



Wednesday, January 15, 2025, 5:30 p.m.

GRU Administration Building

301 SE 4th Avenue

Gainesville, FL 32601

Directors

Chair Eric Lawson

Vice-Chair David Haslam

Director Craig Carter

Director Jack Jacobs

Director Robert Skinner

If you have a disability and need accommodation in order to participate in this meeting, please call (352) 334-5051 at least two business days in advance. TTY (Text Telephone Telecommunication Device) users please call 711 (Florida Relay Service). For Speech to Speech (STS) relay, please call 1-877-955-5334. For STS Spanish relay, please call 1-877-955-8773. For STS French Creole relay, please call 1-877-955-8707.

A. CALL TO ORDER

Agenda Statement: The Gainesville Regional Utilities Authority encourages civil public speech. The Gainesville Regional Utilities Authority expects each person entering this chamber to treat others with respect and courtesy. Speakers are expected to focus on agenda items under discussion. Signs, props, posters, food, and drinks should be left outside the auditorium.

B. INVOCATION

C. PLEDGE OF ALLEGIANCE

D. ADOPTION OF THE AGENDA

Includes Consent and Regular Agenda Items

E. CHAIR COMMENTS

F. GENERAL PUBLIC COMMENT

(for items not on the agenda, not to exceed 30 minutes total)

G. CONSENT AGENDA

1. **Approval of the Minutes from the December 11, 2024 GRUA Meeting (B)**

2. **2025-15 Termination and Release of Solar Power Purchase Agreement (B)**
Department: Chief Executive Officer

Description: This item seeks approval to terminate the Power Purchase Agreement between FL Solar 6, LLC, and GRU, and to release both parties from any further obligations.

On July 21, 2020, GRU and FL Solar 6, LLC (a limited liability company created by Origis Energy) entered into a Purchase Power Agreement (PPA) for 50 MW of solar energy that was to be constructed in unincorporated Alachua County. During the development process, the utility-scale solar project experienced several significant delays (including the denial of a special use permit by the Alachua County Board of County Commissioners). The PPA was amended on March 2, 2022 to give Origis more time to work through the delays. During this period, inflation, rising interest rates, and escalating material costs caused project costs to increase substantially. In an effort to move forward, GRU amended the PPA again on April 20, 2023, raising the price for the solar energy from \$31.52 per MWh to \$40.56 per MWh and expanding the project size from 50 MW to 75 MW.

Since April of 2023, the cost for materials and labor to construct the project has continued to climb sharply. The materials and labor that are used to construct utility-scale solar facilities are now in competition with the data center construction market. The price to develop the solar project now is nearly double the original PPA price from 2020. The price for this energy would be significantly higher than GRU's current cost of energy production and would result in higher rates for GRU's customers. Similar challenges have prompted other Florida utilities to terminate solar PPAs in the face of rising costs.

Attached are the Renewable Power Purchase Agreement dated July 21, 2020; the First Amendment to the PPA dated March 2, 2022; the Second Amendment to the PPA dated April 20, 2023; and the proposed Mutual Termination and Release.

Fiscal Note: The termination releases both GRU and FL Solar 6, LLC from any obligations related to the project which were projected to be:

- \$3.7 million a year for 20 years under the original PPA
- \$7.2 million a year for 20 years under the amended PPA
- Almost \$10 million a year for 20 years under the proposed 2nd amended PPA

Recommendation: GRUA approve the Termination and Release of the Renewable Power Purchase Agreement and authorize the CEO, or his designee, to execute the Termination and Release between GRU and FL Solar 6, LLC.

Gainesville Regional Utilities Authority
AGENDA

3. **2025-24 Wild Spaces & Public Places Multi-Use Trail Systems in GRU Utility Rights-of-Way (B)**

Department: Administrative Services/COO

Description: This item is seeking approval for the Chief Executive Officer to execute individual, project-driven Memorandums of Understanding that will outline terms between General Government (“GG”) and GRU for the construction, operation and maintenance of multi-use paths within GRU’s utility rights-of-ways (“ROWS”) located within the Gainesville city limits. These urban trail systems will enhance connectivity in Gainesville by providing a seamless route for non-motorized transportation between City, County and State recreational areas such as Depot Park, Sweetwater Wetlands Park and Paynes Prairie.

Wild Spaces & Public Places (“WSPP”) and GRU staff have been collaborating on path placement and design within GRU ROWs for many years. There are currently four (4) projects under site plan review with GRU. A Utility Construction Permit will be issued by GRU for all trail projects to serve as our written consent and acknowledgement that the construction plans adhere to our current design and construction standards. An individual MOU will be executed between GG and GRU for each project to ensure the unique needs of the utility in those specific project areas are met.

A standard MOU document with general terms has been developed, and approved, by GG and GRU staff, the City Attorney’s office and Folds Walker. The MOUs for the following active trail projects have been submitted as back-up: Sweetwater Trail Phase 1A, Sweetwater Trail Phase 1B, Sweetwater Trail Phase 2 and NE 31st Avenue Trail.

Fiscal Note: No fiscal impact to GRU. WSPP will fund all aspects of the projects through the half-cent sales tax program, which includes design, construction, operation and maintenance of the trail systems.

Recommendation: GRUA authorize the CEO, or his designee, to execute all Memorandums of Understanding between GG and GRU for the design, construction, operation and maintenance of multi-use paths in GRU Utility ROWs.

H. **CEO COMMENTS**

I. **ATTORNEY COMMENTS**

J. **BUSINESS DISCUSSION ITEMS**

Gainesville Regional Utilities Authority
AGENDA

1. **2025-29 State of the Utility, Monthly Update (B)**
Department: CEO/COO

Description: GRU will be providing a monthly update to Authority members to ensure they are aware of important projects and relevant utility measurements and benchmarks. This report provides information from November 2024. We will be assessing the most effective methods for delivering the report in addition to the most relevant information as it continues to evolve.

Fiscal Note: None currently.

Recommendation: The GRU Authority hear a monthly update from the utility's operational areas.

2. **2025-17 First Amendment to the Contract between Gainesville Regional Utilities Authority (GRUA) and Folds Walker, LLC for General Legal Services (B)**

Department: Budget, Finance, Accounting

Description: On March 22, 2024 GRUA and Folds Walker executed a second contract for general legal services which expires on February 8, 2025. The contract provides for extensions upon mutual agreement of the parties, and the attached amendment recommends a six month extension of the contract through August 8, 2025 under the existing terms and conditions.

Fiscal Note: All terms and conditions of the existing agreement shall remain in effect. Total compensation to Folds Walker through August 8, 2025 is not to exceed \$100,000. For general retainer services, compensation shall be at the flat rate of \$12,000 per month. For all non-retainer services, hourly rates will range from \$150 to \$320, depending on the level of experience and knowledge of the attorney. Law clerks and paralegals will be billed at the hourly rate of \$100.00.

Recommendation: The Authority approve the extension to the general legal services agreement with Folds Walker through August 8, 2025.

Gainesville Regional Utilities Authority
AGENDA

3. **2025-30 FY26 GRU Budget: Presentation on GRU's Debt Portfolio Review (B)**
Department: Budget, Finance, and Accounting

Description: Staff will present an overview of GRU's debt portfolio as part of the FY26 budget process.

Explanation: As part of the budget development process, staff will hold a series of meetings with the Authority to present information on the various pieces that make up GRU's annual budget. These meetings are designed to give the Authority a chance to have a more in-depth view of GRU's budget and finances and ask questions that will help staff ensure they provide the appropriate level of detail in GRU's final budget submission for a vote. This presentation involves a review of GRU's debt portfolio.

Fiscal Note: None at this time.

Recommendation: The Authority hear a presentation from staff.

K. **RESOLUTIONS (Roll Call Required)**

1. **2025-26: A resolution of the GRUA authorizing and ratifying the GRUA's use of independent legal counsel to serve as "Utilities Attorneys" for the purpose of conducting the business of the Authority (B)**
Department: Chief Executive Officer

Description: With the passage of HB 1645 and the update to the City Charter codified by Chapter No. 2023-348, Laws of Florida, it has become necessary to hire external counsel. As part of the transition of the management, operation, and control of the utilities from the City to the Authority, the Authority chief executive office/general manager (CEO/GM) determined that it was necessary for the Authority to employ or contract with independent counsel to perform legal services for the Authority, who shall serve as Utilities Attorney for the Authority.

Previous resolutions and actions taken by the City and the Authority on matters, including, without limitation, bond and other related transactions include references the City Attorney. However the CEO/GM recommends that the Authority adopt this resolution that authorizes a Utilities Attorney to perform the business of the GRUA- specifically including authority to approve the issuance of revenue bonds, the execution and attestations of bonds by officers, employees and agents of the City, by individuals designated by the Authority as agents of the City for such purposes, and authorized the Authority to enter into hedging agreements for interest rate and commodity price fluctuations.

Fiscal Note: Costs are not within budget but are necessary occurrences as situations arise.

Gainesville Regional Utilities Authority
AGENDA

Recommendation: Approve resolution that authorizes Utilities Attorney as an agent of the City for the purposes outlined in the Charter Amendment, and to provide that Utilities Attorney performs legal services for the Authority as directed or approved by the Authority or the CEO/GM, including, without limitation, to sign as to form on legality all agreements entered into pursuant to the Charter Amendment, for the benefit of the System and ratifies all prior actions heretofore taken by the Utilities Attorney.

L. DIRECTOR COMMENTS

M. ADJOURNMENT



Gainesville Regional Utilities Authority

MINUTES

December 11, 2024, 5:30 p.m.
GRU Administration Building
301 SE 4th Avenue
Gainesville, FL 32601

Members Present: Chair Lawson
Vice-Chair Haslam
Director Craig Carter
Director Jack Jacobs
Director Robert Skinner

A. CALL TO ORDER

B. INVOCATION

Director Carter led the invocation

C. PLEDGE OF ALLEGIANCE

Director Carter led the Pledge of Allegiance

D. ADOPTION OF THE AGENDA

Public Comment: Jim Konish, Dennis Nguyen, Chuck Ross

Moved by Craig Carter

Seconded by Vice-Chair Haslam

Motion: Accept the agenda as written.

Aye (5): Craig Carter, Vice-Chair Haslam, Jack Jacobs, Chair Lawson, and Robert Skinner

Approved (5 to 0)

E. CHAIR COMMENTS

Chairman Lawson commented to the consent agenda and items placed on the consent agenda.

F. GENERAL PUBLIC COMMENT

Jim Konish, Chuck Ross, David Young

G. CONSENT AGENDA

Moved by Craig Carter

Seconded by Vice-Chair Haslam

Motion: A motion was made to accept the agenda, including the consent agenda and regular agenda.

Aye (5): Craig Carter, Vice-Chair Haslam, Jack Jacobs, Chair Lawson, and Robert Skinner

Approved (5 to 0)

1. Approval of the Minutes from the November 6, 2024 GRUA Meeting (B)

Moved by Craig Carter

Seconded by Vice-Chair Haslam

Approved On Consent

2. 2024-747 Property Transfer to General Government for Gainesville Fire Rescue Headquarters & Standalone Emergency Operations Center (B)

Moved by Craig Carter

Seconded by Vice-Chair Haslam

Recommendation: GRUA approve the transfer of the 0.40 acres from GRU to GG for the expansion and redevelopment of the Catalyst Building property and accept \$156,500.00 as fair value; authorize the CEO, or his designee, to execute the Memorandum of Understanding between GRU and GG.

Approved On Consent

3. 2024-915 The Energy Authority (TEA) Natural Gas Trade Guaranty Agreement (B)

Moved by Craig Carter
Seconded by Vice-Chair Haslam

Recommendation: GRUA authorize the CEO or his designee to execute the following documents: Annex 5 – re-setting the gas advanced for 2025 Natural Gas Trade Guaranty Agreement for 2025 Unconditional Guaranty (Gas) for 2025 Termination Notice to PNC terminating the 2024 Unconditional Guaranty, and Incumbency Certificate.

Approved On Consent

4. 2024-916 Application for Consumptive Use Permit Renewal (B)

Moved by Craig Carter
Seconded by Vice-Chair Haslam

Recommendation: GRUA authorize the CEO, or his designee, to submit an application to the St. Johns River Water Management District for the renewal of the consumptive use permit for the Murphree Wellfield.

Approved On Consent

5. 2024-917 Application for Clean Water State Revolving Fund Emerging Contaminants Funding (B)

Moved by Craig Carter
Seconded by Vice-Chair Haslam

Recommendation: GRUA authorize the CEO, or his designee, to submit an application and execute a funding agreement with the Clean Water SRF program for funding up to \$1,100,000, subject to legal review and approval.

Approved On Consent

6. 2024-921 Cash Balance Study and Cash Balance Policy (B)

Moved by Craig Carter
Seconded by Vice-Chair Haslam

Recommendation: GRUA accept the updated Resiliency and Cash Balance Study and authorize the cash target changes to the Cash Balance Policy as recommended in the Study results. These cash target

changes are already included in GRU's ten year forward financial modeling.

Approved On Consent

7. 2024-923 Fiscal Year 2024 General Fund Transfer (GFT) Update (B)

Moved by Craig Carter
Seconded by Vice-Chair Haslam

Recommendation: GRUA approve the GFT adjustment.

Approved On Consent

H. CEO COMMENTS

CEO Bielarski spoke to several items on which GRU is currently working. He also addressed a few comments made during General Public Comment. Director Jacobs commented on our power plants and GRU's ability to purchase power.

I. ATTORNEY COMMENTS

No comments

J. BUSINESS DISCUSSION ITEMS

1. 2024-922 State of the Utility (B)

COO, Tom Brown spoke to the State of the Utility Presentation was displayed

Recommendation: GRUA hear a monthly update regarding the utility's operational areas.

Heard

2. 2024-924 Financial Management Information System (FMIS) Upgrade (B)

CFO, Claudia Rasnick, spoke to the FMIS (Financial Management Information System) upgrade.

She answered the directors' questions.

CEO, Ed Bielarski, commented to the item at hand

Public Comment: Jim Konish, Donald Shepherd, Chuck Ross

Moved by Jack Jacobs

Seconded by Craig Carter

Recommendation: GRUA authorize the CEO or his designee to negotiate and execute licensing agreements up to \$ 17.3 million (seven-year basis) and consulting services agreements up to \$7.1 million to initiate FMIS, document management, and reporting system upgrades and implementation of SuccessFactors HR application.

Motion: A motion was made to approve as the recommendation states.

Approved as Recommended

3. 2024-925 September 30, 2024 Pre-Audit Budget to Actual Comparison (B)

Mark Benton, Finance Director, reviewed the budget presentation with the Board.

Chair Lawson asked Mr. Benton to monthly bring these metrics, then the end of year metrics, for a greater understanding throughout the year.

Recommendation: GRUA receive the report.

Heard

K. RESOLUTIONS (Roll Call Required)

1. 2024-919 Amendment of a Credit Agreement between the Gainesville Regional Utilities Authority and U.S. Bank National Association (B)

Public Comment: Donald Shepherd

Motion: Motion was made to approve the Resolution as written

Moved by Craig Carter

Seconded by Robert Skinner

Recommendation: GRUA adopt the proposed resolution.

Aye (5): Craig Carter, Vice-Chair Haslam, Jack Jacobs, Chair Lawson, and Robert Skinner

Approved as Recommended (5 to 0)

2. 2024-920 Gas Prepay Transaction Resolution (B)

Public Comment: Jim Konish

Moved by Craig Carter

Seconded by Vice-Chair Haslam

Recommendation: GRUA adopt the proposed resolution.

Motion: A motion was made to accept the Resolution as written.

Aye (5): Craig Carter, Vice-Chair Haslam, Jack Jacobs, Chair Lawson, and Robert Skinner

Approved (5 to 0)

3. 2024-749 Appendix A - Utility Fees, Rates & Charges for Fiscal Year 2025 (B)

Public Comment: Jim Konish, Donald Shepherd

Residential Rate Tier Presentation displayed

Director Carter commented

Director Jacobs commented

Moved by Craig Carter

Seconded by Robert Skinner

Motion: A motion was made to accept the Resolution as written.

Aye (5): Craig Carter, Vice-Chair Haslam, Jack Jacobs, Chair Lawson, and Robert Skinner

Approved (5 to 0)

L. DIRECTOR COMMENTS

Director Skinner commented on a positive public interaction he had this week.

Director Carter gave update on his son

Director Jacobs's water meter replaced today

Vice Chair Haslam spoke to the positive public comments he hears

Chairman Lawson thanked each Director, CEO, CFO, all GRU staff and Attorneys for everything they do for the good of GRU.

M. ADJOURNMENT

6:55 Adjourned

Tracie OSteen, GRUA Staff Liaison



Gainesville Regional Utilities Authority Agenda Item Report

File Number: 2025-15

Agenda Date: January 15, 2025

Department: Gainesville Regional Utilities

Title: 2025-15 Termination and Release of Solar Power Purchase Agreement (B)

Department: Chief Executive Officer

Description: This item seeks approval to terminate the Power Purchase Agreement between FL Solar 6, LLC, and GRU, and to release both parties from any further obligations.

On July 21, 2020, GRU and FL Solar 6, LLC (a limited liability company created by Origis Energy) entered into a Purchase Power Agreement (PPA) for 50 MW of solar energy that was to be constructed in unincorporated Alachua County. During the development process, the utility-scale solar project experienced several significant delays (including the denial of a special use permit by the Alachua County Board of County Commissioners). The PPA was amended on March 2, 2022 to give Origis more time to work through the delays. During this period, inflation, rising interest rates, and escalating material costs caused project costs to increase substantially. In an effort to move forward, GRU amended the PPA again on April 20, 2023, raising the price for the solar energy from \$31.52 per MWh to \$40.56 per MWh and expanding the project size from 50 MW to 75 MW.

Since April of 2023, the cost for materials and labor to construct the project has continued to climb sharply. The materials and labor that are used to construct utility-scale solar facilities are now in competition with the data center construction market. The price to develop the solar project now is nearly double the original PPA price from 2020. The price for this energy would be significantly higher than GRU's current cost of energy production and would result in higher rates for GRU's customers. Similar challenges have prompted other Florida utilities to terminate solar PPAs in the face of rising costs.

Attached are the Renewable Power Purchase Agreement dated July 21, 2020; the First Amendment to the PPA dated March 2, 2022; the Second Amendment to the PPA dated April 20, 2023; and the proposed Mutual Termination and Release.

Fiscal Note: The termination releases both GRU and FL Solar 6, LLC from any obligations related to the project which were projected to be:

- \$3.7 million a year for 20 years under the original PPA
- \$7.2 million a year for 20 years under the amended PPA
- Almost \$10 million a year for 20 years under the proposed 2nd amended PPA

Recommendation: GRUA approve the Termination and Release of the Renewable Power Purchase Agreement and authorize the CEO, or his designee, to execute the Termination and Release between GRU and FL Solar 6, LLC.

MUTUAL TERMINATION & RELEASE

THIS MUTUAL TERMINATION AND RELEASE (this “Termination”) is entered into as of _____, 2024 (the “Effective Date”), by and between FL Solar 6, LLC, a Delaware limited liability company (“Seller”) and Gainesville Regional Utilities, an enterprise fund of the City of Gainesville, Florida, organized and existing under the laws of the State of Florida (“Buyer”). Seller and Buyer are sometimes referred to herein individually as a “Party” and collectively as the “Parties.”

RECITALS

A. WHEREAS, Seller and Buyer are parties to that certain Renewable Energy Power Purchase Agreement, effective as of July 21, 2020, as amended by that First Amendment dated March 2, 2022, and that Second Amendment dated as of April 20, 2023 (as it may be further amended and/or modified from time to time, the “PPA”); and

B. WHEREAS, without conceding liability and to avoid further time, effort and expense, the Parties now desire to terminate the PPA and release each other of all further obligations thereunder.

C. WHEREAS, the Parties, after reasonable due diligence, mutually confirm, represent, and warrant that Each Party is not aware of any current obligations or liabilities, including financial, contractual, or otherwise, that Seller owes to the Buyer or that Buyer owes to the Seller under the PPA or otherwise.

NOW, THEREFORE, in consideration of the foregoing and the promises and covenants herein contained, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties, intending to be legally bound, agree as follows:

1. Defined Terms and Phrases. The capitalized terms and phrases used in this Termination but not defined herein shall have the meaning stated in the PPA.

2. Termination of PPA. Each party hereby (a) terminates the PPA, and (b) states and confirms that, except as otherwise expressly provided in this Termination, each of the parties’ rights or obligations under the PPA are hereby terminated and completely discharged, in each case as of the date of this Termination.

3. Mutual Release. Each Party hereby specifically and unconditionally forever releases, waives, and forever discharges the other Party, and its successors in interest, past, present and future assigns, shareholders, officers, directors, current and former employees, agents, owners, subsidiaries, affiliates, attorneys, insurers, underwriters, and any and all other individuals or entities acting or purporting to act on behalf of the Party from any and all claims, demands, judgments, actions, liabilities, liens, indebtedness, and causes of actions, of every kind and character, whether asserted or unasserted, whether known or unknown, suspected or unsuspected, in law or in equity, for or by reason of any matter, cause or thing whatsoever which the Party could have brought or which the Party now has, had, or may hereafter claim to have had pertaining to, arising out of, or relating to the PPA or any disputes thereunder as of the date of this Termination,

excepting only the obligations created by and the representations, warranties and covenants made in this Termination. For avoidance of doubt, neither Party is liable to the other for any liquidated damages under the PPA.

4. Return of Performance Assurance. Within ten (10) Business Days of the Effective Date, Buyer shall provide Seller with a signed release of Seller's Performance Assurance, in the form of a Surety Bond Release Letter substantially in the form of Exhibit 1 to this Termination.

5. Parties to bear their own fees and costs. Each of the Parties agrees to bear its own attorneys' fees and costs for all matters related to the termination of the PPA and to the negotiation, drafting and execution of this Termination.

6. Non-Disparagement. Subject to and as provided by Florida law, each Party expressly agrees that neither it nor its shareholders, officers, directors, employees, agents, owners, subsidiaries, affiliates, attorneys, insurers, underwriters, shall not make any written or oral statements about the other Party that are of a critical, disparaging, or defamatory nature relating to the PPA or this Termination. This Section does not, in any way, restrict or impede either Party from making any truthful, non-confidential statement related to the PPA or this Termination as (a) required by law, legal process or required or requested by any court, arbitrator, mediator or administrative, regulatory, or legislative body (including any committee thereof) with jurisdiction over the Party or (b) necessary to comply with any of the Party's obligations under a valid, pre-existing contract, for the purpose of obtaining or renewing insurance, or as part of due diligence for a contemplated sale of or investment in any business impacted by the Termination.

7. Drafting. The language of all parts of this Agreement shall in all cases be construed as a whole, according to its fair meaning, and not strictly for or against any of the Parties. Each Party agrees that it, and its counsel on its behalf, has completely read, fully understood, and voluntarily accepted every provision, term, and condition of this Termination. Each Party agrees that this Termination shall be considered for all purposes as prepared through the joint efforts of the Parties, and no Party shall have any provision hereof construed against such Party by reason of such Party drafting, negotiating, or proposing any provision hereof, or execution of this Termination.

8. Headings. All section headings herein are included herein for convenience of reference only and shall not constitute a part of this Termination for any other purpose.

9. Severability. Any provision or section hereof that is declared or rendered unlawful by any applicable court of law or deemed unlawful because of a statutory change, shall not, to the extent practicable, affect other lawful obligations under this Termination.

10. Entire Agreement/No Oral Modification. This Termination represents the entire understanding and agreement of the parties with respect to the subject matter hereof and may only be amended or modified in a writing signed by both parties and evidencing their mutual agreement thereto. No waiver of this Termination or of any of the promises, obligations, terms, or conditions hereof shall be valid unless it is written and signed by the Party against whom the waiver is to be enforced.

11. Governing Law; Disputes. This Termination and the rights and duties of the Parties arising hereunder shall be governed by, and construed and enforced in accordance with, the laws of the state of Florida, without regard to principles of conflicts of law, and, as applicable, by the Federal laws of the United States of America. Any legal proceeding of any nature brought by either Party against the other to enforce any right or obligation under this Termination, or arising out of any other matter pertaining to this Termination, shall be brought in the state and federal courts in Leon County, Florida and SHALL BE RESOLVED BY AND TRIED EXCLUSIVELY BEFORE A JUDGE AND NOT A JURY. NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY, PUBLICITY, REPUTATIONAL, OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES IN CONNECTION WITH THIS TERMINATION, EVEN IF SUCH DAMAGES ARE ALLOWED OR PROVIDED BY STATUTE, STRICT LIABILITY, ANY TORT, CONTRACT, OR OTHERWISE.

12. Counterparts. This Termination may be executed by facsimile or PDF (electronic copy) and in multiple counterparts, all of which taken together shall have the same force and effect as one and the same original instrument.

13. Representations, warranties, and covenants. By its execution of this Termination, each Party represents and warrants that it is authorized to enter into this Termination, that the individuals signing below are fully authorized to enter into this Termination on its behalf that this Termination does not conflict with any contract, lease, instrument, or other obligation to which it is a party or by which it is bound, which conflict could reasonably be expected to have a material adverse effect on the ability of such Party to perform its obligations hereunder, and that this Termination represents its valid and binding obligation, enforceable against it in accordance with its terms.

[Signature page follows]

IN WITNESS WHEREOF, the Parties hereto have caused this Termination to be executed by their respective authorized representatives as of the date first written above.

SELLER:

FL SOLAR 6, LLC

By: _____

Name: Alfredo Gracian-Silva

Title: Secretary

BUYER:

**GAINESVILLE REGIONAL UTILITIES,
AN ENTERPRISE OF THE CITY OF GAINESVILLE, FLORIDA**

By: _____

Name:

Title:

**EXHIBIT 1 TO MUTUAL TERMINATION AND RELEASE
FORM OF SURETY BOND RELEASE LETTER**

[Obligee Letterhead]

[Date]

United States Fire Insurance Company c/o Amynta Surety Solutions
305 Madison Avenue
Morristown, NJ 07960
Attn: Surety Claims Department

Bond #: 612417603
Obligee: Gainesville Regional Utilities
Principal: FL Solar 6, LLC
Surety: United States Fire Insurance Company
Amount: \$2,621,500

To Whom It May Concern:

Reference is made to the above referenced surety bond in favor of Gainesville Regional Utilities, LLC, issued on behalf of FL Solar 6, LLC. We consider this bond to be null and void and hereby release United States Fire Insurance Company and its parents, subsidiaries, affiliates, attorneys, agents, employees, successors and assigns from all past, present, and future liabilities of any kind including claims, demands, obligations, actions, causes of action, rights, damages, arising under or in connection with this surety bond.

I further represent to United States Fire Insurance Company that I have the authority to bind the Obligee to the terms of this letter.

Sincerely,

[Name & Title]

FL Solar 6, LLC PPA Termination and Release

January 15, 2025

Agenda

- Background
- Current utility-scale solar market
- Termination and Release
- Staff Recommendation
- Questions

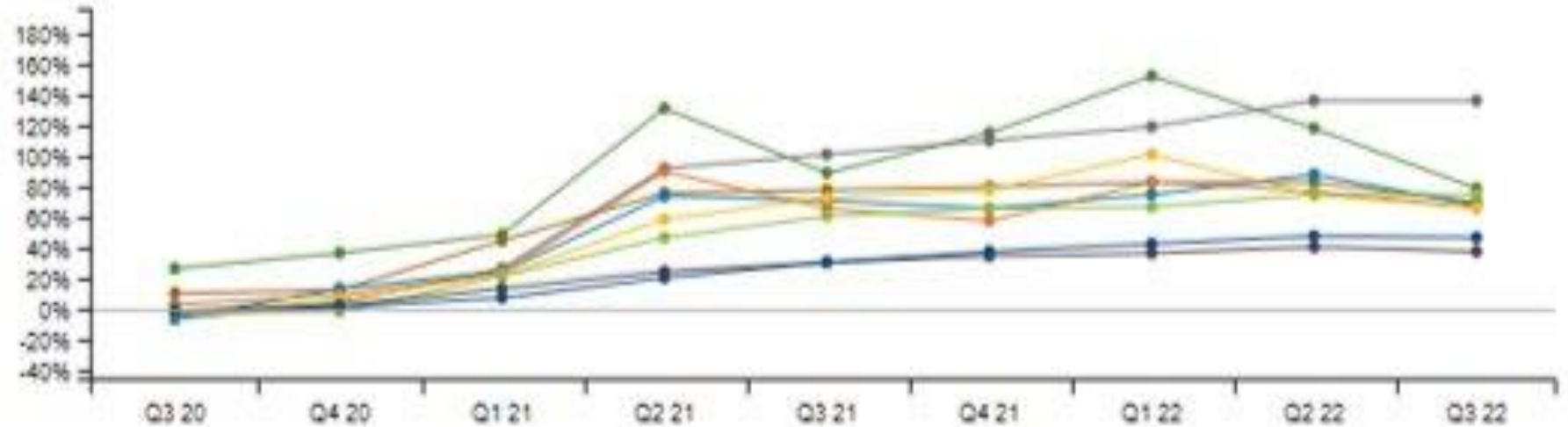
Timeline

- July 2020: GRU and FL Solar 6, LLC (subsidiary created by Origis) enter a 20-year PPA
 - 50 MW
 - Located near Archer, FL
 - \$31.52/MWh
- July 2021: Project is denied Special Use Permit by Alachua County Board of Commissioners
- March 2022: PPA was amended to give Origis more time to work through delays

Background (continued)

- Through these delays, the prices for materials and labor to build utility-scale solar jump significantly

Q3 22	
PVC Pipe	136%
Lumber	79%
Steel Pipe	75%
Copper Pipe	70%
Copper Wire	68%
Plywood	67%
Conduit	66%
Reinforcing Materials	47%
Structural Steel	38%



- Meanwhile, Origis worked with neighbors that opposed the original site and located a new site approximately 2 miles away

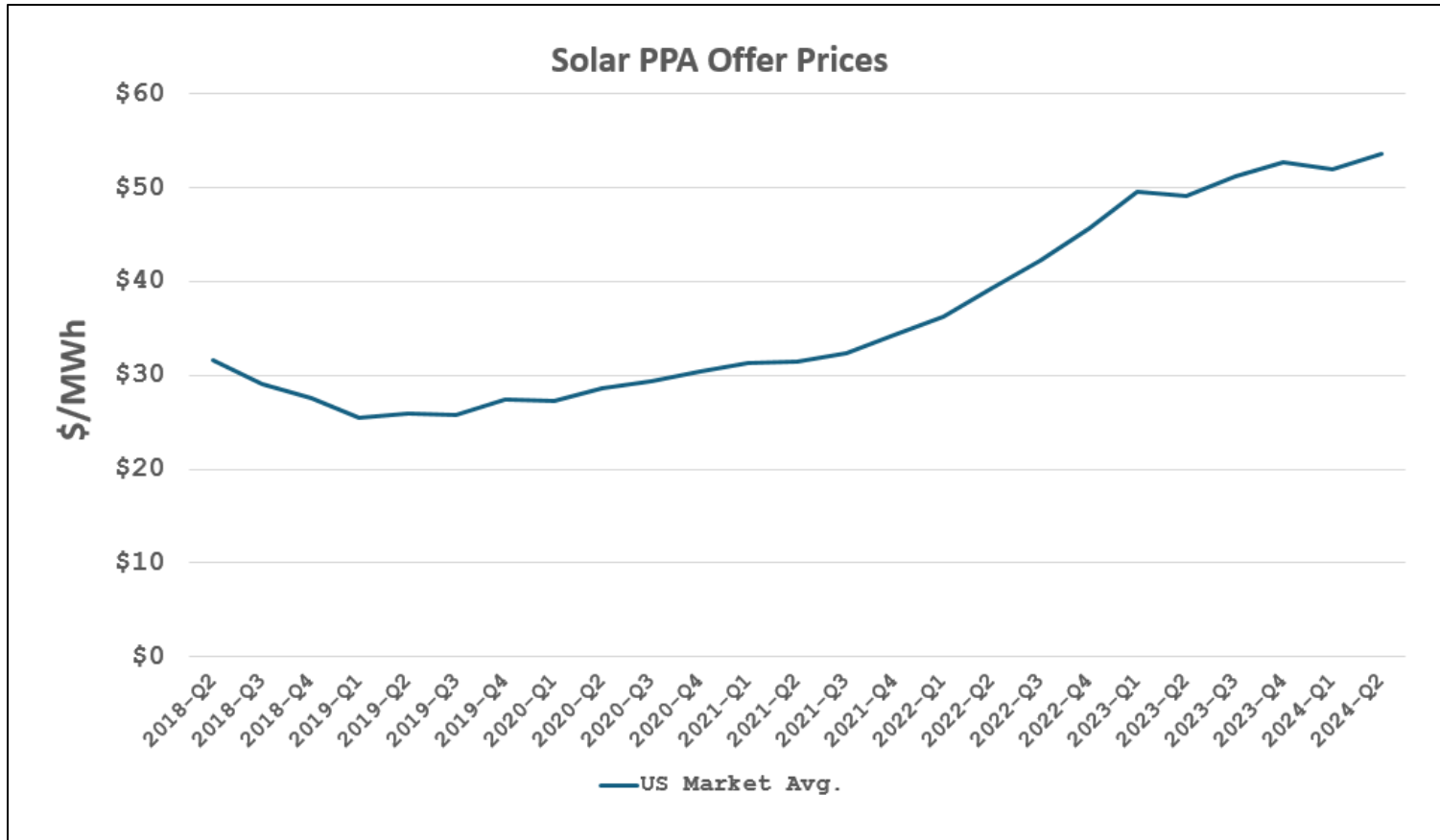
Timeline

- April 2023: in effort to move forward, GRU and Origis amended the PPA a 2nd time
 - Increased energy price from \$31.52/MWh to \$40.56/MWh
 - Increased size of project from 50 MW to 75 MW

- April 2023 – summer 2024
 - Additional delays (permitting, interconnection agreement, substation sublease, etc.) slowed the project
 - Prices for materials and labor continued to skyrocket
 - Engineering, materials, and labor that once went to the utility-scale solar market moved to the data center construction market
 - Interest rates continued to climb, making utility-scale solar projects more expensive to finance

Current Utility-Scale Solar Market

Prices are Way Up



Source: Level 10 Energy

- The price to develop the Sand Bluff Solar project is now twice what it was in July 2020 when the PPA was first signed
 - The price for this energy would be more than GRU’s average cost of production, and would result in higher costs for GRU’s customers
- These challenges have prompted other Florida utilities to similarly terminate solar PPAs in the face of rising costs

Mutual Agreement

- The PPA may be terminated if Origis is unable to procure financing for the project
- With the current PPA rate, the project is not financeable (it would lose millions of dollars)
 - The PPA rate that would be required to make the project financeable would result in higher rates for GRU's customers
- Origis has continuously acted in good faith in attempting to develop the project
- The Mutual Termination and Release frees both parties from any further obligations related to the project
- If the market for utility-scale solar improves, the site could still be developed with solar at a later time

Recommendation

The GRU Authority approve the Termination and Release of the Renewable Power Purchase Agreement and authorize the CEO, or his designee, to execute the Termination and Release between GRU and FL Solar 6, LLC.



Thank You!



**Gainesville Regional Utilities Authority
Agenda Item Report**

File Number: 2025-24

Agenda Date: January 15, 2025

Department: Gainesville Regional Utilities

Title: 2025-24 Wild Spaces & Public Places Multi-Use Trail Systems in GRU Utility Rights-of-Way (B)

Department: Administrative Services/COO

Description: This item is seeking approval for the Chief Executive Officer to execute individual, project-driven Memorandums of Understanding that will outline terms between General Government (“GG”) and GRU for the construction, operation and maintenance of multi-use paths within GRU’s utility rights-of-ways (“ROWs”) located within the Gainesville city limits. These urban trail systems will enhance connectivity in Gainesville by providing a seamless route for non-motorized transportation between City, County and State recreational areas such as Depot Park, Sweetwater Wetlands Park and Paynes Prairie.

Wild Spaces & Public Places (“WSPP”) and GRU staff have been collaborating on path placement and design within GRU ROWs for many years. There are currently four (4) projects under site plan review with GRU. A Utility Construction Permit will be issued by GRU for all trail projects to serve as our written consent and acknowledgement that the construction plans adhere to our current design and construction standards. An individual MOU will be executed between GG and GRU for each project to ensure the unique needs of the utility in those specific project areas are met.

A standard MOU document with general terms has been developed, and approved, by GG and GRU staff, the City Attorney’s office and Folds Walker. The MOUs for the following active trail projects have been submitted as back-up: Sweetwater Trail Phase 1A, Sweetwater Trail Phase 1B, Sweetwater Trail Phase 2 and NE 31st Avenue Trail.

Fiscal Note: No fiscal impact to GRU. WSPP will fund all aspects of the projects through the half-cent sales tax program, which includes design, construction, operation and maintenance of the trail systems

Recommendation: GRUA authorize the CEO, or his designee, to execute all Memorandums of Understanding between GG and GRU for the design, construction, operation and maintenance of multi-use paths in GRU Utility ROWs.

Memorandum of Understanding (MOU)

Multi-Use Path in Utility Right-of-Way

Parties: This Memorandum of Understanding (MOU) is entered into between Gainesville Regional Utilities ("GRU") and the City of Gainesville ("City"), collectively referred to as the "Parties."

Purpose: The purpose of this MOU is to establish agreed upon standards for the construction, use and maintenance of a multi-use path ("MUP") within GRU's utility right-of-way.

GRU is the owner and holder of fee simple titles under the provisions of that certain Warranty Deed dated 1/25/1971, and recorded in Official Records Book 688, Page 132; that certain Warranty Deed dated 1/21/1970, and recorded in Official Records Book 620, Page 165; that certain Warranty Deed dated 3/7/1960, and recorded in Official Records Book 89, Page 497; that certain Warranty Deed dated 1/15/1971, and recorded in Official Records Book 693, Page 303, and rerecorded on 1/15/1971, in Official Records Book 695, Page 61; that certain Easement Granted 3/7/1960, and recorded in Official Records Book 89, Page 497, all in the Public Records of Alachua County, Florida covering lands located in Section 27, Township 9 South, Range 20 East ("Property").

Pursuant to the authority contained in the Easement Grant and Warranty Deeds, GRU has constructed and currently operates and maintains Electric Transmission and Distribution, Telecommunications and Sanitary Sewer utility facilities. (Collectively, the "Facilities").

The City seeks consent for the installation, operation and maintenance of a MUP within and along the aforementioned GRU utility right-of-way located along NE 31st Avenue between NE 15th Street and NE Waldo Road (SR 24). This MOU serves as written consent from GRU to the City to install, operate, maintain, use, and enjoy the MUP within the Property. GRU is willing to grant such consent upon the terms and conditions hereafter set forth. The Parties acknowledge that the City, its successors, agents and contractors will all adhere to such terms for as long as the MUP remains in existence.

1. General:

- This MOU is for the specified use outlined above. The City shall not construct, plant, or create additional improvements of any kind within the confines of the Property without the prior express written consent of GRU.
- The City, in the exercise of the rights herein, shall not unreasonably interfere with the right of GRU, or any person having a prior right to use GRU's Property, from their continued and future use.
- No work can be done in GRU's Property unless GRU has reviewed and approved the plans for such work and an agreement in writing has been entered into between GRU and the City.
- Any improvement, or use, consented to by GRU shall not interfere with GRU's operation, maintenance and access of its Facilities, or with the future installation of additional Facilities. Should GRU need to remove any portion of the MUP in order to

construct, maintain, operate, repair, remove, replace or resize Facilities, the City shall pay the cost of removing and replacing or reinstalling the MUP and GRU shall not be responsible for any cost associated therewith.

- The City shall provide a minimum four (4) days' notice to GRU prior to any installation, construction, excavation or demolition work within the Property.
- Permanent buildings or above ground structures, including dumpsters, signs, retaining walls or masonry structures, are not permitted on the Property, unless expressly approved in writing beforehand by GRU management from each operating area of the affected utility. (Water, Wastewater, Electric, Gas, etc.).
- The City will be solely responsible for the removal of abandoned items and trash due to public use of the MUP.
- GRU reserves the right to close, without notice, all or a portion of the MUP located within the Property, for any length of time, for construction, maintenance or emergency line operations or under any emergency conditions.
- The City's construction of the MUP is exempt from Section 30-8 of the Land Development Code as it pertains to landscaping and/or stormwater requirements. If the MUP prompts stormwater improvements due to a reduction in permeable land area, the City is solely responsible for the remediation and said remediation should not cause further impacts to the Property.
- Three feet (3') of vertical clearance must be maintained between all existing GRU owned underground Facilities.
- Parties acknowledge that the Wild Spaces and Public Places Program will be responsible for the design and construction of the MUP and that the Parks, Recreation and Cultural Affairs Department will be responsible for the maintenance of the MUP.
- The City agrees to, at no cost to GRU, redesign and/or relocate the MUP if GRU finds, at GRU's sole discretion, that the MUP interferes with any installation, maintenance or repair of Facilities on the Property.

2. **Design:**

- Prior to commencement of work within the Property, the City shall submit plans to GRU and obtain written approval of the improvements by GRU. Cost for any relocation, modification or other expense incurred by GRU associated with the MUP shall be paid by the City.
- The City agrees that the MUP and all work within the Property shall meet GRU design standards and be constructed in accordance with the Energy Delivery Service Guide, W/WW Design, Construction and Material Standards Guide and the Property Utilization Guide.
- The City shall not alter the grade or permit such alteration anywhere on the Property without the prior express written consent of GRU.
- A level, thirty foot (30') wide access road must be maintained at all times along the length of the Property and to each above ground or electric transmission/distribution structure for GRU routine maintenance and/or emergency repairs. This maintenance road must be clear for vehicle access with no planted shrubs, vegetation, or other

obstacles. The City will be responsible for any restoration required to the Property's driveway and/or access road as a result of the City's use of the Property.

- Underground utilities and structures requiring less than a four foot (4') foot depth ditch are required to maintain a fifteen foot (15') horizontal clearance from GRU structures, ten feet (10') from existing water mains, wastewater force mains, reclaimed water mains, underground electric, natural gas and telecommunications utility facilities, and fifteen feet (15') from existing gravity mains. The greater the depth and pipe diameter of GRU's existing Facilities the further the horizontal distance required. Exceptions may be granted on a case by case basis with prior GRU written approval.
- Access to lift stations shall remain clear during construction and at all other times. No obstructions, whether full or partial, are allowed in front of gates to the lift stations. Additionally, all above-ground appurtenances for all utilities must remain visible and accessible, i.e. gas regulators, meters, valves, etc.
- Changes to ground elevations shall not result in less than the minimum cover as required by GRU's construction and design standards. Changes in ground elevations shall not adversely alter the existing drainage characteristics of the Property. Also, changes to ground elevations shall not impact the transmission line-to-ground clearance required to meet NESC (National Electrical Safety Code) and require a clearance check by GRU. Approved changes to grading in the right-of-way shall be no steeper than 4:1.
- No culverts within ten feet (10') of the base of any transmission structure or support structure will be allowed. Any culvert within fifty feet (50') of the base of the structure shall originate and terminate outside of a fifty foot (50') radius from the pole base. Culvert installations located within the utility right-of-way shall be designed and rated to allow vehicles weighing in excess of 86,000 pounds to safely traverse across and be a minimum of twenty-five feet (25') in width. No culvert shall discharge within the fifty foot (50') radius from the base of any structure.
- Installation of poles and lighting fixtures is customarily not permitted on GRU Property. Exceptions may be granted in writing on a case by case basis.

3. **Construction:**

- The City shall take all steps necessary to protect the Facilities at all times during the performance of any work associated with the MUP.
- Any excavation is prohibited within thirty feet (30') feet of any single wood pole or guying structure, within fifty feet (50') of any steel or concrete tower or pole, and within ten feet (10') of any other existing or proposed Facility. This clearance is required for emergency repair and/or routine maintenance of these structures. Improvements must not block access to poles, support structures, manholes, valves or other Facilities.
- The City will be responsible for the installation and maintenance of erosion and sediment control facilities as required under any jurisdictional agency regulations including but not limited to the Florida Department of Environmental Protection.
- The City will be responsible for obtaining utility line locations prior to any construction activity on the Property.

- Mounding or stockpiling any material, such as dirt, construction materials or equipment is not allowed on the Property.
- The City will be required to restore the Property to as close to the original condition as possible, by grading, removal of trash, debris and rocks, re-sodding or seeding and mulching in accordance with FDOT standards, within seventy-two (72) hours of the completion of its operations.
- No spill, deposit, emission, leakage or other release of Hazardous Substances on the property or the soil, surface water or groundwater thereof is allowed for the period of construction. The City shall be responsible to promptly and completely clean up any such release caused by the City, its officers and employees, agents, contractors and invitees as shall occur on the Property during construction and shall surrender the Property free of any contamination or other damage caused by such occurrences during construction.
- The City agrees that the Property will not be used to park vehicles or store equipment and/or materials. GRU shall not be liable for any damages to the City employee or contractor vehicles or equipment parked or stored on Property. A separate Temporary Use Permit can be requested for those types of activities, but no assurances can be made that it will be granted.
- The City's operations and activities within the Property beneath or in proximity to any of GRU's electric facilities MUST, at all times, be in strict compliance with applicable provisions of the National Electrical Safety Code (NESC) and the Occupational Safety and Health Act of 1971 (OSHA) and best practices for prevention of static charge accumulation. The City is further notified and hereby agrees to so notify any of the City's employees, agents, contractors, representatives or other person engaging in the City's permitted activities upon said Property with the City's knowledge and the City's supervision or control, that extreme caution is necessary around all GRU's electrical facilities, supporting structures, anchor guys or related appurtenances, and in the event of any damages or injuries, the City shall immediately report the nature and extent thereof to GRU's nearest local office and be responsible for any costs associated with such damages or injuries.
- The City shall supply and install high visibility orange safety construction fencing around the various poles, guy wires, concrete structures, meters, valves, regulators and any other above-ground Facilities located on Property within the construction area.
- Any damages or cuts made to GRU Facilities or Property will be repaired at the City's expense.
- All work shall be performed under the supervision of GRU T&D Department and other departments with Facilities in proximity to the MUP location.
- All materials and equipment shall be subject to inspection by GRU.
- An onsite preconstruction conference will be held prior to starting any work and will be coordinated by a member of the City.
- GRU may inspect any work or utilities as it finds necessary to ensure compliance with this MOU, the approved site plans and/or any applicable law or regulation.

4. **Vegetation:**

- The City shall not plant any trees, shrubs, bushes or other woody species within the Property and shall be solely responsible for any other landscaping, facilities and appurtenances approved by GRU.
- Vegetation deemed a risk to GRU overhead and underground Facilities or to be in conflict with GRU's operation, maintenance or construction of Facilities shall be removed.
- Any vegetation planted on the Property must not prevent GRU vehicle access for repair, maintenance or construction. Generally, no vegetation other than grasses will be permitted within ten feet (10') of any existing or proposed overhead or underground Facilities.
- The City will be responsible for ensuring that any plantings and/or landscaping materials approved by GRU are kept watered and maintained so that they are healthy and vigorous and that all planting areas and beds are kept free of weeds and undesirable plant growth. The City will also be responsible for the replacement of any landscape materials not maintained as stated above.

Special Conditions (as applicable)

- Installation of storm water retention ponds are customarily not permitted on the Property. Installations of storm water pipes, drains, inlets and/or swales which cross the Property may be permitted provided that such improvements do not adversely impact operation, maintenance, repair or future construction of utility Facilities. Approval by all affected GRU departments must be obtained in writing prior to any installation.
- The City understands and agrees that GRU may not have the authority to grant the City permission to construct the MUP within the Property. This MOU merely defines the terms by which GRU may, at its discretion, approve plans for a MUP, and that the City will obtain permission for the MUP from the underlying fee owner of the Property or third parties having an interest in the Owner Premises. The consent granted by this agreement shall not constitute or be construed as a subordination, merger, assignment, conveyance or relinquishment of any of the right, title and interest of GRU under the provisions of the aforementioned Easement Grant.
- The City understands that GRU requires a thirty (30) day notification period for T&D to de-energize and add line covers to overhead electric transmission lines during construction. This is dependent on system demands and there is no guarantee a transmission line can be switched out on a given date. It is recommended that a ninety (90) day minimum notification be given for any transmission line outage request.
- The City understands and agrees that during storm season and during any GRU system emergency, any and all work on or for GRU Facilities will take precedence over work the City desires to perform on the Property. GRU will close the MUP, without notification and for the length of time needed, over any and all sections of the MUP where GRU access is required. This will include entrances to lift stations.

THIS AGREEMENT BECOMES EFFECTIVE ON THE DATE IT IS SIGNED BY BOTH PARTIES. IT REMAINS IN FORCE UNLESS EXPLICITLY TERMINATED IN WRITING AND AGREED TO BY BOTH PARTIES.

AGREED TO AND ACCEPTED on _____, 20__, by the **CITY OF GAINESVILLE**

By: _____

Cynthia W. Curry, City Manager City of Gainesville

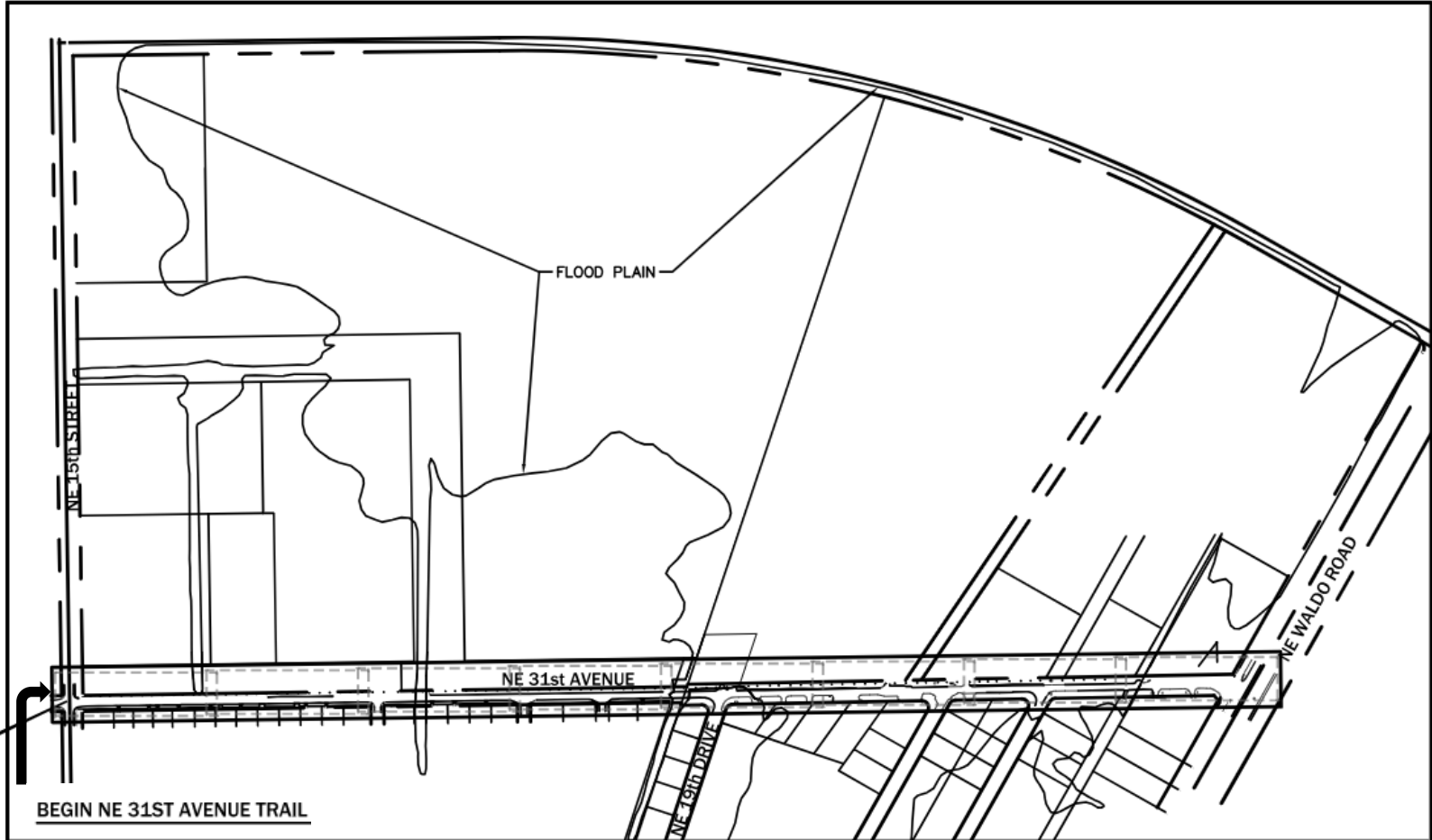
AGREED TO AND ACCEPTED on _____, 20__, by **GAINESVILLE REGIONAL UTILITIES**

By: _____

Edward J. Bielarski, Jr., CEO Gainesville Regional Utilities

EXHIBIT "A"
Location Map

Project: WSPP – NE 31st Avenue Trail
City of Gainesville Petition No. LD22-000047



GENERAL LOCATION: (29.68210, -82.29981)

Memorandum of Understanding (MOU)

Multi-Use Path in Utility Right-of-Way

Sweetwater Trail – Phase 1A

Parties: This Memorandum of Understanding (MOU) is entered into between Gainesville Regional Utilities ("GRU") and the City of Gainesville ("City"), collectively referred to as the "Parties."

Purpose: The purpose of this MOU is to establish agreed upon standards for the construction, use and maintenance of a multi-use path ("MUP") within GRU's utility right-of-way.

GRU is the holder of an easement under the provisions of that certain Easement Grant via Final Judgment dated 06/20/1973, and recorded in Official Records Book 840, Page 53, located within Alachua County Tax Parcel No. 15702-005-002; and GRU is the owner of fee simple title under the provisions of that certain Warranty Deed dated 03/23/1907, and recorded in Deed Book 71, Page 233; AND that certain Warranty Deed dated 01/20/1930, and recorded in Deed Book 158, Page 49, also identified as Alachua County Tax Parcel No. 15691-000-000; all in the Public Records of Alachua County, Florida covering lands located in Section 8, Township 10 South, Range 20 East, (the "Property").

Pursuant to the authority contained in the aforementioned documents, GRU has constructed and currently operates and maintains Electric Transmission and Distribution, Telecommunications and Sanitary Sewer utility facilities (collectively, the "Facilities").

The City seeks consent for the installation, operation and maintenance of a MUP within and along the aforementioned GRU utility right-of-way located east of the Gainesville Regional Transit Administration Facility and the GRU Main Street Water Reclamation Facility, within the Property as depicted on the attached Exhibit "A". This MOU serves as written consent from GRU to the City to install, operate, maintain, use, and enjoy the MUP within the Property. GRU is willing to grant such consent upon the terms and conditions hereafter set forth. The Parties acknowledge that the City, its successors, agents and contractors will all adhere to such terms for as long as the MUP remains in existence.

1. General:

- This MOU is for the specified use outlined above. The City shall not construct, plant, or create additional improvements of any kind within the confines of the Property without the prior express written consent of GRU.
- The City, in the exercise of the rights herein, shall not unreasonably interfere with the right of GRU, or any person having a prior right to use GRU's Property, from their continued and future use.
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- Any improvement, or use, consented to by GRU shall not interfere with GRU's operation, maintenance and access of its Facilities, or with the future installation of additional Facilities. Should GRU need to remove any portion of the MUP in order to construct, maintain, operate, repair, remove, replace or resize Facilities, the City shall pay the cost of removing and replacing or reinstalling the MUP and GRU shall not be responsible for any cost associated therewith.
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2. **Design:**

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- The City will be responsible for obtaining utility line locations prior to any construction activity on the Property.
- Mounding or stockpiling any material, such as dirt, construction materials or equipment is not allowed on the Property.
- The City will be required to restore the Property to as close to the original condition as possible, by grading, removal of trash, debris and rocks, re-sodding or seeding and mulching in accordance with FDOT standards, within seventy-two (72) hours of the completion of its operations.
- No spill, deposit, emission, leakage or other release of Hazardous Substances on the property or the soil, surface water or groundwater thereof is allowed for the period of construction. The City shall be responsible to promptly and completely clean up any such release caused by the City, its officers and employees, agents, contractors and invitees as shall occur on the Property during construction and shall surrender the Property free of any contamination or other damage caused by such occurrences during construction.
- The City agrees that the Property will not be used to park vehicles or store equipment and/or materials. GRU shall not be liable for any damages to the City employee or contractor vehicles or equipment parked or stored on Property. A separate Temporary Use Permit can be requested for those types of activities, but no assurances can be made that it will be granted.
- The City's operations and activities within the Property beneath or in proximity to any of GRU's electric facilities MUST, at all times, be in strict compliance with applicable provisions of the National Electrical Safety Code (NESC) and the Occupational Safety and Health Act of 1971 (OSHA) and best practices for prevention of static charge accumulation. The City is further notified and hereby agrees to so notify any of the City's employees, agents, contractors, representatives or other person engaging in the City's permitted activities upon said Property with the City's knowledge and the City's supervision or control, that extreme caution is necessary around all GRU's electrical facilities, supporting structures, anchor guys or related appurtenances, and in the event of any damages or injuries, the City shall immediately report the nature and extent thereof to GRU's nearest local office and be responsible for any costs associated with such damages or injuries.
- The City shall supply and install high visibility orange safety construction fencing around the various poles, guy wires, concrete structures, meters, valves, regulators and any other above-ground Facilities located on Property within the construction area.
- Any damages or cuts made to GRU Facilities or Property will be repaired at the City's expense.
- All work shall be performed under the supervision of GRU T&D Department and other departments with Facilities in proximity to the MUP location.
- All materials and equipment shall be subject to inspection by GRU.
- An onsite preconstruction conference will be held prior to starting any work and will be coordinated by a member of the City.
- GRU may inspect any work or utilities as it finds necessary to ensure compliance with this MOU, the approved site plans and/or any applicable law or regulation.

4. **Vegetation:**

- The City shall not plant any trees, shrubs, bushes or other woody species within the Property and shall be solely responsible for any other landscaping, facilities and appurtenances approved by GRU.
- Vegetation deemed a risk to GRU overhead and underground Facilities or to be in conflict with GRU's operation, maintenance or construction of Facilities shall be removed.
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Special Conditions (*as applicable*)

- Installation of storm water retention ponds are customarily not permitted on the Property. Installations of storm water pipes, drains, inlets and/or swales which cross the Property may be permitted provided that such improvements do not adversely impact operation, maintenance, repair or future construction of utility Facilities. Approval by all affected GRU departments must be obtained in writing prior to any installation.
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- The City understands that GRU requires a thirty (30) day notification period for T&D to de-energize and add line covers to overhead electric transmission lines during construction. This is dependent on system demands and there is no guarantee a transmission line can be switched out on a given date. It is recommended that a ninety (90) day minimum notification be given for any transmission line outage request.
- The City understands and agrees that during storm season and during any GRU system emergency, any and all work on or for GRU Facilities will take precedence over work the City desires to perform on the Property. GRU will close the MUP,

without notification and for the length of time needed, over any and all sections of the MUP where GRU access is required. This will include entrances to lift stations.

THIS AGREEMENT BECOMES EFFECTIVE ON THE DATE IT IS SIGNED BY BOTH PARTIES. IT REMAINS IN FORCE UNLESS EXPLICITLY TERMINATED IN WRITING AND AGREED TO BY BOTH PARTIES.

AGREED TO AND ACCEPTED on _____, 20__, by the **CITY OF GAINESVILLE**

By: _____

Cynthia W. Curry, City Manager City of Gainesville

AGREED TO AND ACCEPTED on _____, 20__, by **GAINESVILLE REGIONAL UTILITIES**

By: _____

Edward J. Bielarski, Jr., CEO Gainesville Regional Utilities

EXHIBIT "A"
Location Map

Project: WSPP – SWEETWATER TRAIL PHASE 1A
City of Gainesville Petition No. LD23-000165



Memorandum of Understanding (MOU)

Multi-Use Path in Utility Right-of-Way

Sweetwater Trail – Phase 1B

Parties: This Memorandum of Understanding (MOU) is entered into between Gainesville Regional Utilities ("GRU") and the City of Gainesville ("City"), collectively referred to as the "Parties."

Purpose: The purpose of this MOU is to establish agreed upon standards for the construction, use and maintenance of a multi-use path ("MUP") within GRU's utility right-of-way.

GRU is the holder of easements under the provisions of that certain Easement Grant via Final Judgment dated 05/02/1973, and recorded in Official Records Book 833, Page 30; AND Final Judgment dated 05/02/1973, and recorded in Official Records Book 833, Page 25, located within Alachua County Tax Parcel Nos. 15701-050-012 and 15701-050-013; and GRU is the owner of fee simple title under the provisions of that certain Final Judgment dated 11/25/1968, and recorded in Official Records Book 541, Page 278, also identified as Alachua County Tax Parcel No. 15701-050-003; all in the Public Records of Alachua County, Florida covering lands located in the D.L. Clinch Grant and Sections 8, 9 & 16, Township 10 South, Range 20 East, (the "Property").

Pursuant to the authority contained in the aforementioned documents, GRU has constructed and currently operates and maintains Electric Transmission and Distribution, Telecommunications and Sanitary Sewer utility facilities (collectively, the "Facilities").

The City seeks consent for the installation, operation and maintenance of a MUP within and along the aforementioned GRU utility right-of-way located east the GRU Main Street Water Reclamation Facility and adjacent to GRU Sanitary Sewer Lift Station No. 40, within the Property as depicted on the attached Exhibit "A". This MOU serves as written consent from GRU to the City to install, operate, maintain, use, and enjoy the MUP within the Property. GRU is willing to grant such consent upon the terms and conditions hereafter set forth. The Parties acknowledge that the City, its successors, agents and contractors will all adhere to such terms for as long as the MUP remains in existence.

1. General:

- This MOU is for the specified use outlined above. The City shall not construct, plant, or create additional improvements of any kind within the confines of the Property without the prior express written consent of GRU.
- The City, in the exercise of the rights herein, shall not unreasonably interfere with the right of GRU, or any person having a prior right to use GRU's Property, from their continued and future use.
- No work can be done in GRU's Property unless GRU has reviewed and approved the plans for such work and an agreement in writing has been entered into between GRU and the City.

- Any improvement, or use, consented to by GRU shall not interfere with GRU's operation, maintenance and access of its Facilities, or with the future installation of additional Facilities. Should GRU need to remove any portion of the MUP in order to construct, maintain, operate, repair, remove, replace or resize Facilities, the City shall pay the cost of removing and replacing or reinstalling the MUP and GRU shall not be responsible for any cost associated therewith.
- The City shall provide a minimum four (4) days' notice to GRU prior to any installation, construction, excavation or demolition work within the Property.
- Permanent buildings or above ground structures, including dumpsters, signs, retaining walls or masonry structures, are not permitted on the Property, unless expressly approved in writing beforehand by GRU management from each operating area of the affected utility. (Water, Wastewater, Electric, Gas, etc.).
- The City will be solely responsible for the removal of abandoned items and trash due to public use of the MUP.
- GRU reserves the right to close, without notice, all or a portion of the MUP located within the Property, for any length of time, for construction, maintenance or emergency line operations or under any emergency conditions.
- The City's construction of the MUP is exempt from Section 30-8 of the Land Development Code as it pertains to landscaping and/or stormwater requirements. If the MUP prompts stormwater improvements due to a reduction in permeable land area, the City is solely responsible for the remediation and said remediation should not cause further impacts to the Property.
- Three feet (3') of vertical clearance must be maintained between all existing GRU owned underground Facilities.
- Parties acknowledge that the Wild Spaces and Public Places Program will be responsible for the design and construction of the MUP and that the Parks, Recreation and Cultural Affairs Department will be responsible for the maintenance of the MUP.
- The City agrees to, at no cost to GRU, redesign and/or relocate the MUP if GRU finds, at GRU's sole discretion, that the MUP interferes with any installation, maintenance or repair of Facilities on the Property.

2. **Design:**

- Prior to commencement of work within the Property, the City shall submit plans to GRU and obtain written approval of the improvements by GRU. Cost for any relocation, modification or other expense incurred by GRU associated with the MUP shall be paid by the City.
- The City agrees that the MUP and all work within the Property shall meet GRU design standards and be constructed in accordance with the Energy Delivery Service Guide, W/WW Design, Construction and Material Standards Guide and the Property Utilization Guide.
- The City shall not alter the grade or permit such alteration anywhere on the Property without the prior express written consent of GRU.
- A level, thirty foot (30') wide access road must be maintained at all times along the length of the Property and to each above ground or electric transmission/distribution structure for GRU routine maintenance and/or emergency repairs. This maintenance

road must be clear for vehicle access with no planted shrubs, vegetation, or other obstacles. The City will be responsible for any restoration required to the Property's driveway and/or access road as a result of the City's use of the Property.

- Underground utilities and structures requiring less than a four foot (4') foot depth ditch are required to maintain a fifteen foot (15') horizontal clearance from GRU structures, ten feet (10') from existing water mains, wastewater force mains, reclaimed water mains, underground electric, natural gas and telecommunications utility facilities, and fifteen feet (15') from existing gravity mains. The greater the depth and pipe diameter of GRU's existing Facilities the further the horizontal distance required. Exceptions may be granted on a case by case basis with prior GRU written approval.
- Access to lift stations shall remain clear during construction and at all other times. No obstructions, whether full or partial, are allowed in front of gates to the lift stations. Additionally, all above-ground appurtenances for all utilities must remain visible and accessible, i.e. gas regulators, meters, valves, etc.
- Changes to ground elevations shall not result in less than the minimum cover as required by GRU's construction and design standards. Changes in ground elevations shall not adversely alter the existing drainage characteristics of the Property. Also, changes to ground elevations shall not impact the transmission line-to-ground clearance required to meet NESC (National Electrical Safety Code) and require a clearance check by GRU. Approved changes to grading in the right-of-way shall be no steeper than 4:1.
- No culverts within ten feet (10') of the base of any transmission structure or support structure will be allowed. Any culvert within fifty feet (50') of the base of the structure shall originate and terminate outside of a fifty foot (50') radius from the pole base. Culvert installations located within the utility right-of-way shall be designed and rated to allow vehicles weighing in excess of 86,000 pounds to safely traverse across and be a minimum of twenty-five feet (25') in width. No culvert shall discharge within the fifty foot (50') radius from the base of any structure.
- Installation of poles and lighting fixtures is customarily not permitted on GRU Property. Exceptions may be granted in writing on a case by case basis.

3. **Construction:**

- The City shall take all steps necessary to protect the Facilities at all times during the performance of any work associated with the MUP.
- Any excavation is prohibited within thirty feet (30') feet of any single wood pole or guying structure, within fifty feet (50') of any steel or concrete tower or pole, and within ten feet (10') of any other existing or proposed Facility. This clearance is required for emergency repair and/or routine maintenance of these structures. Improvements must not block access to poles, support structures, manholes, valves or other Facilities.
- The City will be responsible for the installation and maintenance of erosion and sediment control facilities as required under any jurisdictional agency regulations including but not limited to the Florida Department of Environmental Protection.

- The City will be responsible for obtaining utility line locations prior to any construction activity on the Property.
- Mounding or stockpiling any material, such as dirt, construction materials or equipment is not allowed on the Property.
- The City will be required to restore the Property to as close to the original condition as possible, by grading, removal of trash, debris and rocks, re-sodding or seeding and mulching in accordance with FDOT standards, within seventy-two (72) hours of the completion of its operations.
- No spill, deposit, emission, leakage or other release of Hazardous Substances on the property or the soil, surface water or groundwater thereof is allowed for the period of construction. The City shall be responsible to promptly and completely clean up any such release caused by the City, its officers and employees, agents, contractors and invitees as shall occur on the Property during construction and shall surrender the Property free of any contamination or other damage caused by such occurrences during construction.
- The City agrees that the Property will not be used to park vehicles or store equipment and/or materials. GRU shall not be liable for any damages to the City employee or contractor vehicles or equipment parked or stored on Property. A separate Temporary Use Permit can be requested for those types of activities, but no assurances can be made that it will be granted.
- The City's operations and activities within the Property beneath or in proximity to any of GRU's electric facilities MUST, at all times, be in strict compliance with applicable provisions of the National Electrical Safety Code (NESC) and the Occupational Safety and Health Act of 1971 (OSHA) and best practices for prevention of static charge accumulation. The City is further notified and hereby agrees to so notify any of the City's employees, agents, contractors, representatives or other person engaging in the City's permitted activities upon said Property with the City's knowledge and the City's supervision or control, that extreme caution is necessary around all GRU's electrical facilities, supporting structures, anchor guys or related appurtenances, and in the event of any damages or injuries, the City shall immediately report the nature and extent thereof to GRU's nearest local office and be responsible for any costs associated with such damages or injuries.
- The City shall supply and install high visibility orange safety construction fencing around the various poles, guy wires, concrete structures, meters, valves, regulators and any other above-ground Facilities located on Property within the construction area.
- Any damages or cuts made to GRU Facilities or Property will be repaired at the City's expense.
- All work shall be performed under the supervision of GRU T&D Department and other departments with Facilities in proximity to the MUP location.
- All materials and equipment shall be subject to inspection by GRU.
- An onsite preconstruction conference will be held prior to starting any work and will be coordinated by a member of the City.
- GRU may inspect any work or utilities as it finds necessary to ensure compliance with this MOU, the approved site plans and/or any applicable law or regulation.

4. **Vegetation:**

- The City shall not plant any trees, shrubs, bushes or other woody species within the Property and shall be solely responsible for any other landscaping, facilities and appurtenances approved by GRU.
- Vegetation deemed a risk to GRU overhead and underground Facilities or to be in conflict with GRU's operation, maintenance or construction of Facilities shall be removed.
- Any vegetation planted on the Property must not prevent GRU vehicle access for repair, maintenance or construction. Generally, no vegetation other than grasses will be permitted within ten feet (10') of any existing or proposed overhead or underground Facilities.
- The City will be responsible for ensuring that any plantings and/or landscaping materials approved by GRU are kept watered and maintained so that they are healthy and vigorous and that all planting areas and beds are kept free of weeds and undesirable plant growth. The City will also be responsible for the replacement of any landscape materials not maintained as stated above.

Special Conditions (*as applicable*)

- Installation of storm water retention ponds are customarily not permitted on the Property. Installations of storm water pipes, drains, inlets and/or swales which cross the Property may be permitted provided that such improvements do not adversely impact operation, maintenance, repair or future construction of utility Facilities. Approval by all affected GRU departments must be obtained in writing prior to any installation.
- The City understands and agrees that GRU may not have the authority to grant the City permission to construct the MUP within the Property. This MOU merely defines the terms by which GRU may, at its discretion, approve plans for a MUP, and that the City will obtain permission for the MUP from the underlying fee owner of the Property or third parties having an interest in the Owner Premises. The consent granted by this agreement shall not constitute or be construed as a subordination, merger, assignment, conveyance or relinquishment of any of the right, title and interest of GRU under the provisions of the aforementioned Easement Grant.
- The City understands that GRU requires a thirty (30) day notification period for T&D to de-energize and add line covers to overhead electric transmission lines during construction. This is dependent on system demands and there is no guarantee a transmission line can be switched out on a given date. It is recommended that a ninety (90) day minimum notification be given for any transmission line outage request.
- The City understands and agrees that during storm season and during any GRU system emergency, any and all work on or for GRU Facilities will take precedence over work the City desires to perform on the Property. GRU will close the MUP,

without notification and for the length of time needed, over any and all sections of the MUP where GRU access is required. This will include entrances to lift stations.

THIS AGREEMENT BECOMES EFFECTIVE ON THE DATE IT IS SIGNED BY BOTH PARTIES. IT REMAINS IN FORCE UNLESS EXPLICITLY TERMINATED IN WRITING AND AGREED TO BY BOTH PARTIES.

AGREED TO AND ACCEPTED on _____, 20__, by the **CITY OF GAINESVILLE**

By: _____

Cynthia W. Curry, City Manager City of Gainesville

AGREED TO AND ACCEPTED on _____, 20__, by **GAINESVILLE REGIONAL UTILITIES**

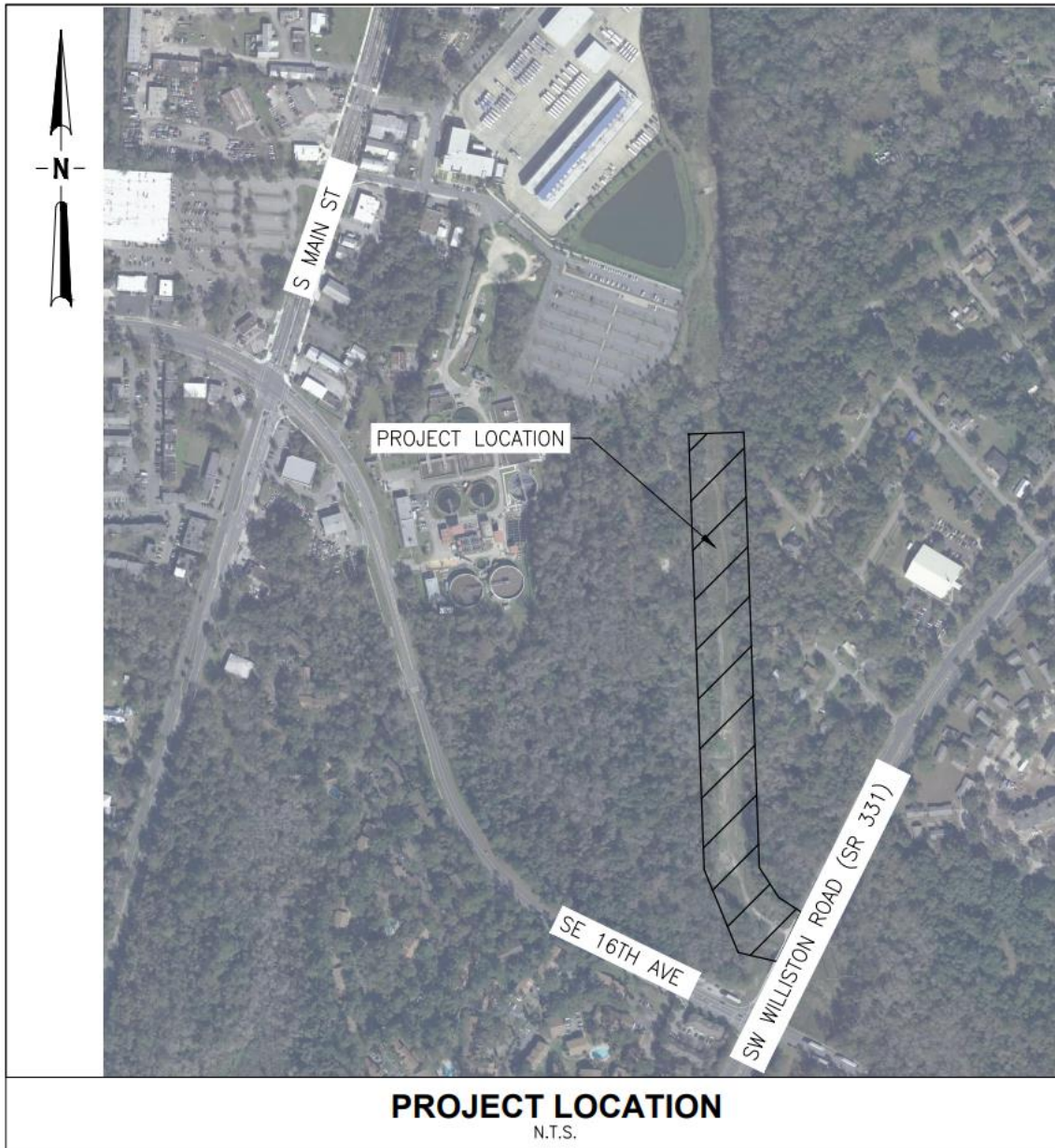
By: _____

Edward J. Bielarski, Jr., CEO Gainesville Regional Utilities

EXHIBIT "A"
Location Map

Project: WSPP – SWEETWATER TRAIL PHASE 1B
a/k/a CITY OF GAINESVILLE MULTI-USE TRAIL

City of Gainesville Petition No. LD22-000033



Memorandum of Understanding (MOU)

Multi-Use Path in Utility Right-of-Way

Sweetwater Trail – Phase 2

Parties: This Memorandum of Understanding (MOU) is entered into between Gainesville Regional Utilities ("GRU") and the City of Gainesville ("City"), collectively referred to as the "Parties."

Purpose: The purpose of this MOU is to establish agreed upon standards for the construction, use and maintenance of a multi-use path ("MUP") within GRU's utility right-of-way.

GRU is the holder of an easement under the provisions of that certain Easement Grant via Final Judgment dated 05/02/1973, and recorded in Official Records Book 839, Page 904, located within Alachua County Tax Parcel Nos. 15672-002-000 and 15672-002-001; and GRU is the owner of fee simple title under the provisions of that certain Final Judgment dated 06/19/1973, and recorded in Official Records Book 839, Page 901, also identified as Alachua County Tax Parcel No. 16246-003-002; all in the Public Records of Alachua County, Florida covering lands located in the D.L. Clinch Grant and Section 16, Township 10 South, Range 20 East, (the "Property").

Pursuant to the authority contained in the aforementioned documents, GRU has constructed and currently operates and maintains Electric Transmission and Distribution, Natural Gas and Potable Water utility facilities (collectively, the "Facilities").

The City seeks consent for the installation, operation and maintenance of a MUP within and along the aforementioned GRU utility right-of-way located adjacent to SE 11th Street between SE 16th Avenue and the Sweetwater Wetlands parking area, within the Property as depicted on the attached Exhibit "A". This MOU serves as written consent from GRU to the City to install, operate, maintain, use, and enjoy the MUP within the Property. GRU is willing to grant such consent upon the terms and conditions hereafter set forth. The Parties acknowledge that the City, its successors, agents and contractors will all adhere to such terms for as long as the MUP remains in existence.

1. General:

- This MOU is for the specified use outlined above. The City shall not construct, plant, or create additional improvements of any kind within the confines of the Property without the prior express written consent of GRU.
- The City, in the exercise of the rights herein, shall not unreasonably interfere with the right of GRU, or any person having a prior right to use GRU's Property, from their continued and future use.
- No work can be done in GRU's Property unless GRU has reviewed and approved the plans for such work and an agreement in writing has been entered into between GRU and the City.
- Any improvement, or use, consented to by GRU shall not interfere with GRU's operation, maintenance and access of its Facilities, or with the future installation of

additional Facilities. Should GRU need to remove any portion of the MUP in order to construct, maintain, operate, repair, remove, replace or resize Facilities, the City shall pay the cost of removing and replacing or reinstalling the MUP and GRU shall not be responsible for any cost associated therewith.

- The City shall provide a minimum four (4) days' notice to GRU prior to any installation, construction, excavation or demolition work within the Property.
- Permanent buildings or above ground structures, including dumpsters, signs, retaining walls or masonry structures, are not permitted on the Property, unless expressly approved in writing beforehand by GRU management from each operating area of the affected utility. (Water, Wastewater, Electric, Gas, etc.).
- The City will be solely responsible for the removal of abandoned items and trash due to public use of the MUP.
- GRU reserves the right to close, without notice, all or a portion of the MUP located within the Property, for any length of time, for construction, maintenance or emergency line operations or under any emergency conditions.
- The City's construction of the MUP is exempt from Section 30-8 of the Land Development Code as it pertains to landscaping and/or stormwater requirements. If the MUP prompts stormwater improvements due to a reduction in permeable land area, the City is solely responsible for the remediation and said remediation should not cause further impacts to the Property.
- Three feet (3') of vertical clearance must be maintained between all existing GRU owned underground Facilities.
- Parties acknowledge that the Wild Spaces and Public Places Program will be responsible for the design and construction of the MUP and that the Parks, Recreation and Cultural Affairs Department will be responsible for the maintenance of the MUP.
- The City agrees to, at no cost to GRU, redesign and/or relocate the MUP if GRU finds, at GRU's sole discretion, that the MUP interferes with any installation, maintenance or repair of Facilities on the Property.

2. Design:

- Prior to commencement of work within the Property, the City shall submit plans to GRU and obtain written approval of the improvements by GRU. Cost for any relocation, modification or other expense incurred by GRU associated with the MUP shall be paid by the City.
- The City agrees that the MUP and all work within the Property shall meet GRU design standards and be constructed in accordance with the Energy Delivery Service Guide, W/WW Design, Construction and Material Standards Guide and the Property Utilization Guide.
- The City shall not alter the grade or permit such alteration anywhere on the Property without the prior express written consent of GRU.
- A level, thirty foot (30') wide access road must be maintained at all times along the length of the Property and to each above ground or electric transmission/distribution structure for GRU routine maintenance and/or emergency repairs. This maintenance road must be clear for vehicle access with no planted shrubs, vegetation, or other

obstacles. The City will be responsible for any restoration required to the Property's driveway and/or access road as a result of the City's use of the Property.

- Underground utilities and structures requiring less than a four foot (4') foot depth ditch are required to maintain a fifteen foot (15') horizontal clearance from GRU structures, ten feet (10') from existing water mains, wastewater force mains, reclaimed water mains, underground electric, natural gas and telecommunications utility facilities, and fifteen feet (15') from existing gravity mains. The greater the depth and pipe diameter of GRU's existing Facilities the further the horizontal distance required. Exceptions may be granted on a case by case basis with prior GRU written approval.
- Access to lift stations shall remain clear during construction and at all other times. No obstructions, whether full or partial, are allowed in front of gates to the lift stations. Additionally, all above-ground appurtenances for all utilities must remain visible and accessible, i.e. gas regulators, meters, valves, etc.
- Changes to ground elevations shall not result in less than the minimum cover as required by GRU's construction and design standards. Changes in ground elevations shall not adversely alter the existing drainage characteristics of the Property. Also, changes to ground elevations shall not impact the transmission line-to-ground clearance required to meet NESC (National Electrical Safety Code) and require a clearance check by GRU. Approved changes to grading in the right-of-way shall be no steeper than 4:1.
- No culverts within ten feet (10') of the base of any transmission structure or support structure will be allowed. Any culvert within fifty feet (50') of the base of the structure shall originate and terminate outside of a fifty foot (50') radius from the pole base. Culvert installations located within the utility right-of-way shall be designed and rated to allow vehicles weighing in excess of 86,000 pounds to safely traverse across and be a minimum of twenty-five feet (25') in width. No culvert shall discharge within the fifty foot (50') radius from the base of any structure.
- Installation of poles and lighting fixtures is customarily not permitted on GRU Property. Exceptions may be granted in writing on a case by case basis.

3. Construction:

- The City shall take all steps necessary to protect the Facilities at all times during the performance of any work associated with the MUP.
- Any excavation is prohibited within thirty feet (30') feet of any single wood pole or guying structure, within fifty feet (50') of any steel or concrete tower or pole, and within ten feet (10') of any other existing or proposed Facility. This clearance is required for emergency repair and/or routine maintenance of these structures. Improvements must not block access to poles, support structures, manholes, valves or other Facilities.
- The City will be responsible for the installation and maintenance of erosion and sediment control facilities as required under any jurisdictional agency regulations including but not limited to the Florida Department of Environmental Protection.
- The City will be responsible for obtaining utility line locations prior to any construction activity on the Property.

- Mounding or stockpiling any material, such as dirt, construction materials or equipment is not allowed on the Property.
- The City will be required to restore the Property to as close to the original condition as possible, by grading, removal of trash, debris and rocks, re-sodding or seeding and mulching in accordance with FDOT standards, within seventy-two (72) hours of the completion of its operations.
- No spill, deposit, emission, leakage or other release of Hazardous Substances on the property or the soil, surface water or groundwater thereof is allowed for the period of construction. The City shall be responsible to promptly and completely clean up any such release caused by the City, its officers and employees, agents, contractors and invitees as shall occur on the Property during construction and shall surrender the Property free of any contamination or other damage caused by such occurrences during construction.
- The City agrees that the Property will not be used to park vehicles or store equipment and/or materials. GRU shall not be liable for any damages to the City employee or contractor vehicles or equipment parked or stored on Property. A separate Temporary Use Permit can be requested for those types of activities, but no assurances can be made that it will be granted.
- The City's operations and activities within the Property beneath or in proximity to any of GRU's electric facilities MUST, at all times, be in strict compliance with applicable provisions of the National Electrical Safety Code (NESC) and the Occupational Safety and Health Act of 1971 (OSHA) and best practices for prevention of static charge accumulation. The City is further notified and hereby agrees to so notify any of the City's employees, agents, contractors, representatives or other person engaging in the City's permitted activities upon said Property with the City's knowledge and the City's supervision or control, that extreme caution is necessary around all GRU's electrical facilities, supporting structures, anchor guys or related appurtenances, and in the event of any damages or injuries, the City shall immediately report the nature and extent thereof to GRU's nearest local office and be responsible for any costs associated with such damages or injuries.
- The City shall supply and install high visibility orange safety construction fencing around the various poles, guy wires, concrete structures, meters, valves, regulators and any other above-ground Facilities located on Property within the construction area.
- Any damages or cuts made to GRU Facilities or Property will be repaired at the City's expense.
- All work shall be performed under the supervision of GRU T&D Department and other departments with Facilities in proximity to the MUP location.
- All materials and equipment shall be subject to inspection by GRU.
- An onsite preconstruction conference will be held prior to starting any work and will be coordinated by a member of the City.
- GRU may inspect any work or utilities as it finds necessary to ensure compliance with this MOU, the approved site plans and/or any applicable law or regulation.

4. **Vegetation:**

- The City shall not plant any trees, shrubs, bushes or other woody species within the Property and shall be solely responsible for any other landscaping, facilities and appurtenances approved by GRU.
- Vegetation deemed a risk to GRU overhead and underground Facilities or to be in conflict with GRU's operation, maintenance or construction of Facilities shall be removed.
- Any vegetation planted on the Property must not prevent GRU vehicle access for repair, maintenance or construction. Generally, no vegetation other than grasses will be permitted within ten feet (10') of any existing or proposed overhead or underground Facilities.
- The City will be responsible for ensuring that any plantings and/or landscaping materials approved by GRU are kept watered and maintained so that they are healthy and vigorous and that all planting areas and beds are kept free of weeds and undesirable plant growth. The City will also be responsible for the replacement of any landscape materials not maintained as stated above.

Special Conditions (as applicable)

- Installation of storm water retention ponds are customarily not permitted on the Property. Installations of storm water pipes, drains, inlets and/or swales which cross the Property may be permitted provided that such improvements do not adversely impact operation, maintenance, repair or future construction of utility Facilities. Approval by all affected GRU departments must be obtained in writing prior to any installation.
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- The City understands that GRU requires a thirty (30) day notification period for T&D to de-energize and add line covers to overhead electric transmission lines during construction. This is dependent on system demands and there is no guarantee a transmission line can be switched out on a given date. It is recommended that a ninety (90) day minimum notification be given for any transmission line outage request.
- The City understands and agrees that during storm season and during any GRU system emergency, any and all work on or for GRU Facilities will take precedence over work the City desires to perform on the Property. GRU will close the MUP, without notification and for the length of time needed, over any and all sections of the MUP where GRU access is required. This will include entrances to lift stations.

THIS AGREEMENT BECOMES EFFECTIVE ON THE DATE IT IS SIGNED BY BOTH PARTIES. IT REMAINS IN FORCE UNLESS EXPLICITLY TERMINATED IN WRITING AND AGREED TO BY BOTH PARTIES.

AGREED TO AND ACCEPTED on _____, 20__, by the **CITY OF GAINESVILLE**

By: _____

Cynthia W. Curry, City Manager City of Gainesville

AGREED TO AND ACCEPTED on _____, 20__, by **GAINESVILLE REGIONAL UTILITIES**

By: _____

Edward J. Bielarski, Jr., CEO Gainesville Regional Utilities

EXHIBIT "A" Location Map

Project: WSPP – SWEETWATER TRAIL PHASE 2





**Gainesville Regional Utilities Authority
Agenda Item Report**

File Number: 2025-29

Agenda Date: January 15, 2025

Department: Gainesville Regional Utilities

Title: 2025-29 State of the Utility, Monthly Update

Department: CEO/COO

Description: GRU will be providing a monthly update to Authority members to ensure they are aware of important projects and relevant utility measurements and benchmarks. This report provides information from November 2024. We will be assessing the most effective methods for delivering the report in addition to the most relevant information as it continues to evolve.

Fiscal Note: None currently.

Recommendation: The GRU Authority hear a monthly update from the utility's operational areas.

State of the Utility

FY25
November



Major Figures & Achievements



Safety

DHR has experience hot spots on the wood pile, temperatures arose to slightly over 150 degrees. Heavy Equipment Operators dug out the hot areas with highest temperature, the current pile temperature is now at or below 120 degrees. We consider 160 degrees as the high concern level.

SEC Wartsila engine Heat Recovery Steam Generator (HRSG) drum door has a slight steam leak due to compromised gasket. This leak is not causing any hazards to personnel and no issue with operation. A new replacement gasket is on order and when this arrives we will take as Short Duration Outage to conduct repairs.

There are no other outstanding active safety issues at any of our facilities. Energy Supply has currently had no recordable injuries or lost time accidents for 1096 days.

Regulatory Compliance

We have no outstanding environmental or electric regulatory compliance issues at this time. We are working on our audit preparation checklist in preparation of upcoming NERC Audit later in 2025.

Deerhaven Generating Station (DH)

Plant site infrastructure in general:

- Following recent storms, where we experienced some plant site damage due to wind and heavy rain, the following repair work update below:
 - Deerhaven Unit #2 Cooling Tower cell #9 and #10 fan repairs are in progress, with a projection to restore both fans to full service by end of January.
 - The collapsed Construction Pond culvert repairs were complete.

Deerhaven Unit #2 (DH2)

- Unit is online
- Unit is being operated briefly on coal weekly to ensure unit dual fuel reliability as well as operator proficiency with unit on coal.

Deerhaven Unit #1 (DH1)

- Unit is online offline
- Continuing to building a currently unplanned outage scope to be conducted in FY26. This originally planned outage was originally going to be deferred due to unit expected retirement at end of calendar year 2027, but with possible intention to evaluate needs to continue operation beyond this 55 years at end of CY2027, we will need this outage scope for evaluation of critical components to determine scope of work needed for additional life extension.

Deerhaven Combustion Turbines

No issues and all three (3) units are fully available.

Deerhaven Renewable (DHR)

- Unit offline in extended outage.
- Unit scheduled planned outage started on Sept. 28, 2024, with the critical path job for this outage being inspection of steam turbine. Based on findings of material failure on the turbine rotor 1st stage, DHR is projected to be in an extended outage through Jan. 24, 2025. The turbine rotor repairs are being completed in the Siemens shop in Charlotte, NC. We have two (2) members of engineering Production Assurance Support (PAS) scheduled to visit this shop on Dec. 30, 2024, and rotor is set to ship back to DHR on Jan. 3, 2025. Best projection at this time is to get DHR turbine reassembled by Jan. 20 and unit released to full service on Jan. 24.
- We are continuing to conduct research and analysis to determine cost and scope to add both a Run Transformer and Run Breaker electrical scheme to DHR, like we have at all our other steam units. This project is needed to resolve impactful reliability issues at DHR. Currently without this electrical scheme DHR auxiliary equipment (fans, motors and pumps) have resulted in unit trips, this is due to voltage swings we experience on our grid that can impact logic to trip these auxiliaries. Our other three (3) steam units (DH1, DH2 and JCC1) shift the unit equipment auxiliaries to their respective Run Transformers once unit is online, and therefore their auxiliary equipment is not impacted by these grid voltage swings.

Kelly Generating Station (JRK)

- Unit is online
- CT4 Battery had an inter cell failure requiring full disconnect from unit for safety and installation of a temporary leased battery. We still have our battery in service and a new permanent battery will be installed during next planned outage starting in late February.

Energy Supply

South Energy Center (SEC)

- Heating Hot Water project for the UF Health Cancer Hospital is in progress. Only one small section of the required GRU supply piping remains to be complete; however internal to the hospital there is ongoing work by UF Health contractor, so our current projected commissioning of this project is late January.
- Based on previous issues at SEC, we purchased and installed a more robust exhaust louver design for the Wartsila engine.

Other Items

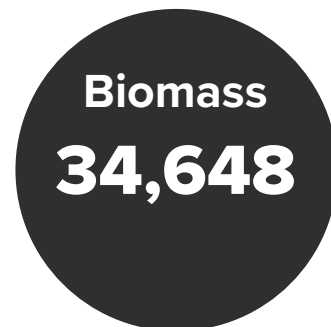
We are continuing to pursue an insurance claim for the DHR Stacker Reclaimer Bearing failure and replacement in FY23/24. We have already received verification that a claim is accepted working on the data required to receive payment(s). There is a second portion of this claim still being reviewed for added coverage and potential cost recovery of unplanned expenses incurred when reclaimer was out of service.

We are submitting an insurance claim for the discovery work of the DHR turbine rotor captured above. As this turbine has only been in service for 11 years, the failure we found is premature. Our insurance adjuster hired a third party engineering firm that has already visited Siemens site in Charlotte to assess the nature of the damage and aid in determining root cause for failure.

Fuel Inventories (in tons)



45 days at full load;
90 days at half load.



11.5 days at full load;
18.8 days at half load;
20.3 days at most recent
burn load.

END OF SECTION

Reliability Statistics

Customers Served
101,836

Total Outages
36

Customers Affected
4,828

Outage Minutes
4,091

Leading Outage Causes

Vegetation: 14
Animals: 7
Equipment failure: 6

Standard Industry Comparisons

SAIDI
2.08

CAIDI
43.94

SAIFI
0.05

ASAI
99.99

SAIDI: System Average Interruption Duration Index. **Goal: 4.5**
CAIDI: Customer Average Interruption Duration Index. **Goal: 55**
SAIFI: System Average Interruption Frequency Index. **Goal: 0.08**
ASAI: Average Service Availability

Electric System Consumption

	CONSUMPTION (kWh)	CUSTOMERS
Feed-in-Tariff - Residential	3,421	87
Feed-in-Tariff - General Service	7,522	144
Electric - GS - Demand - Regular	43,458,915	1,076
Electric - General Service Demand PV	1,523,323	26
Electric - GS - Kanapaha w Curtail Cr	1,065,600	1
Electric - GS - Demand - Large Power	8,909,040	9
Electric - GS - Murphree Curtail Credit	1,485,600	1
Electric - GS - Large Demand PV	4,084,800	2
Electric - GS - Non Demand	15,028,805	10,146
Electric - General Service PV	181,984	87
Electric - Lighting - Rental	815,165	11,834
Electric - Lighting - Street - City	404,058	15
Electric - Lighting - Street - Country	127,313	1
Electric - Lighting - Traffic	130	1
Electric - Residential - Non TOU	64,244,010	90,849
Electric - Residential PV	653,685	1,468
Total Retail Electric	141,993,335	103,897

Energy Delivery

Gas System Consumption

	CONSUMPTION (THM)	CUSTOMERS
Gas - GS - Regular Service (Firm)	667,803	1,249
Gas - GS - Regular Service (Small)	24,001	483
Gas - GS - Interruptible - Regular Serv	27,327	1
Gas - GS - Interruptible - Large Volume	421,681	8
Gas - Residential - Regular Service	366,571	35,496
Total Retail Gas	1,507,320 THM	37,237

Major Projects

Electric Engineering

- **North Florida Regional Medical Center at Archer** – Completed design and construction has started. Temporary power installations and reliability improvements for underground circuit have been completed, waiting on civil work for permanent power
- **Oaks Preserve Phase 2** – Residential subdivision. Construction on electrical installations in progress.
- **Butler Plaza Center Cup** – Commercial development. Completed design and construction has started.
- **Archer Place Apartments** – Multistory buildings with apartments and retail. Overhead to Underground Conversion of electrical facilities is ongoing. Permanent power to be completed after road improvements and buildings are finalized.
- **Evergreen Apartments at Oaks Mall** – Five multistory apartment buildings and one fitness center. Completed design and construction has started. Waiting on developer to start installing the electrical facilities.
- **Hawthorne Heights** – Affordable housing. Working on final details of design in ProjectDox.
- **Natura** – Multifamily apartment site, nine three story buildings, clubhouse, garages, common areas and amenities. Design work is underway for the project.
- **New Project** - Pre-design for the new **distribution feeder #1038**.
- **New Project** - Enhancement of the **Santa Fe College 12kV system**. Surveys of the existing system are underway.
- **New Project** - **Criminal court house** expansion.
- **New Project** - Replacing poles and insulators on **Transmission Line 15** (Bradford Line). Construction will begin Jan. 6.

Energy Delivery

Substation & Relay

- **Springhill Battery Bank Replacement** – Replaced 60 cell battery bank that had shown signs of degradation.
- **McMichen Transformer** – Engineering review and continued site work in preparation for construction phase of T-42 replacement at McMichen substation.
- **Parker 138kV Breaker & Switch Replacement** – Finished replacing three (3) 138kV oil breakers and two (2) 138kV gang operated switches.

Gas Engineering

- **Bridlewood** – Bridlewood subdivision under construction, 6” main extension to Bridlewood to begin shortly
- **Parker Road backfeed to Archer Road** – Completed design and construction has started.
- **Convergence Research Park Ph 3** – Design complete and submitted to construction, with contractor estimating completion as approximately the end of April
- **UF Backfeeds** – Quoted UF prices to run additional gas backfeeds to increase system reliability
- **UF Cogen Test** – Meeting to schedule pressure test of UF Cogen plant transmission line
- **New Project – Flint Rock Ph 2:** builder contacted us to request gas, design complete and coordinating joint trench with electric contractor

Gas T&D

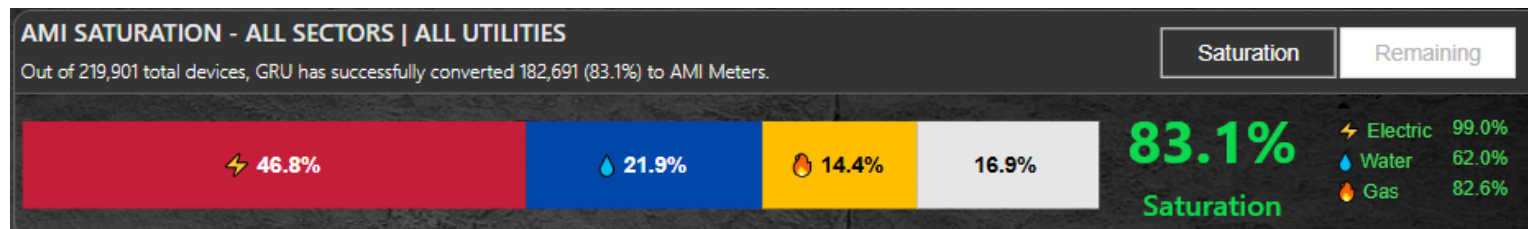
- **Forest Pines Pressure Uprate** – System pressure increased from 5 PSI to 60 PSI.
- **Main Installation for Barrington Place (S/D) [1]** – Approximately 8,175 Ft of main installed for new neighborhood off SW 170th St.
- **Main Installation for Lakota (S/D)** – Approximately 2,860 feet of main installed for new neighborhood off SW 170th St and SW 15th Ave.
- **Infrastructure Upgrade** – Replaced 3,500 feet of bare steel for PE[2] pipe at SW 10th St and SW 1st Ave.
- **Museum Road Pit Relocation** – Approval received from UF to relocate the underground station from Museum Rd to Center Dr above ground. UF reviewing final location to determine if its an easement or not.
- **FDLE Work Camp (700 NE 55th Blvd)** – Installing approximately 3,350 ft. of 3” poly to feed the recently reopened work camp. Customer paid CIAC toward the cost of construction.
- **Infrastructure Upgrade (Gainesville Housing Authority 2626 E. Univ. Ave)** – Installing approximately 3,520 ft. of poly (2” & 1-1/4”) to replace the old bare steel piping. This will satisfy the PSC regulatory requirement for CY25.
- **Bridlewood S/D Phase 1** – Installing approximately 10,205 ft. of poly (4”, 3”, 2”, & 3/4”) to serve phase 1 of the S/D.
- **Archer Place Apts (3101 Old Archer Rd)** – 90% complete with project. Installed 1,550 ft. of 3” poly to feed the new apartment complex. Customer paid all cost associated with this extension.

Energy Delivery

Gas T&D (continued)

- **Lugano S/D Phase 4** – Project is complete with the exception of several tie-ins that are needed. Installed 2,780 ft. of poly (3" & 3/4") to feed phase 4 of the S/D.
- **Convergence Research Park S/D Phase 3** – Installing approximately 4,840 ft. of poly (3", 1-1/4", & 3/4") to phase 4 of the S/D
- **24 PSI Backfeed** – Working with Land Right to secure property for a regulating station. This project will backfeed the 24-pound system on Williston Rd reducing the number of outages if there is future damage.

Advanced Metering Infrastructure (AMI)



AMI Details

Category	Electric	Water	Natural Gas	Total
Remote Reading	101,324	42,783	28,323	172,430
AMI Devices	102,869	48,259	31,563	182,691
Non-AMI Devices	1,017	29,528	6,665	37,210
Total Devices	103,886	77,787	38,228	219,901
Saturation %	99%	62%	82.6%	83.1%

AMI Financial Summary

Actuals Spent	\$39,366,658	83.6%
Project Budget Remaining	\$7,699,718	16.4%
Total AMI Project Budget	\$47,066,376	100%

Energy Delivery

Customer-Owned Solar PV (NEM Program)

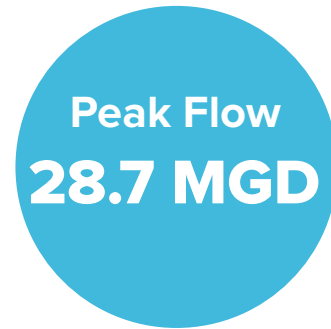
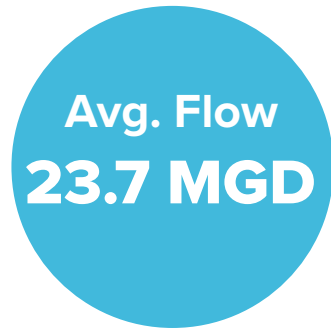
- Applications for GRU's NEM program have decreased since the conversion of Net Metering into Net Billing.
- As of Nov. 1, GRU has 1,568 customers in the program with a total installed capacity of 21.63 MW DC.
- GRU has a total of 18.6 MW DC of FIT customers.

Year	Customers	MW DC
CY21	196	2
CY22	248	3
CY23	383	5
Q1, Q2, Q3 CY24	122	1.4

Water/Wastewater

Operational Data

Murphree Water Treatment Plant (operations normal)



Water Distribution Damage & Leak Stats

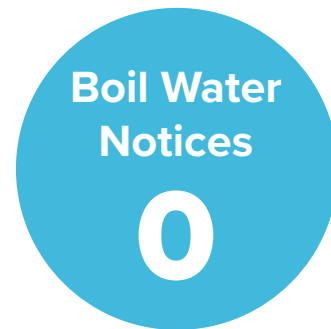
Total service requests from dispatch: **401**

- Water leaks: **248**
- Third-party water damages: **27**
- Other water work orders: **126**

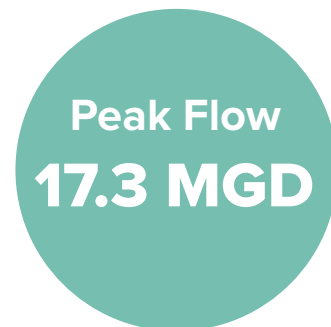
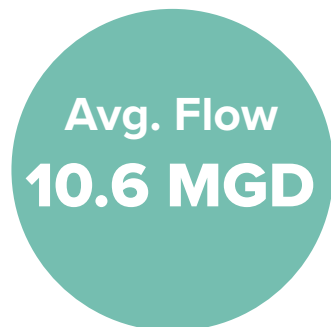
Completed repairs: **182**

AMI Meter Replacements

- **111** completed
- **145** remaining out of 1,670 (**91%** saturation)

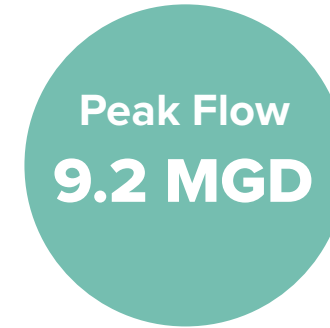


Kanapaha Water Reclamation Facility (operations normal, reclaimed service on)



Water/Wastewater

Main Street Water Reclamations Facility (operations normal, reclaimed service on)



Wastewater Collections

Total service requests from dispatch: **48**

- Sewer stoppages: **13** (13 individual service)
- Third-party sewer damages: **1** (sewer service)
- Other sewer work orders: **34**

SWAMP Program has inspected:

- **19 miles** of gravity sewer
- **408 manholes**
- In total, **513 miles** of pipe inspection (**76%** of the collection system)

Environmental/Regulatory Compliance (sanitary sewer overflows)

Grease and toiletries	0
Infrastructure	0
Third-party damage	0
Weather	0
Storms	0
Total	0

Water/Wastewater

Major Projects

Water Distribution – Alachua County Public Works project for NW 23rd Ave, current work on two water main relocations. Work will continue into December.

Wastewater Collection – SW 24th Ave. Force Main Improvements Project (Grant Funded) – Contract is executed. Notice to Proceed provided on Nov. 11, 2024. Construction scheduled to begin January 2025.

Wastewater Collection – Fort Clarke Gravity Main Improvements Project (Grant Funded) – Contract executed and Purchase Order issued. Preconstruction meeting to be scheduled with construction to begin by May 2025.

Main Street Water Reclamation Facility – Capacity and Renewal Upgrade Project Phase 1 (Grant Funded) – Influent piping work under construction, bypass pumping in place until piping work completed in early January 2025. Construction has started on master pump station and headworks facilities.

Kanapaha Water Reclamation Facility – Headworks Bypass Piping Rehabilitation Project – Construction completed. Project close-out is being completed.

Murphree Water Treatment Plant – Chemical Building Roof Replacement Project – Construction completed. Project close-out is being completed.

END OF SECTION

Safety & Training

Safety Data



Department	First Aid Given	Recordable Injuries	DART*
Administration	0	0	0
W/WW	0	0	0
Energy Supply	0	0	0
Energy Delivery & Gas	0	0	0
GRUCom	0	0	0
Total	0	0	0

*DART: Days away, restricted or transferred.

Vehicle Incidents Statistics



Department	Miles Driven	Recordable Incidents	Preventable Incidents
Administration	7,839	0	0
W/WW	66,870	1	0
Energy Supply	2,216	0	0
Energy Delivery & Gas	90,557	0	0
GRUCom	5,230	0	0
Total	172,712	1	0

Emergency Management

- The Recovery Scoping Meeting (RSM) for Hurricane Debby was held virtually on Thursday, Dec. 5 with FEMA. GRU's total damage estimate was \$1.1 million. We are within the 60 calendar days to submit the actual projects for reimbursement. Virtual meetings with the project manager are scheduled every two weeks.
- The North Central Florida Local Emergency Planning Committee (LEPC) will have its quarterly meeting hosted at the GRU Eastside Operations Center on Thursday, Dec. 12. Scott Holowasko will be presenting a review of available hazardous materials training in the region.
- We have submitted the Post Disaster Questionnaire (PDQ) from FDEM for Hurricanes Debby, Helene and Milton. The PDQ for Debby has been validated and the other two are in review.
- The floorplans for the Administration Building are being updated. The procedures for responding to alarms at the Administration Building, Springhill and the Eastside Operations Center are being

Safety & Training

Major Milestones

- Review of approved safety observations in Gensuite FY25 YTD:
 - W/WW: **5**
 - Energy Supply: **462**
 - Energy Delivery: **175**
- Solon Bellot is now coordinating GCU classes for the PTTTP programs.
- The minimum required NIMS training for all GRU employees are four online classes:
 - **IS-700**
 - **IS-100**
 - **IS-200**
 - **IS-907**
- Lead workers are required to additionally take **IS-800** online NIMS training.

Challenges

- Continuing work on PTTTP changes and program updates

Improvement Opportunities

- Reviewing multiple PTTTP programs across the utility.
- Routing signatures contract with Korn Ferry.
- Working on AVL installation with W/WW Distribution. Ensuring all standby vehicles (loner workers) are equipped with AVL.
- Adding utility e-learning classes to Workday LMS.
- CDL training program.
- Safe Work Achievement Milestones Program (SWAMP).

Customer Support Services

Customer Support Services

Customer Service

Answer Speed

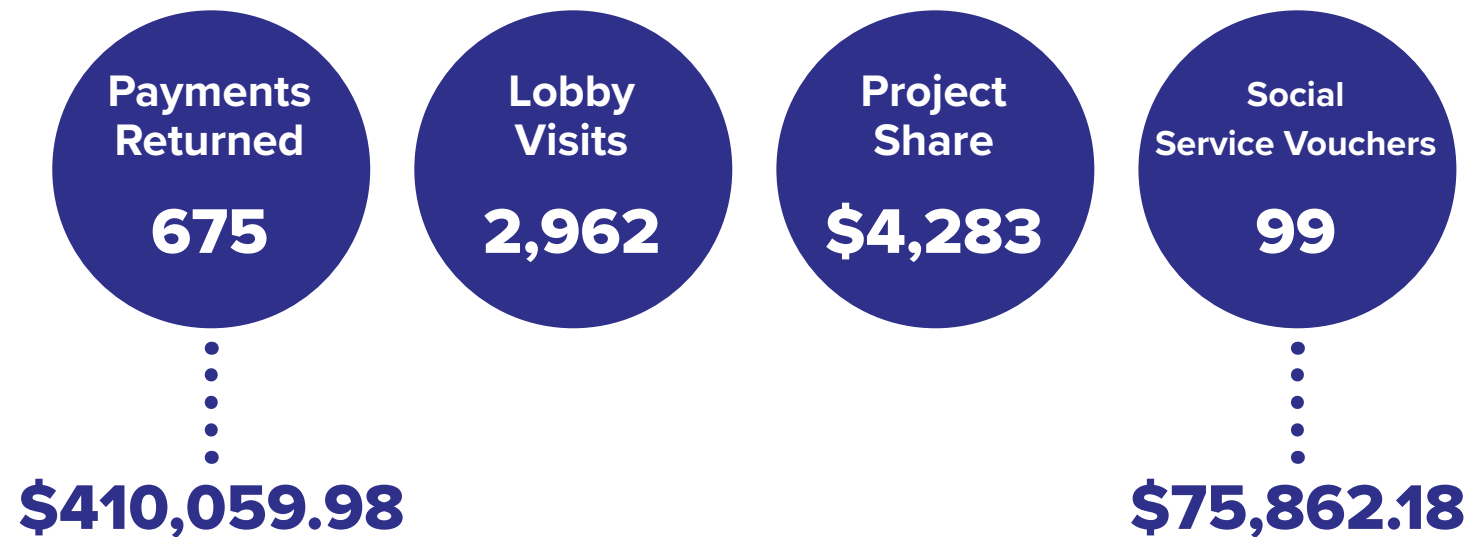
Call Type	Actual	Goal
Residential	5:12	5:00
Non-residential	1:14	3:00

Handle Time

Call Type	Actual	Goal
Residential	7:32	?
Non-residential	8:45	?



Other Statistics



New Services

Active Projects	Amount
City	146
County	38

Building Permit Reviews	107
-------------------------	-----

New Installations	Amount
Electric	120
Water	30

Solar Reviews	Amount
Plan Reviews for November	10
PVs Completed on Time	10
PV Installations	13

Major Projects

- **City:**
 - IQ Fiber installation coordination
 - Evergreen Apartment Complex
 - Collegiate Apartment Project
 - UF Health
 - Orthopedic Project
 - The Cardinal Apartments
 - Jessie's Village
 - The Henry Apartments
 - Woodland Park Phase 2
 - Gilbane Apartments
- **GRU (included in city limits numbers):**
 - Main Street Plant Upgrade
 - Sewer Main at Hoggtowne Creek
 - Murphree WTP Upgrade
 - Lift Station #1
 - SW 20th Ave Forcemain Project
 - Main Street Water Reclamation Facility (MSWRF) Upgrade
 - SW 24th Ave Force Main
- **County:**
 - Santa Fe College Cellon Institute
 - Alachua County Courthouse (county project inside city limits)
 - Tara Vista
 - Tara Verde
 - Newberry Park Block 1B
 - Tara Lago
 - Florida Recovery Center at UF Springhill
 - School Board: Littlewood Elementary campus improvements

Customer Support Services

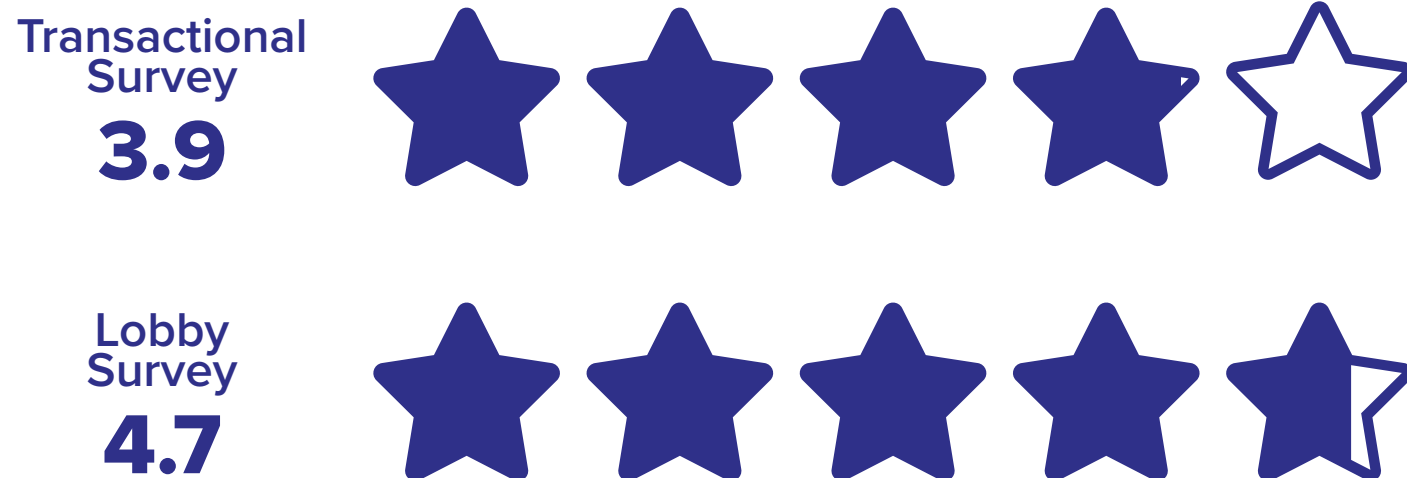
Revenue Assurance



Billing & Customer Solutions

- Invoicing rating: 99.9%
- Meter rereads: 307
- Locked reads: 5,727
- Solar invoicing rating: 100%
- Processed emails: 1527/1538 (99.3%)

Customer Experience



END OF BOOKLET



**Gainesville Regional Utilities Authority
Agenda Item Report**

File Number: 2025-17

Agenda Date: January 15, 2025

Department: Gainesville Regional Utilities

Title: 2025-17 First Amendment to the Contract between Gainesville Regional Utilities Authority (GRUA) and Folds Walker, LLC for General Legal Services (B)

Department: Budget, Finance, Accounting

Description: On March 22, 2024 GRUA and Folds Walker executed a second contract for general legal services which expires on February 8, 2025. The contract provides for extensions upon mutual agreement of the parties, and the attached amendment recommends a six month extension of the contract through August 8, 2025 under the existing terms and conditions.

Fiscal Note: All terms and conditions of the existing agreement shall remain in effect. Total compensation to Folds Walker through August 8, 2025 is not to exceed \$100,000. For general retainer services, compensation shall be at the flat rate of \$12,000 per month. For all non-retainer services, hourly rates will range from \$150 to \$320, depending on the level of experience and knowledge of the attorney. Law clerks and paralegals will be billed at the hourly rate of \$100.00.

Recommendation: The Authority approve the extension to the general legal services agreement with Folds Walker through August 8, 2025.

**FIRST AMENDMENT TO THE CONTRACT BETWEEN
GAINESVILLE REGIONAL UTILITIES AUTHORITY,
AND FOLDS WALKER, LLC
FOR
GENERAL LEGAL SERVICES**

THIS FIRST AMENDMENT is made and entered into with an effective date of February 9, 2025, by and between the **GAINESVILLE REGIONAL UTILITIES AUTHORITY** (“GRUA”), with offices located at a 301 S.E. 4th Avenue, Gainesville, Florida 32601 and **FOLDS WALKER, LLC** (“CONTRACTOR”), a Florida Limited Liability Company, with its principal place of business at 527 E University Avenue, Gainesville, FL 32601, individually referred to as “Party” or collectively as “Parties”.

WHEREAS, GRUA and CONTRACTOR executed a Contract (“Contract”) with an effective date of March 22, 2024, for general legal services with a termination date of February 8, 2025; and

WHEREAS, the Contract provides for extensions upon mutual agreement of the Parties; and

WHEREAS, GRUA continues to require general legal services; and

WHEREAS, the Parties mutually agree to extend the Contract for six (6) months through August 8, 2025; and

WHEREAS, the GRUA met on XXXXX XX, 2025 and approved the extension.

NOW, THEREFORE, in consideration of the foregoing premises and the covenants contained herein, the Parties agree as follows:

1. The term of the Contract is extended for six (6) months, through August 8, 2025.
2. The Contractor shall continue to provide GRUA with general legal services pursuant to the Contract.
3. All other terms and conditions of the Contract, except as modified herein, shall remain in full force and effect.

(Signatures on following page.)

IN WITNESS WHEREOF, the Parties hereto have executed this First Amendment with an effective date first above written.

FOLDS WALKER, LLC

BY: _____
Stuart Scott Walker
Managing Partner

Gainesville Regional Utilities Authority

BY: _____
Edward J. Bielarski
GRU CEO on behalf of GRUA



**Gainesville Regional Utilities Authority
Agenda Item Report**

File Number: 2025-30

Agenda Date: January 15, 2025

Department: Gainesville Regional Utilities

Title: 2025-30 FY26 GRU Budget: Presentation on GRU's Debt Portfolio Review

Department: Budget, Finance, and Accounting

Description: Staff will present an overview of GRU's debt portfolio as part of the FY26 budget process.

Explanation: As part of the budget development process, staff will hold a series of meetings with the Authority to present information on the various pieces that make up GRU's annual budget. These meetings are designed to give the Authority a chance to have a more in-depth view of GRU's budget and finances and ask questions that will help staff ensure they provide the appropriate level of detail in GRU's final budget submission for a vote. This presentation involves a review of GRU's debt portfolio.

Fiscal Note: None currently.

Recommendation: The Authority hear a presentation from staff.

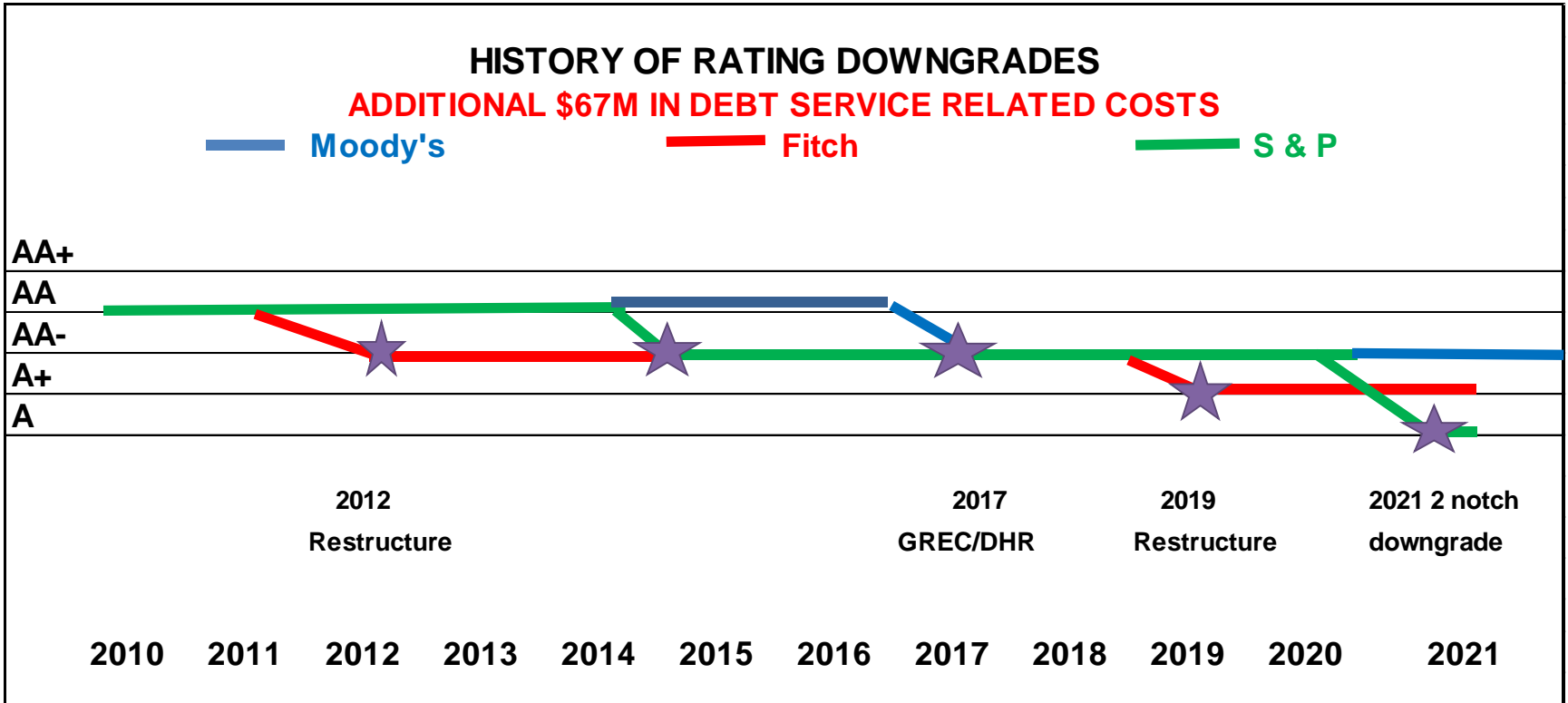
A white utility truck with a yellow crane is parked on a grassy area. A worker in a yellow safety vest and hard hat is standing next to the truck. The truck has a "GRU" logo and "More than Energy" text on its side. The background shows trees and a clear sky.

Debt Portfolio Review

GRUA Board Presentation

January 15, 2025

Executive Summary



Each agency has downgraded GRU since 2010

5 downgrades over past decade - **resulted in additional \$67M in debt service costs**

Lower credit ratings equals increased cost:

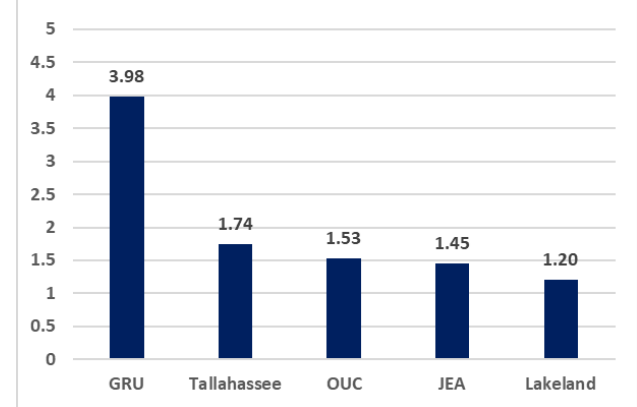
- Higher cost when issuing debt
- Less refunding / restructuring savings
- Greater counterparty risk
- Collateral posting requirements (use of cash)
- Higher cost for credit facilities (bank loans & fees)

Executive Summary

FY23 Ratio of Outstanding Principal to Annual Revenue

	GRU	Tallahassee	Orlando Utilities Commission (OUC)	Jacksonville Electric Authority (JEA)	Lakeland
Principal	1,849,115,000	815,534,000	1,687,060,000	2,794,885,000	587,455,386
FY23 Revenue	464,246,469	469,993,000	1,104,898,000	1,928,792,000	488,915,881
Ratio	3.98	1.74	1.53	1.45	1.20

FY23 Ratio of O/S Principal to Revenue



Given the level of GRU's outstanding debt the goal is to control debt service expense with aggressive balance sheet management through the debt reduction plan and strategic debt management.

EXPENSE CATEGORY	FY23 ACTUAL		FY24 ACTUAL		FY25 BUDGET	
	%	\$	%	\$	%	\$
O & M	33.10%	155,169,346	34.12%	156,746,315	34.26%	150,370,802
Fuel	26.07%	122,172,718	20.18%	92,711,975	22.01%	96,622,493
Utility Plant Improvement Fund	9.86%	46,206,211	10.04%	46,125,618	10.33%	45,359,758
Debt Service	23.40%	109,677,918	23.71%	108,945,421	24.69%	108,346,831
Accelerated Debt Reduction*	0.26%	1,213,590	8.61%	39,575,000	6.77%	29,708,166
General Fund Transfer	7.31%	34,283,000	3.33%	15,305,225	1.94%	8,505,224
Total		468,722,783		459,409,554		438,913,274

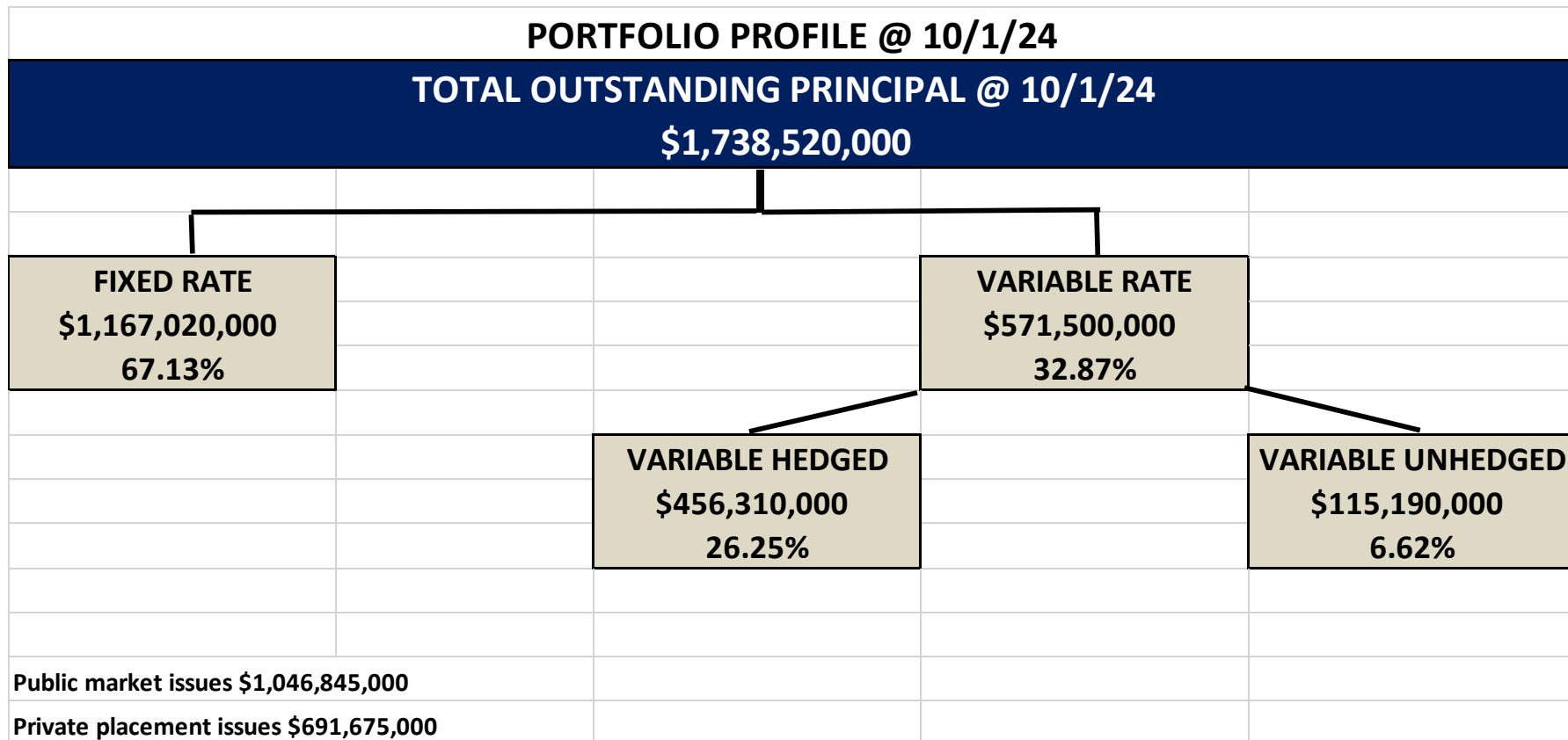
Reductions in the General Fund Transfer provide funding for increased debt reduction

* FY24 actual includes Trunked Radio System sale

Executive Summary

- GRU's outstanding debt portfolio is
 - **Extensive** - @ \$1.738B debt is 4 times FY25 total revenue, and FY25 debt service costs make up over 31% of FY25 total budgeted expense
 - **Complex** - Includes fixed and variable rate debt, swaps to mitigate variable rate risk, public market issues as well as private placement debt
 - **Actively monitored and managed**
 - Since 2017 13 restructuring transactions have been executed which will save in excess of \$1B over the life of the issues
 - Debt reduction plan has been implemented which is designed to reduce \$395M in outstanding principal by 2033
 - \$51.35 M in accelerated debt reduction since June 2021 –
in addition to regular scheduled principal payments
 - Financial metrics targets are embedded in Debt Management policy and tracked on a quarterly basis

Debt Portfolio Review



Debt Portfolio Review

ACCELERATED DEBT REDUCTION PROGRAM		
Execution Date	Series	\$ Defeased
October 2021	2017A	7,185,000
	2009B	1,130,000
October 2022	2017A	3,460,000
May 2024	2005C	3,090,000
	2006A	2,985,000
August 2024	2020A	275,000
	2022A	1,200,000
	2022B	4,740,000
September 2024	2019A	705,000
	2019C	610,000
	2014B	255,000
	2012B	10,065,000
	2017A	15,650,000
Accelerated Debt Reduction		\$ 51,350,000
FY24 PRINCIPAL REDUCTIONS		
FY24 scheduled principal payments made		35,680,000
FY24 accelerated debt reduction		39,575,000
FY24 total principal reductions		\$ 75,255,000

Debt Portfolio Review

FINANCIAL METRICS

PER DEBT MANAGEMENT POLICY

ACTUAL PER FY24 FINANCIAL STATEMENTS

Metric	Type of Metric	Target	Fitch	S & P	Moody's
Days Cash on Hand	Liquidity	250 days	224	-	217
Days Liquidity	Liquidity	300 days	445	555	451
Debt Service Coverage	Coverage	1.7X debt service	1.85	2.00	1.92
Coverage of Fixed Obligations	Coverage	1.3X debt service	1.68	1.8	1.88
Debt to Capitalization	Capital Structure	70%	81.50%	80.70%	77.10%
Leverage	Capital Structure	8X debt service	9.27	-	-

Conclusion

Staff will continue to follow GRUA direction for administration of GRU's debt program and rigorously pursue reduction of GRU's outstanding debt utilizing programs approved in the Debt Administration Policy



Gainesville Regional Utilities Authority Agenda Item Report

File Number: 2025-26

Agenda Date: January 15, 2025

Department: Gainesville Regional Utilities

Title: 2025-26: A resolution of the GRUA authorizing and ratifying the GRUA's use of independent legal counsel to serve as "Utilities Attorneys" for the purpose of conducting the business of the Authority.

Department: Chief Executive Officer

Description: With the passage of HB 1645 and the update to the City Charter codified by Chapter No. 2023-348, Laws of Florida, it has become necessary to hire external counsel. As part of the transition of the management, operation, and control of the utilities from the City to the Authority, the Authority chief executive office/general manager (CEO/GM) determined that it was necessary for the Authority to employ or contract with independent counsel to perform legal services for the Authority, who shall serve as Utilities Attorney for the Authority.

Previous resolutions and actions taken by the City and the Authority on matters, including, without limitation, bond and other related transactions include references the City Attorney. However the CEO/GM recommends that the Authority adopt this resolution that authorizes a Utilities Attorney to perform the business of the GRUA- specifically including authority to approve the issuance of revenue bonds, the execution and attestations of bonds by officers, employees and agents of the City, by individuals designated by the Authority as agents of the City for such purposes, and authorized the Authority to enter into hedging agreements for interest rate and commodity price fluctuations.

Fiscal Note: Costs are not within budget but are necessary occurrences as situations arise.

Recommendation: Approve resolution that authorizes Utilities Attorney as an agent of the City for the purposes outlined in the Charter Amendment, and to provide that Utilities Attorney performs legal services for the Authority as directed or approved by the Authority or the CEO/GM, including, without limitation, to sign as to form on legality all agreements entered into pursuant to the Charter Amendment, for the benefit of the System and ratifies all prior actions heretofore taken by the Utilities Attorney.

RESOLUTION NO. 2025-26

A RESOLUTION OF THE GAINESVILLE REGIONAL UTILITIES AUTHORITY, A UNIT OF CITY GOVERNMENT OF THE CITY OF GAINESVILLE, FLORIDA, AUTHORIZING AND RATIFYING THE AUTHORITY'S USE OF INDEPENDENT LEGAL COUNSEL TO SERVE AS "UTILITIES ATTORNEYS" FOR THE PURPOSE OF CONDUCTING THE BUSINESS OF THE AUTHORITY; PROVIDING FOR CONFLICTS; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Charter of the City being Chapter 12760, Laws of Florida, as amended by Chapter 90-394, Laws of Florida was amended pursuant to House Bill 1645 and codified by Chapter No. 2023-348, Laws of Florida (the "Charter Amendment"), which such Charter Amendment, among other things, added Article VII to the Charter and thereby created the Gainesville Regional Utilities Authority (the "Authority"); and

WHEREAS, the Charter Amendment grants the Authority the power to do all things necessary to effectuate an orderly transition of the management, operation, and control of the utilities from the City to the Authority, consistent with the Charter Amendment, including specifically authority to approve the issuance of revenue bonds, the execution and attestations of bonds by officers, employees and agents of the City, by individuals designated by the Authority as agents of the City for such purposes, and authorized the Authority to enter into hedging agreements for interest rate and commodity price fluctuations; and

WHEREAS, the City Commission of the City (the "City Commission") adopted Resolution No. 2023-1186 on December 22, 2023 (the "Transitional Resolution") to effectuate the orderly transition of the governance, operation, management, and control of all utility systems, properties and assets related to the System to the Authority; and

WHEREAS, the Authority adopted Resolution 2023-1148 on December 6, 2023 and thereafter ratified by the Authority pursuant to Resolution No. 2024-557 on August 7, 2024, to effectuate the orderly transition of the governance, operation, management, and control of all utility systems, properties and assets related to the System to the Authority; and

WHEREAS, as part of the transition of the management, operation, and control of the utilities from the City to the Authority, the Authority chief executive office/general manager (CEO/GM) determined that it was necessary for the Authority to employ or contract with independent counsel to perform legal services for the Authority, who shall serve as Utilities Attorney for the Authority; and

WHEREAS, previous resolutions and actions taken by the City and the Authority on matters, including, without limitation, bond and other related transactions, references the City Attorney, and the CEO/GM recommends that the Authority adopt a resolution that authorizes Utilities Attorney as an agent of the City for the purposes outlined in the Charter Amendment, and to provide that Utilities Attorney performs legal services for the Authority as directed or approved by the Authority or the CEO/GM, including, without limitation, to sign as to form on legality all agreements entered into pursuant to the Charter Amendment, for the benefit of the System and ratifies all prior actions heretofore taken by the Utilities Attorney.

NOW, THEREFORE, BE IT RESOLVED by the Authority, a unit of city government of the City, that:

Section 1. Recitals. The foregoing recitals in the preamble hereto are hereby ratified and confirmed as being true and correct and are hereby made a specific part of this Resolution.

Section 2. Authority. The Authority hereby authorizes the Utilities Attorney who shall serve as the independent, legal counsel employed by or contracted with the Authority as selected by CEO/ GM, as an agent of the City as authorized by and to for the purposes described in the Charter Amendment and ratifies all prior actions taken by any such Utilities Attorney. Utilities Attorney may perform legal services for the Authority as directed or approved by the Authority or the CEO/GM, including, without limitation, signing agreements entered into on behalf of the System pursuant to the Charter Amendment, as to form and legality.

Section 3. Conflict. All resolutions or parts of resolutions in conflict herewith are hereby repealed to the extent of such conflict.

Section 4. Severability. If any one or more of the covenants, agreements or provisions of this Resolution should be held to be contrary to any express provision of law or to be contrary to the policy of express law, though not expressly prohibited, or to be against public policy, or should for any reason whatsoever be held invalid, then such covenants, agreements, or provisions of, and in no way affect the validity of, all the other provisions of this Resolution.

Section 5. Effective Date. This Resolution shall take effect immediately after its adoption by the Authority.

PASSED AND ADOPTED IN PUBLIC SESSION OF THE GAINESVILLE REGIONAL UTILITIES AUTHORITY, THIS ___ DAY OF JANUARY, 2025.

GAINESVILLE REGIONAL UTILITIES
AUTHORITY

APPROVED AS TO FORM AND
LEGALITY:

By: _____
Chairman

By: _____
Utilities Attorney