, body, agency, or instrumentality whatsoever, for the furnishing of services which will compete with those of the utilities commission. No discriminatory franchise, right-of-way, license, permit, tax, or usage fee shall be levied upon the utilities commission or its utilities by the city or by the county unless provided by general law.
- indirectly, any free utilities, subsidies, sponsorships, grants, contributions, donations, free services, or in-kind services of any nature from the utilities or commission, nor will any preferential rates be established for users of the same class; the utilities commission and the city or county, including its departments, agencies, and instrumentalities, shall use the

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services provided by the utilities commission within the utilities commission's service areas, or any part thereof, and the same rates, fees, or charges applicable to other customers receiving like services under similar circumstances shall be charged to the utilities commission and the city or county and any such department, agency, or instrumentality. Such charges shall be paid as they become due. The revenues so received shall be deemed to be revenues derived from the operation of the utilities and shall be deposited and accounted for in the same manner as other revenues derived from such operation of the utilities.

- authority, laws, ordinances, resolutions, and administrative regulations, interpretations, franchises, and controls directly and indirectly affecting and controlling said utilities are hereby conveyed to and exclusively vested within said commission and its respective governance and authority as contained herein. All rights, claims, actions, orders, and legal or administrative proceedings involving the utilities commission immediately prior to the effective date of this act shall continue, except as modified pursuant to the provisions of and plenary authority granted by this act.
- (12) Shall ensure the development of an ethics policy and a code of business conduct policy which shall be reviewed at least biennially. Such policy and code shall be adhered to in accordance with this act and any additional adherence

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requirements which may subsequently be approved by the utilities commission. Members, as well as all officers, executives, and management and supervisory employees, shall each acknowledge annually in writing their compliance with the utilities commission's Code of Ethics and Business Conduct. Any waiver of this requirement for a member, said officer, said executive, or said employee shall only be granted unanimously by vote of the full commission. Any member of the utilities commission requesting the waiver shall be excluded from all meetings and votes during which the requested matter is discussed or deliberated, until decided.

- (13) Upon discovery or presentation of information, the utilities commission shall make a determination regarding the validity of any past contract of the City of Gainesville doing business as Gainesville Regional Utilities, a department of the City of Gainesville, or regarding any contract of the utilities commission in which any member or previous member of the City of Gainesville has, or has had, or may, or may have had, a conflict of interest. Any past, present, or future contract involving utilities owned by the City of Gainesville in which any member or previous member of the City of Gainesville has, or has had, or may, or may have had, a conflict of interest is voidable by the utilities commission.
- (14) Ensure, except as otherwise specifically provided in this act, that the rights or privileges, if any, of persons who

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were city utility employees immediately before the effective date of this act are not affected or impaired.

Section 3. (1) SEVERABILITY.—Headings and sections of this act are not intended to be construed, limiting, or interpreted in isolation from each other. If any word, phrase, clause, paragraph, section, or provision of this act or the application hereof to any person or circumstance is held invalid or unconstitutional, such finding shall not affect the other provisions or applications of this act which can be given effect without the invalid or unconstitutional provisions or application, and to this end the provisions of this act are declared severable.

administrative needs and orderly compliance with the provisions in this act, upon the effective date of this act, utility commission functions as described in section 7.08(5) are authorized and shall continue until amended, changed, or repealed by the utilities commission. The chairperson and secretary/treasurer are authorized, upon their respective appointment by the utilities commission, to execute documents required for the transition as may be appropriate or otherwise determined by the utilities commission and to provide required direction and administration of utilities functions for up to 60 calendar days during such time as the selection of the CEO/GM or a conservator/CEO/GM, interim/CEO/GM, or temporary/CEO/GM is in process as provided in section 7.06 of the charter.

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508	(3) CONFLICT WITH LAWS.—All laws or parts of laws in
509	conflict with this act are repealed. City of Gainesville and
510	Alachua County Charter provisions, ordinances, resolutions,
511	decrees, or parts thereof, in conflict herewith are to the
512	extent of such conflict hereby also repealed.
513	Section 4. The referendum question shall be posed as
514	follows:
515	Shall the Charter of the City of Gainesville be amended by
516	creating the Gainesville Regional Utilities Commission, a
517	municipally owned, independent, appointed, and representative
518	<pre>commission?</pre>
519	<u>Yes</u>
520	<u>No</u>
521	Section 5. This act shall take effect only upon its
522	approval by a majority vote of those qualified electors of the
523	City of Gainesville voting in a referendum to be held in
524	conjunction with the next Presidential Preference Primary
525	election to be held in Alachua County, except that this section
526	and section 4 shall take effect upon becoming a law.
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529	TITLE AMENDMENT
530	Remove everything before the enacting clause and insert:
531	A bill to be entitled
532	An act relating to the City of Gainesville, Alachua County;
533	amending chapter 12760, Laws of Florida, (1927), as amended;

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COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. HB 1325 (2015)

Amendment No. 1

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repealing section 3.06 of the Charter of the City of Gainesville
relating to the General Manager for utilities; creating the
Gainesville Regional Utilities Commission, a regional
independent utilities commission, and prescribing its authority;
repealing applicable existing and conflicting charter provisions
and ordinances; providing a ballot statement; requiring a
referendum; providing an effective date.

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