From: Bielarski, Edward J
To: Citycomm
Cc: Dl_utility Advisory Board; Dl_gru_executiveteam; Dl_gru_leadershipteam
Subject: GREC negotiations update
Date: Thursday, March 16, 2017 9:51:39 AM
Attachments: grec_gru_history_3-16-17_v3.ppt

Mayor, Commissioners and UAB members,

At yesterday's UAB meeting I presented a timeline of negotiations between GREC and GRU since delivering a draft MOU on February 17th. I believe the discussion was informative to both the UAB and the viewing public. It was also helpful to me to better understand how GRU may better communicate the issues surrounding the purchase process.

Since that presentation there have been another series of communications between Mr. Gordon and I, in which we are narrowing our differences. Therefore, I have updated yesterday's presentation for last night's movement and made it an attachment to this communication. At this point, as compared with the first offer GRU has "put on the plate" here's where we currently stand:

	First Offer	**GREC Counter**	**Latest Offer**
Type of Sale	Asset	Entity	Asset
Price	$ 750 mm	$ 750 mm	$ 750 mm
Interest cap	3.75%	4.11%	3.61%
Exclusivity	10 months	3 months	4 months
Public Records	Indemnify GRU	Limited	Indemnify GRU
Reservation of rights	All rights under PPA	No withholding	All rights under PPA
Abiding Law	Florida	New York	Florida
Expiration of offer	N/A	3/25	4/21
Arbitration	Continuation	Continuation	Settle @ ~ $ 17 mm

Mr. Gordon has not yet to agree to my latest offer, although prior to my latest offer he had proposed allowing GRU to retain the $ 7.2 mm in currently withheld monies, in exchange for no further withholding of monies under the PPA and no final settlement of the approximately $ 10 million GRU claims it is owed for the reporting of Available Energy.

As a result I have signed the latest offer this morning and forwarded it to Mr. Gordon as a sign of my seriousness with this proposal.

Given the significance of these events, I have asked Robin to ask for an agenda modification in order to update the City Commission.

Edward Bielarski Jr
General Manager
Gainesville Regional Utilities