

Wednesday, June 11, 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. ROLL CALL

C. INVOCATION

D. PLEDGE OF ALLEGIANCE

E. ADOPTION OF THE AGENDA

Includes Consent and Regular Agenda Items

F. APPROVAL OF MINUTES

Approval of the Minutes from the May 14, 2025 GRUA Meeting (B)

G. CHAIR COMMENTS

H. GENERAL PUBLIC COMMENT

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

I. DIRECTOR COMMENTS

J. CONSENT AGENDA

K. CEO COMMENTS

L. ATTORNEY COMMENTS

M. BUSINESS DISCUSSION ITEMS

1. Resource Management Agreement between The Energy Authority (TEA) and GRU (B)

Department: Gainesville Regional Utilities/Office of the CEO

Description: As a part of GRU's resignation as a member of The Energy Authority, both parties have agreed to a Resource Management Agreement (RMA) through which GRU will have full access to the portfolio of energy-related services such as power marketing and natural gas management. The specific services have been chosen and priced in Exhibit A – Task Order 1.

The initial term of the RMA is one (1) year with an effective date of August 1, 2025. The RMA will automatically renew annually for successive one (1) year terms thereafter. Either party may terminate after the expiration of the initial term with 180 days of written notice.

GRU's resignation from TEA does not constitute a violation of Section 5.04 of the City Charter because GRU's interest in TEA 1) was not a city utility system; and 2) would not materially reduce the Electric System's capacity to produce or distribute power or the Gas System to distribute natural gas.

Fiscal Note: The services chosen within Task Order 1 are \$91,500 a month compared to \$132,000 a month while GRU was a member of TEA – approximately \$486,000 a year in cost savings.

Recommendation: The GRU Authority approve the executed RMA along with Task Order 1.

2. Discussion surrounding misinformation about GRU and GRUA (B)

Department: Gainesville Regional Utilities/Office of the CEO

Description: As the GRUA fulfills the mission established under HB 1645, it is critical to update customers on the utility's progress: lower bills; reduced debt; affirmation from bond rating agencies; and renewed commitment to customer experience. It is also important to address and refute the continuous flow of rhetoric from city commissioners, policy makers and political activists within our community.

Fiscal Note: None.

Recommendation: The GRU Authority hear the presentation, discuss and offer any suggestions.

3. Authorize the Utilities Attorney to file a lawsuit on behalf of the Authority challenging City of Gainesville Ordinance No. 2025-416 in the Eight Judicial Circuit Court.

Department: Gainesville Regional Utilities/Utilities Attorney's Office

Description: The Gainesville City Commission ("Commission") is pursuing another charter amendment to unilaterally dissolve the GRU Authority, despite current ongoing litigation on appeal to the First District Court of Appeals.

Commission Ordinance No. 2025-415 directs the Supervisor of Elections to hold a special election on November 4, 2025, for a charter amendment disbanding the Authority and returning control of the Gainesville Regional Utilities to the Commission. It has been a long-held belief that such an amendment is inherently unlawful.

Although the district court's decision is stayed and the issues are on appeal with the First District Court of Appeals, the Commission seeks to move forward with a quarter-million-dollar special referendum irrespective of the judicial process and with full knowledge that further litigation is likely and will only serve to complicate and exacerbate today's legal issues at substantial cost to the taxpayers/ratepayers.

Should the Commission's ordinance go unchallenged, and the charter amendment approved, the Commission could take action to wrest control of GRU from the Authority, absent any judicial or legislative intervention. Challenging Ordinance No. 2025-416 is necessary to prevent the Commission's unlawful actions and maintain the status quo of Authority control over GRU until the courts bring finality to the outstanding questions of law.

GRU's CEO and Utilities Attorney recommend that the Authority authorize a lawsuit challenging Commission Ordinance No. 2025-416.

Fiscal Note: Filing and serving a lawsuit will cost approximately \$450, with legal expenses borne by the Authority's in-house Utilities Attorney.

Recommendation: The GRU Authority to authorize the Utilities Attorney to file a lawsuit on behalf of the Authority challenging the City of Gainesville's Ordinance No. 2025-416 in the Eighth Judicial Circuit Court.

4. State of the Utility, Monthly Update April 2025 (B)

Department: Gainesville Regional Utilities/Office of the Chief Operating Officer

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 April 2025.

Fiscal Note: None

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

- N. RESOLUTIONS (Roll Call Required)
- O. DIRECTOR COMMENTS
- P. ADJOURNMENT



Gainesville Regional Utilities Authority

MINUTES

**May 14, 2025, 5:30 p.m.
GRU Administration Building
301 SE 4th Avenue
Gainesville, FL 32601**

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

- A. CALL TO ORDER**
- B. ROLL CALL**
- C. INVOCATION**
- D. PLEDGE OF ALLEGIANCE**
- E. ADOPTION OF THE AGENDA**

General Comments: Jim Konish

Moved by Robert Skinner

Seconded by Vice-Chair Haslam

Approved

- F. APPROVAL OF MINUTES**

Motion passes with all in favor, minutes from April 2025, approved.

Public comments: Donald Sheppard

Moved by Vice-Chair Haslam

Seconded by Jack Jacobs

Approved

G. CHAIR COMMENTS

Congratulated the GRU Administration staff on their hard work in regards to bond rating and support.

CEO commented that it was the staff from Budget, Finance and Accounting (BFA) that did all the work.

H. GENERAL PUBLIC COMMENT

Angela Casteel, Jim Konish, Chuck Ross, Donald Sheppard

I. DIRECTOR COMMENTS

Vice Chair Haslam spoke to the SB700 (Fluoride bill).

Director Carter spoke to Mr. Hasting's PRR, he is complying and offered his personal phone for review at any time.

Director Skinner spoke to SB700 bill and GRU's plan to comply with bill.

J. CONSENT AGENDA

K. CEO COMMENTS

CEO spoke to concerns brought up during General Public Comment.

Spoke to Fitch bond rating report and how it was positive towards GRU being run by an Authority Board.

Gave update on GRU's membership with The Energy Authority (TEA) and the exit plan.

A new Utilities Attorney has been hired and starts on Monday, May 19, 2025.

L. ATTORNEY COMMENTS

Kiersten Ballou gave update on order from Judge Wright in regards to April 2, 2025 hearing and the next steps.

M. BUSINESS DISCUSSION ITEMS

1. 2025-376 March 31, 2025 Budget to Actual Comparison (B)

CEO gave a presentation on the FY25 budget update.

Chair Lawson congratulated the CEO on the presentation. Hoped that labor would be closer to budget. CEO stated that in regards to labor, overall capital labor and labor expenses are actually lower in total.

Recommendation: The Authority hear a presentation from the CEO.

Heard

2. 2025-379 GRU FY2026 Budget: Presentation of O&M Expenses, Capital Fuel and Projected Rate Impacts (B)

CEO gave a presentation on the proposed FY2026 budget.

Chair Lawson spoke to the expectation that at some point in the future GRU will have rate increases in regard to GRU's bond agencies, Director Carter seconded the thought.

Vice Chair Haslam asked how long it takes to get reimbursed by FEMA, CFO responded.

Chair Lawson asked for clarification in regard to number difference in actual budget and projected budget.

Director Carter commented on UPIF advantage

Director Jacobs commented on GRU's debt reduction plan and thanked GRU on their success.

Vice Chair Haslam, advised the GRUA board is trying to help the citizens, advising GRU is headed in the right direction. He thanked the GRU staff.

Recommendation: The Authority hear a presentation from the CEO.

Heard

3. 2025-380 State of the Utility, Monthly Update March 2025 (B)

COO Thomas Brown gave an update on the State of the Utility (operational areas) for March 2025.

Director Jacobs asked about GRU's recruiting efforts for open positions, what are the responses. COO responded.

Vice Chair Haslam asked for more clarification regarding the preventable accident that happened to a GRU staff member. COO Brown responded.

Debbie Daugherty, Water/Waste Water Officer, provided commentary on the video presentation, highlighting the work completed at Haile

Vice-Chair Haslam joined the meeting at 5:12 pm.

Chair Lawson joined the meeting at 5:12 pm.

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

Heard

N. RESOLUTIONS (Roll Call Required)

1. 2025-378 Utilities Appendix of Fees, Rates & Charges for Fiscal Year 2026 (B)

Jim Konish spoke to the CEO's comments on SLAs during CEO comments.

Director Skinner spoke to the change in charges for GRU customers with W/WW charges.

Vice Chair Haslam feels that GRU staff are being transparent.

Moved by Vice-Chair Haslam

Seconded by Jack Jacobs

Recommendation: The GRU Authority adopt the proposed resolution as written.

Roll call vote taken with all Directors voting affirmative.

Approved as Recommended

2. 2025-377 Resolution Adopting the Gainesville Regional Utilities Budget for the Fiscal Year Beginning October 1, 2025 and Ending September 30, 2026. (B)

Public Comment: Jim Konish, Chuck Ross, Donald Sheppard

Director Jacobs spoke to the matter of GRU's TEA exit. CEO spoke to GRU's position with TEA.

Chair Lawson appreciated the CEO's budget presentation.

CEO addressed concerns regarding customer disconnections.

Moved by Jack Jacobs

Seconded by Robert Skinner

Recommendation: The GRU Authority adopt the proposed budget resolution and authorize the chairman of the authority to submit the budget

to the City of Gainesville consistent with the requirements of Chapter 2023-348, Laws of Florida.

Roll call vote taken with all Directors voting affirmative.

Approved as Recommended

O. DIRECTOR COMMENTS

Director Skinner thanked GRU for their help regarding outages and sewage spills.

Director Carter stated that he had notified the Governor's office that the June meeting will be his last meeting, as his term is over.

Vice Chair Haslam stated that board members serve voluntarily and accept the challenges of their roles. He expressed strong disapproval of attacks on employees.

P. ADJOURNMENT

Meeting adjourned at 7:30pm

Kunti Nesbitt, GRUA Staff Liaison

Tracie OSteen, GRUA Staff Liaison



Gainesville Regional Utilities Authority Agenda Item Report

File Number: 2025-484

Agenda Date: June 11, 2025

Department: Gainesville Regional Utilities

Title: Resource Management Agreement between The Energy Authority (TEA) and GRU (B)

Department: Gainesville Regional Utilities/Office of the CEO

Description: As a part of GRU's resignation as a member of The Energy Authority, both parties have agreed to a Resource Management Agreement (RMA) through which GRU will have full access to the portfolio of energy-related services such as power marketing and natural gas management. The specific services have been chosen and priced in Exhibit A – Task Order 1.

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GRU's resignation from TEA does not constitute a violation of Section 5.04 of the City Charter because GRU's interest in TEA 1) was not a city utility system; and 2) would not materially reduce the Electric System's capacity to produce or distribute power or the Gas System to distribute natural gas.

Fiscal Note: The services chosen within Task Order 1 are \$91,500 a month compared to \$132,000 a month while GRU was a member of TEA – approximately \$486,000 a year in cost savings.

Recommendation: The GRU Authority approve the executed RMA along with Task Order 1.

New TEA Arrangement

Moving from equity to contract relationship



CUSTOMER FIRST

ONE UTILITY. ONE GOAL.

- The Energy Authority (TEA) is a member-owned non-profit that provides energy trading and portfolio management to public utilities.
- Home bases in Jacksonville and Bellevue, Washington; formed in 1997.
- GRU has been a member/owner of TEA since 2000.

- GRU changes service levels on Aug. 1, 2025.
- GRU will save \$486,000 annually.
- New relationship: One-year Resource Management Agreement (RMA) with renewal options.

Deeper Dive

- TEA returns \$11.5 million in equity to GRU.
- GRU eliminates \$46 million in guarantees.
- Service costs reduced to \$91,500/month vs. \$132,000/month.
- RMA provides same services as previous relationship.
- Other service providers can deliver Task Order 1 service requirement.

Section 5.04 Disallowance

Disallows the disposal of the following city utility systems, or any part thereof:

- Electric system
- Water system
- Natural Gas system
- Wastewater system
- Telecommunications system

The disposal must materially reduce the capacity of that system to produce, distribute or treat.

GRU's resignation from TEA doesn't meet that standard.

Even if GRU's interest in TEA were a city utility system its disposal would not meet the standard.

Approve the Resource Management Agreement as executed along with Task Order 1.

**RESOURCE MANAGEMENT AGREEMENT
BY AND BETWEEN
THE ENERGY AUTHORITY, INC.
AND
CITY OF GAINESVILLE, FLORIDA,
DOING BUSINESS AS
GAINESVILLE REGIONAL UTILITIES**

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EXHIBITS:

Exhibit A – Form of Task Order

This RESOURCE MANAGEMENT AGREEMENT (this "Agreement"), effective as of August 1, 2025 (the "Effective Date"), is entered into by and between The Energy Authority, Inc., a Georgia non-profit corporation ("TEA"), having its principal address at 1301 Riverplace Boulevard, Suite 2700, Jacksonville, Florida 32207, and City of Gainesville, Florida, doing business as Gainesville Regional Utilities, a Florida municipal corporation (the "Client"), having its principal address at 301 SE 4th Avenue, Gainesville, FL 32601. TEA and Client are sometimes referred to herein individually as a "Party," or collectively as the "Parties."

Recitals

WHEREAS, Client is seeking TEA's assistance in providing certain energy-related services, as more particularly described herein; and

WHEREAS, TEA wishes to assist Client in providing such services, subject to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, hereby agree as follows:

1. **Scope of Work.**

Pursuant to the terms of this Agreement, TEA shall provide services to Client as described in one or more task orders (each, a "Task Order") as may be executed by the Parties from time to time during the term of this Agreement (the "Services"). Each such Task Order shall be incorporated into this Agreement when issued and shall be subject to all terms and conditions of this Agreement. All Task Orders issued pursuant to this Agreement shall form a part hereof as if set out in full herein. A form of Task Order is attached as Exhibit A hereto.

2. **Term and Effective Date.**

- 2.1 This Agreement shall become effective on the Effective Date, as written in the first paragraph of this Agreement, and shall continue for an initial term of one (1) year (the "Initial Term"), unless terminated as provided in Section 3 (Termination) herein. At the end of the Initial Term, the Agreement shall renew on an annual basis for successive one (1) year terms (each, a "Renewal Term"), unless terminated as provided herein. Notwithstanding the aforementioned Effective Date, the Services under this Agreement or any Task Order issued hereunder shall not commence prior to the date this Agreement is executed by both Parties.
- 2.2 The provision of Services pursuant to any Task Order shall commence and terminate as provided in each such Task Order. Each Task Order may have a shorter term and different termination date than this Agreement or other Task Orders.
- 2.3 In the event of a conflict between the provisions of this Agreement and the provisions of a Task Order or any exhibit or schedule to this Agreement, the provisions of this Agreement

shall govern and take precedence over the provisions of any such Task Order, exhibit, or schedule.

3. Termination.

3.1 At the end of the Initial Term, either Party may terminate this Agreement, without cause or limitation, by providing advance written notice to the other Party a minimum of one hundred eighty (180) days' prior to the effective date of termination (the "Termination Notice Period"). During any Termination Notice Period, Client shall continue to make payment to TEA each month for the Services provided by TEA, and TEA shall continue to provide Services, all in accordance with the provisions of this Agreement. Both Parties shall use commercially reasonable efforts to effectuate any such termination in an orderly manner and to protect the interests of the Parties consistent with the terms of this Agreement.

3.2 Individual Task Orders for additional services may have different termination provisions than the Agreement.

3.3 The Parties' rights to terminate this Agreement provided in this Section 3 are in addition to the Parties' rights to terminate this Agreement as provided in Section 26 (Default) hereof.

4. Compensation.

4.1 Professional Services.

The basis for and amount of compensation due to TEA for the Services (the "Compensation") shall be as stated in the applicable Task Order(s). Notwithstanding any terms or provisions in this Agreement or any Task Order(s) to the contrary, Client shall be responsible for and shall reimburse TEA for any taxes, including, without limitation, sales, use, property, excise, value added, and gross receipts levied on the Services and Trading Products (as defined in Section 5 herein) provided under this Agreement, except taxes based on TEA's net income or taxes associated with TEA's employees, such as payroll or workman's compensation taxes.

4.2 Expenses.

Client shall reimburse TEA for reasonable out-of-pocket expenses incurred or accrued by TEA in connection with the Services outlined in a Task Order unless otherwise agreed to in writing in accordance with a specific Task Order. Such out-of-pocket expenses include, but are not limited to, the reasonable costs of travel and related business expenses. Reimbursement to TEA for special or unusual expenses, including outside professional services, incurred by TEA in connection with TEA's performance of Services, shall be subject to Client's prior written authorization. TEA will manage all expenses in a prudent and commercially reasonable manner and will provide Client with an accounting for all monthly out-of-pocket expenses.

5. **Relationship of the Parties.**

5.1 Independent Contractor.

TEA shall perform the Services as an independent contractor and shall not be treated as an employee of Client for federal, state, or local tax purposes, workers' compensation purposes, or any other purpose. Nothing contained in this Agreement shall be deemed to create or constitute an employer-employee relationship, a partnership, or joint venture between the Parties.

5.2 TEA Acting as Agent.

In performing the Services hereunder, TEA may from time-to-time act in the capacity of an agent for Client or as a counterparty to Client, both as specifically provided for in a Task Order.

5.2.1 The authority of TEA to act as agent for Client shall be limited to that authority conferred on it by the terms of this Agreement and by any instructions issued by Client to TEA pursuant to a Task Order. To the extent requested, TEA shall disclose such agency relationship to each transaction counterparty and any other third party with which TEA has any dealings as such agent on behalf of Client. TEA shall at all times record all transactions entered into as agent for Client in the performance of any such Services in the name and for the account of Client and shall record and account for transaction payment amounts separate and apart from the fees and other amounts payable to TEA for and in consideration for the performance of such Services.

5.3 Contract Administrators.

Client and TEA shall each appoint a contract administrator that will be responsible for administering this Agreement (each, the "Contract Administrator"). The Contract Administrator for Client shall be its Chief Executive Officer/General Manager, and the Contract Administrator for TEA shall be its designated Account Director. Either Party may change its respective Contract Administrator by giving written notice to the other Party.

5.4 Cooperation of Parties.

The Parties shall cooperate with one another in effecting the Services, and as specified in the Task Order(s), shall make authorized personnel available on reasonable notice and at reasonable times as necessary in connection with the performance of the Services.

5.5 Guidelines for TEA Activity as Agent.

5.5.1 TEA shall provide the Services, including TEA acting as agent, pursuant to a Task Order and any instructions issued by Client to TEA in accordance with the applicable Task Order. In the event that instructions given to TEA by Client pursuant to a Task Order affect the overall scope of Services and increase, or

decrease, the cost to provide the Services, Client and TEA shall review the effects of the changes and negotiate in good faith to mutually agree to any required changes in the applicable Task Order, including associated fees. TEA shall be under no obligation to accept or act upon any such instruction from Client that will, in the reasonable exercise of TEA's sole judgment, cause TEA to violate any tariff, law, or regulation. TEA shall be entitled to use its reasonable discretion in connection with the provision of the Services. TEA shall incur no liability to Client with respect to anything that it may do or refrain from doing in the reasonable exercise of its judgment, so long as any such action or inaction is consistent with prudent utility practice and within the authority granted to TEA as agent for Client pursuant to this Agreement.

- 5.5.2 TEA shall not represent the views, policies, or positions of Client in any forum, including, without limitation, before the Federal Energy Regulatory Commission, or any state or federal legislative committee, without the prior written consent of Client. For the avoidance of doubt, this Section does not prohibit TEA from communicating regarding scheduling matters, accounting and reconciliation activities, and reporting requirements in accordance with the terms of this Agreement.

5.6 Non-Exclusive Relationship.

- 5.6.1 Client hereby expressly acknowledges that part of the value of TEA's services comes from providing the same or similar services as contemplated under this Agreement to other entities. Client acknowledges that the expertise and business plan of TEA requires that it be able to represent multiple parties and that the services rendered thereby may be beneficial to Client.
- 5.6.2 Client further acknowledges that TEA, from time to time, has established, or may establish, contractual relationships with both users of power resources and generators or producers of such power resources. Notwithstanding the existence of such contractual relationships, Client desires the assistance of TEA as provided in this Agreement. Client specifically represents to TEA that the existence of such contractual relationships does not in and of itself create a conflict of interest unacceptable to Client.
- 5.6.3 The Parties specifically recognize and accept that TEA may execute purchases and sales of power, transmission, and financial instruments between and among TEA's other clients, including executing such transactions in order to enter into transactions with Client as a counterparty or to execute purchases and sales as agent for Client, with such transactions with Client executed in accordance with the provisions of this Agreement. Such transactions are the normal course of business in providing the Services, and the execution and existence of such transactions does not in itself create any conflict of interest unacceptable to Client.

- 5.6.4 Notwithstanding the foregoing provisions of this Section 5, Client shall not enter into any arrangement or agreement with any other entity to receive services during the term of this Agreement that are identical to or similar in scope, object, or purpose to the Services provided by TEA under this Agreement or any individual Task Order.

5.7 Provision of Trading Services – TEA as Principal in the Transaction.

- 5.7.1 TEA shall provide trading services on behalf of Client with TEA acting as principal in the transaction utilizing trading agreements between TEA and its counterparties (referred to herein as TEA “trading as principal”), only as allowable pursuant to a Task Order, including, but not limited to, transacting as principal in the transaction with third parties for electricity products or with the balancing authority (“BA”). Trading as principal shall include electric power, capacity, renewable energy credits, associated transmission, and other related energy or ancillary services (collectively, “Trading Products”) between TEA and its counterparties. In performing such trading services, TEA will, on the terms and subject to the conditions set forth in this Agreement, be entitled to enter into matching purchase or sale transactions with Client and third-party transaction counterparties (“Transaction Counterparties”) under which TEA may purchase Trading Products from Client for resale to one or more Transaction Counterparties, or may purchase Trading Products from one or more Transaction Counterparties for resale to Client (any such transaction with a Transaction Counterparty, a “Matching Transaction”).
- 5.7.2 Unless otherwise mutually agreed to by the Parties, any Trading Products purchase or sale transaction between TEA and Client under a Matching Transaction shall be on the same terms and conditions (except for billing and payment, which shall be pursuant to this Agreement) as the terms and conditions of the applicable Matching Transaction between TEA and the applicable Transaction Counterparty. In the event that TEA purchases Trading Products on behalf of Client in a Matching Transaction, TEA shall resell such Trading Products to Client at the same price TEA paid for such Trading Products, and Client shall pay TEA the amount payable by TEA to the Transaction Counterparty and the amounts payable to any third parties related to the purchase of Trading Products, including, but not limited to, transmission service charges, transmission loss payment costs, BA fees and assessments, and the like, incurred by TEA. In the event that TEA purchases Trading Products from Client for purposes of resale to a Transaction Counterparty under a Matching Transaction, TEA shall pay to Client the amount paid by the Transaction Counterparty to TEA, less the amounts payable to any third parties related to the purchase of Trading Products from Client and resale to the Transaction Counterparty, including, but not limited to, transmission service costs, transmission loss payment costs, BA fees and assessments, and the like, incurred by TEA.

- 5.7.3 Notwithstanding any other provision of this Section to the contrary, if the Transaction Counterparty to a Matching Transaction is another TEA client for which TEA is providing trading services, the price of the transaction shall be set at market.
- 5.7.4 Notwithstanding any terms of this Agreement or any Task Order, nothing contained in this Agreement or any Task Order hereto shall be construed as requiring TEA to execute any transaction as principal in the transaction where such transaction or traded commodity or instrument is regulated under regulations promulgated pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act").
- 5.7.5 Client agrees to provide credit enhancement to support Client-specific transactions executed by TEA as principal in the transaction, as more particularly described in the relevant Task Order. In the event that Client is unable to provide such requested credit enhancement, TEA will attempt to source supply from the BA, but only to the extent of TEA's credit limit with the BA related to Client transactions. In the event that TEA is unable to source supply from the BA, then TEA shall have no obligation to proceed with any transaction in regard to which the enhancement was requested. To the extent that Client prefers to enter directly into a contract with the counterparty, TEA may execute the transactions as Client's agent, provided the counterparty's credit requirements are met by Client. In any such case, Client becomes the principal to the transaction with the counterparty and the counterparty relies on Client's credit.
- 5.7.6 TEA shall not be liable to Client for the failure of any counterparty, including, but not limited to, any Transaction Counterparty (i.e., when TEA is trading as principal in the transaction), to pay or perform on its obligations. In the event of such failure by a Transaction Counterparty, TEA shall pursue any action against such defaulting entity at the direction of Client, at Client's sole cost and expense. Pursuit of action may include, through legal counsel agreed upon by the Parties, filing a proof of claim, appearing or participating in a court proceeding, attending mediation, participating in dispute resolution, and facilitating a settlement, all at the direction and expense of Client. For any such action, TEA shall pass through, with no-mark-up or fee, any such costs or expenses to Client. Client shall have the right to control settlement and resolution of any action.
- 5.7.7 Under no circumstances shall TEA be liable to Client for the failure of the BA to pay, or for assessments made by the BA for any of the BA's participants' failure to pay or perform, related to transactions with the BA performed on Client's behalf by TEA as principal in the transaction, unless such failure to pay or assessments result from TEA's breach of this Agreement, subject in all cases to the limitations contained in Section 7 hereof.
- 5.7.8 If Client interrupts a financially firm sale transaction without the contractual right to do so, TEA shall use reasonable efforts to purchase replacement capacity and

energy in the wholesale marketplace and deliver it. Client shall receive any resulting gain or be responsible for any resulting loss on the transaction.

5.7.9 Unless otherwise mutually agreed by the Parties in writing, TEA shall have no obligation to enter into transactions on behalf of Client utilizing TEA's trading agreements that extend beyond any termination date of this Agreement. If this Agreement is terminated while any transactions remain outstanding under TEA's trading agreements, TEA may, in its sole discretion, require that such existing transactions be novated or settled prior to the termination date or elect to allow such existing transactions to continue to be subject to the terms of this Agreement until such time as the individual transactions terminate or are fully settled. Nothing in this Agreement shall prevent TEA and Client from agreeing to settle any such transaction prior to the previously agreed settlement date of the transaction. Obligations between the Parties to pay for transactions or other Services effected or rendered hereunder shall remain in force notwithstanding the termination of this Agreement.

5.7.10 Client recognizes that from time to time the Trading Products (as defined herein) that TEA purchases or sells for Client and other entities may require allocation of amounts available among all such entities including Client. Decisions by TEA to transact Client's Trading Products in the market will be made on a non-discriminatory basis and will be based on the same methods and procedures used to purchase or sell Trading Products on behalf of TEA's other clients that hold agreements similar to this Agreement.

6. **Indemnification.**

Subject to the limitations contained in Section 7 hereof, TEA and Client, to the extent permitted by applicable law, agree to indemnify, hold harmless, and defend the other Party and its employees, commissioners, officers, directors, members, subsidiaries, affiliates, and partners from any and all liabilities, claims, actions, legal proceedings, demands, damages, losses, penalties, forfeitures and suits, and all costs and expenses incident thereto (including, but not limited to, costs of defense, settlements and reasonable attorneys' fees), which the indemnified party may hereinafter incur, become responsible for, or pay out on any third party claims(s) brought as a result of the wrongful acts or omissions of the indemnifying party, its employees, commissioners, officers, directors, members, subsidiaries, affiliates, partners, agents or subcontractors under this Agreement. Neither Party shall be required to indemnify the other Party for liabilities, claims, suits, actions, legal proceedings, demands, damages, penalties, forfeitures and suits, and all costs and expenses incident thereto (including, but not limited to, costs of defense, settlements, and reasonable attorneys' fees) to the extent caused by the negligence or wrongful act or omission of the other Party or such other Party's employees, commissioners, officers, directors, members, subsidiaries, affiliates, agents, subcontractors or partners.

7. Limitation of Liability.

- 7.1 TEA shall not be liable to Client for errors made in the provision of the Services under each Task Order unless such errors are the result of gross negligence or willful misconduct on the part of TEA.
- 7.2 The cumulative maximum amount of TEA's liability, if any, arising from any and all claims, lawsuits, actions, other legal proceedings by Client or any other person or entity arising out of or in connection with TEA's performance or nonperformance hereunder, whether based upon contract, warranty, tort, strict liability, or any other theory of liability, shall be no more than three (3) months' Compensation (exclusive of payments made for power supply, credit support, and expenses). If TEA should be liable to Client, payments shall be effected by offsetting the monthly amounts due from Client to TEA as set forth in any Task Order(s). If this Agreement is terminated during the period in which its liability payments to Client are being offset against the monthly amounts due from Client to TEA, TEA shall be obligated to pay any remaining liability payments upon the effective date of such termination.
- 7.3 Neither Client nor TEA shall be liable to the other Party for any indirect, consequential, incidental, special, or punitive damages, of any kind or nature whatsoever, including, but not limited, to lost profits or revenues, lost records or data, lost savings, loss of use of a facility or equipment, or loss by reason of increased cost or expense.

8. Notices.

Except as otherwise described in a Task Order, any other notices, requests, demands or other communications required to be given shall be in writing and shall be deemed to have been duly given if (i) by hand or personal delivery, on the date of such delivery, (ii) by nationally recognized overnight courier (such as FedEx or UPS), on the next business day following deposit for next business day delivery, (iii) by certified U.S. mail, return receipt requested with postage pre-paid, on the fifth business day following deposit, or (iv) by electronic mail, on the transmission date if sent (without failure or bounce-back) before or during normal business hours on a business day or, in any other case, on the next business day. In each case, such notice shall be addressed to the Party to whom the notice is being provided at the addresses below, or such other address as may be provided to the other Party consistent with this Section 8.

If to Client: City of Gainesville, Florida,
 doing business as Gainesville Regional Utilities
 301 SE 4th Avenue
 Gainesville, FL 32601
 Attention: Edward Bielarski
 E-mail: bielarskiej@gru.com

With a copy to:

Goren, Cherof, Doody & Ezrol, P.A.
3099 East Commercial Boulevard, Suite 200
Fort Lauderdale, Florida 33308
Attention: Samuel S. Goren
E-mail: sgoren@gorencherof.com

If to TEA: The Energy Authority, Inc.
1301 Riverplace Boulevard, Suite 2700
Jacksonville, Florida 32207
Attention: Legal Department
E-mail: legal@teainc.org

9. **Effect of Agreement.**

This Agreement supersedes any and all prior or contemporaneous agreements, whether written or oral, between the Parties hereto with respect to the subject matter of this Agreement. Each Party to this Agreement acknowledges that no representations, inducements, promises or agreements, oral or otherwise, have been made with respect to the subject matter of this Agreement that are not embodied in this Agreement, including any exhibits or schedules attached hereto.

10. **Proprietary Interest.**

- 10.1 TEA shall retain sole ownership of any patent, copyright, trade secret, trademark, or service mark that TEA has developed or acquired in providing the Services under this Agreement. Client acknowledges and agrees that TEA shall be the sole owner of any intellectual property rights developed by TEA under this Agreement and that Client is not receiving any license to use any of those intellectual property rights. TEA shall have the right to use, license, and receive royalties or fees for the use of any of the intellectual property rights developed by TEA under this Agreement.
- 10.2 In connection with its performance of the Services under this Agreement, TEA may provide to Client information in the form of studies, analysis, operating plans, energy volumes, price targets, and other similar information relating to Client's portfolio (collectively, the "Information"). Client may use the Information and disclose the Information to third parties. Notwithstanding the foregoing, when TEA performs the Services and creates the Information under this Agreement using TEA's confidential and proprietary information and data that includes, without limitation, methods, processes, strategies, techniques, model designs, information sources, formulas, algorithms, business and pricing plans, software, applications, and methods of doing business and other intellectual property, data and information owned by or licensed to TEA (collectively, the "TEA Property"), then to the extent that any such TEA Property is disclosed to or learned by Client, the disclosure of such TEA Property shall be governed by Section 29 (Confidentiality).

11. **Governing Law.**

This Agreement shall be subject to and construed under the laws of the State of Florida without resort to its conflicts of laws principles. Subject to the requirements and conditions precedent of Section 27 (Dispute Resolution) herein, any dispute relating to this Agreement may be brought in the state or federal court located in Duval County, Florida.

12. **Compliance with Law.**

Notwithstanding any other provision of this Agreement, TEA and Client shall at all times during the term of this Agreement comply with all applicable laws, regulations, orders and decrees of governmental authorities with jurisdiction and applicable tariffs.

13. **Authorization.**

The Parties hereby warrant that the persons executing this Agreement are authorized to execute and obligate the respective Parties to perform under this Agreement in accordance with its terms.

14. **Successors and Assignment.**

Unless otherwise provided in a Task Order, neither Party shall assign this Agreement to any person or entity without the written consent of the other Party, such consent not to be unreasonably withheld, conditioned, or delayed. Subject to the foregoing restrictions in this Section, this Agreement shall be binding upon, inure to the benefit of, and be enforceable by the Parties and their respective permitted successors and permitted assigns.

15. **Amendment.**

This Agreement may be amended only by an instrument in writing signed by the Parties. Task Orders, exhibits, or schedules to this Agreement may be amended as set forth in such task order, exhibit, or schedule.

16. **Counterparts and Electronic Signatures.**

This Agreement may be executed by the Parties in counterparts, each of which, when executed and delivered shall be an original, but all of which shall constitute one and the same instrument. The delivery of this Agreement by electronic mail or other means of electronic transmission with an electronic signature in PDF or other manually acceptable digital format (e.g., DocuSign or Adobe Sign) by either Party's authorized representative shall be deemed an original for execution and enforcement of this Agreement.

17. **Severability.**

If any provision of this Agreement shall be deemed invalid or unenforceable in any respect for any reason, the validity of any such provision in any other respect and the remaining provisions of this Agreement shall not be in any way impaired.

18. **No Waiver.**

A provision of this Agreement may be waived only by a written instrument executed by the Party waiving compliance. No waiver of any provision of this Agreement shall

constitute a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver. Failure to enforce any provision of this Agreement shall not operate as a waiver of such provision or any other provision.

19. **Further Assurances.**

From time to time, each of the Parties shall execute, acknowledge, and deliver any instruments or documents necessary to carry out the purposes of this Agreement.

20. **No Third-Party Beneficiaries.**

Nothing in this Agreement, express or implied, is intended to confer on any person, other than the Parties, any right or remedy of any nature whatsoever.

21. **No Provision of Legal Services by TEA.**

Client acknowledges that, with respect to the Services rendered or to be rendered by TEA under this Agreement: (i) TEA is not authorized to give legal advice and (ii) TEA does not intend to give and has not given Client legal advice. Client represents to TEA that Client (i) has obtained and shall obtain legal advice from Client's own legal counsel regarding the legal aspects of any advice given or Services performed by TEA under this Agreement and (ii) has not relied and shall not rely on TEA for the giving of legal advice. Client hereby waives and releases any claim that Client may now or hereafter have that Client has relied, directly or indirectly, on any advice given by TEA, or to be given by TEA, as legal advice in connection with this Agreement and further waives and releases any claim for damages resulting therefrom.

22. **Billing and Payment.**

22.1 Unless otherwise provided in a Task Order, on or before the fifth business day of each month, TEA shall provide Client with an invoice for the immediately preceding month's activity of Trading Products and Compensation due TEA and any other amounts to be paid by one Party to the other Party pursuant to this Agreement.

22.2 The Parties hereby agree that they shall discharge mutual debts and payment obligations due and owing to each other as of the due date through netting, in which case all amounts owed by one Party to the other Party on the due date incurred pursuant to this Agreement during the monthly billing period, including interest, and payments or credits, (i) for purchase and sale transactions under separate agreements, if any, and (ii) Compensation and any other obligations incurred pursuant to this Agreement shall be netted so that only the excess amount remaining due shall be paid by the Party who owes it to the other Party.

22.3 If no mutual debts or payment obligations exist and only one Party owes a debt or obligation to the other during the monthly billing period, that Party shall pay such sum in full when due.

If an amount is due Client, TEA will remit this amount to Client by the 25th of each month in immediately available funds.

If an amount is due TEA, Client will remit this amount to TEA by the 15th of each month in immediately available funds.

- 22.4 Payment on invoices issued pursuant to Section 22.1 for Compensation and any other obligations incurred pursuant to this Agreement that is not received by the due date and not subject to dispute pursuant to Section 22.6, shall be considered overdue. Interest shall accrue on any unpaid amounts as of the day after the due date at a rate equal to the prime interest rate published from time to time in the Wall Street Journal plus 200 basis points (the "Interest Rate"). Notwithstanding the netting provisions of Section 22.2 or the provisions of this Section 22.4, non-payment of amounts owed for purchase and sale transactions under separate agreements as described in Section 5.2, if any, shall be governed by the provisions of the trading agreement under which such transactions are executed.
- 22.5 Payments made under this Agreement shall be made by Automated Clearing House ("ACH") or wire transfer in United States Dollars based on the banking information provided by each Party to the other Party. Such account information may be amended by providing the other Party written notice.
- 22.6 In the event that any portion of any invoice pursuant to this Agreement is in dispute, the undisputed amount shall be paid when due and payment may be withheld on the disputed amount. Client shall notify TEA in writing of the protest of the disputed amount. TEA must receive Client's written protest by the due date of the invoice. Upon determination of the correct billing amount, if the disputed amount is found owing, it shall promptly be paid after such determination together with interest as calculated above. Disputed amounts that are not resolved by mutual agreement of the Parties may be submitted to dispute resolution pursuant to Section 27.
- 22.7 If the Parties are each required to pay an amount incurred pursuant to this Agreement in the same billing period, then such amounts with respect to each Party may be aggregated and the Parties may discharge their obligations to pay through netting, in which case the Party, if any, owing the greater amount shall pay to the other Party the difference between the amounts owed.
23. **Audit Rights and Access to Records.**
- 23.1 During the term of this Agreement and for a twelve (12) month period following the effective date of termination, each Party may audit the other Party's books and records or its own records for the purpose of verifying compliance with this Agreement and the calculation of payments made or received, including the calculation of pricing or Compensation due pursuant to this Agreement; provided that neither Party may conduct more than one such audit during any consecutive twelve-month period and the period audited shall not exceed the previous twelve months. Furthermore, following termination of this Agreement, neither Party may conduct more than one such audit during the twelve-month period referred to above. Any such audit shall be conducted at the audited Party's offices during its normal business hours, at the auditing Party's own expense. Copies of

audit reports shall be provided to the non-auditing Party. If, following such audit, the Parties agree that any billing or payment was incorrect, or it is otherwise found that such be the case, a corrected bill or payment shall be prepared and a corrected billing submitted as provided for in Section 22 (Billing and Payment). Any such payments shall include applicable interest at the Interest Rate, accrued as of each payment's original due date. If, following any such audit, the Parties fail to agree on the need for a corrected billing, such matter may be submitted to dispute resolution pursuant to Section 27.

- 23.2 To the extent permitted by applicable law, each Party shall maintain the confidentiality of the other Party's accounting records and supporting documents in compliance with Section 29 (Confidentiality) herein and shall use them only for the purpose of verifying compliance with this Agreement or confirming the accuracy of billings and payments under this Agreement. In the event such information is required to be disclosed in a legal or regulatory proceeding, or otherwise required to be disclosed by law, the affected Party shall notify the other Party at the time of the request so that the affected Party may seek at its own expense to preserve the confidentiality of the information.

24. **Force Majeure Event.**

- 24.1 Neither Party to this Agreement shall be considered to be in default in performance of any obligation hereunder if failure of performance shall be due to a Force Majeure Event. A Party shall not, however, be relieved of liability for failure of performance if such failure is due to events arising out of removable or remediable events that it fails to remove or remedy with reasonable dispatch. Any Party rendered unable to fulfill any obligation by reason of a Force Majeure Event shall exercise due diligence to remove such inability with all reasonable dispatch. Nothing contained herein, however, shall be construed to require a Party to prevent or settle a strike or labor disagreement against its will.

- 24.2 "Force Majeure Event" means an event that prevents the claiming Party from performing any of its obligations under or in connection with this Agreement, that is not within the reasonable control of, or the result of the negligence of, the claiming Party, and that by the exercise of due diligence the claiming Party is unable to avoid, cause to be avoided, or overcome. Force Majeure Events may include, but are not restricted to: acts of God, acts of the public enemy, terroristic acts, war, blockades, insurrections, civil disturbances and riots, epidemics, landslides, lightning, earthquakes, firestorms, hurricanes, tornadoes, floods, washouts, extreme weather conditions, fire, explosion, breakage, freezing, or accidents, strikes, lock-outs, or other industrial disturbances or labor disputes, labor or material shortages, sabotage, and order or restraint by governmental authority (so long as the claiming Party has not applied for or assisted in the application for, and has opposed where and to the extent reasonable, such order or restraint).

25. **Recording.**

- 25.1 Unless a Party expressly objects to a Recording (defined below) at the beginning of a telephone conversation, each Party (i) consents to the monitoring of, and creation of a tape or electronic recording ("Recording") of, all telephone conversations between the Parties, and of all telephone conversations between TEA and third parties regarding transactions

for or on behalf of Client when TEA is acting as agent for Client, (ii) agrees that any such Recordings will be retained in confidence in accordance with Section 29 (Confidentiality), secured from improper access, and (iii) acknowledges that such Recordings may be submitted in evidence in any proceeding or action relating to this Agreement. Each Party waives any further notice of such monitoring or recording and agrees to notify its officers and employees of such monitoring or recording and to obtain any necessary consent of such officers and employees. Verbal instructions provided by Client shall supersede any prior instruction, even if such prior instruction is in writing. A Recording of such verbal instruction, if available, shall be the controlling evidence of such instruction.

25.2 Client shall confirm that Client counterparties, for transactions where TEA executes transactions between Client and Client counterparties as Client's agent, shall agree to Recordings, as described in Section 25.1, between TEA and such Client counterparties and that such Recordings may be submitted in evidence in any proceeding or action relating to this Agreement.

26. **Default.**

26.1 Each of the following shall constitute an "Event of Default" under this Agreement:

26.1.1 the failure to make, when due, any payment required pursuant to this Agreement if such failure is not remedied within three (3) business days after written notice;

26.1.2 the failure to perform any material covenant or obligation, other than the obligations set forth in Section 26.1.1 of this Agreement, if such failure is not remedied within thirty (30) days after written notice of such breach; or

26.1.3 a Party becomes Bankrupt. For purposes of this Agreement, "Bankrupt" means with respect to either Party, the Party (i) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar law, or has any such petition filed or commenced against it, (ii) makes an assignment or any general arrangement for the benefit of creditors, (iii) otherwise becomes bankrupt or insolvent (however evidenced), (iv) has a liquidator, administrator, receiver, trustee, conservator or similar official appointed with respect to it or any substantial portion of its property or assets, or (v) is generally unable to pay its debts as they fall due.

26.2 Upon delivery of written notice by one Party ("Non-Defaulting Party") to the other Party ("Defaulting Party") that an Event of Default has occurred, the Defaulting Party shall have the amount of time as described in Section 26.1 above from the receipt of such notice to cure such Event of Default. The failure or inability of the Defaulting Party to cure such Event of Default, if such Event of Default is not caused by a Force Majeure Event as described in Section 24.2 hereof, shall authorize the Non-Defaulting Party to immediately terminate this Agreement and all Task Orders by providing the Defaulting Party written notice of termination. Both Parties shall continue to make payments then due or becoming

due with respect to performance or payment obligations which arose prior to the date of termination.

27. Dispute Resolution.

- 27.1 Except as otherwise provided herein, the Parties shall act in good faith to first seek mutually acceptable resolution of any dispute arising hereunder through negotiation between the operating personnel of each Party. If the dispute cannot be settled through such negotiations within a period ending no longer than thirty (30) days following the date on which one Party notifies the other in writing of a dispute (the "Initial Resolution Period"), the chief executive officers (or their designees, who shall be empowered with the same authority as the chief executive officers to settle such dispute) of each Party will personally and in good faith seek to resolve the dispute through negotiation with the other Party for a period ending no later than ten (10) days from the end of the Initial Resolution Period before resorting to any other dispute resolution procedure.
- 27.2 After the expiration of the periods described in Section 27.1, either Party may submit any disputes arising under this Agreement that cannot be resolved by the Parties to binding arbitration pursuant to the procedures in the Commercial Arbitration Rules of the American Arbitration Association (the "Rules"), which Rules shall apply to the extent not inconsistent with the following rules; provided, however, that the arbitration shall not be conducted under the auspices of the American Arbitration Association:
- 27.2.1 The arbitration process shall be initiated after the expiration of the forty (40) day period described in Section 27.1 by either Party's delivering to the other a written notice pursuant to the Rules.
- 27.2.2 The Parties shall select three (3) persons to act as neutral arbitrators, each with at least ten (10) years of professional experience in connection with similar transactions, who have not previously been employed or retained by either Party, and who do not have a direct or indirect interest in either Party or the subject matter of the arbitration. Such arbitrators shall either be mutually agreed by the Parties within thirty (30) days after written notice from either Party requesting arbitration, or, failing agreement, either Party may petition the Superior Court with jurisdiction over the controversy and located in Duval County, Florida, to appoint such arbitrators. Should any controversy arise that does not fall within the jurisdiction of the designated Court, either Party may petition any Court with jurisdiction over the controversy to appoint such arbitrators.
- 27.2.3 A preliminary hearing, by telephone only, may be conducted upon the agreement of both Parties. No preliminary hearing or administrative conferences shall take place unless by telephone. During any preliminary hearing or administrative conferences, the arbitrators shall provide for discovery in accordance with the Federal Rules of Civil Procedure as requested by each Party.
- 27.2.4 The arbitration shall be held at a site to be mutually determined by the Parties, which site shall be located in the State of Florida.

27.2.5 Unless otherwise agreed to by the Parties, the arbitration shall be conducted according to the following procedures: (i) the arbitration hearing shall commence the later of one hundred and eighty (180) days after the selection of the arbitrators or the completion of any discovery; (ii) not later than seven (7) days prior to the hearing date set by the arbitrators, each Party shall submit a brief detailing its factual and legal position and that Party's suggested resolution for settlement of the dispute including a dollar amount, if appropriate; (iii) the arbitration shall be conducted on a confidential basis without continuance or adjournment; (iv) the arbitrators may only select one of the suggested resolutions, subject to the limitation that the decision must resolve the dispute in a manner most consistent with the intent of the Parties as reflected in the terms of this Agreement; (v) the arbitrators shall issue a confidential written opinion containing his or her decision; (vi) each Party shall divide equally the cost of the arbitrators and the arbitration, including the cost of the arbitration site, and each Party shall be responsible for its own expenses and those of its counsel and representatives; and (vii) the details of any negotiation or offer of settlement made prior to arbitration and the cost to the Parties of their representatives and counsel shall not be admissible as evidence in the arbitration.

27.2.6 The decision of the arbitrators shall be final and binding on the Parties, enforceable in any court with jurisdiction, and shall not be appealed by either Party, absent the presence of statutory grounds for appealing such decision.

27.3 Notwithstanding anything to the contrary contained herein, and regardless of any procedures or rules of the American Arbitration Association to the contrary, the Parties expressly agree that the following shall apply and control over any other provision in this Section 27:

27.3.1 The arbitrators shall have no authority to award punitive damages or attorneys' fees.

27.3.2 The Parties may, by written agreement signed by both Parties, modify any time deadline, location(s) for meeting(s), or other dispute resolution procedures set forth in this Section 27 or in the Rules.

27.3.3 The arbitrators shall allow the Parties reasonable discovery necessary to prepare their cases consistent with the discovery provisions of the Federal Rules of Civil Procedure.

27.3.4 Time is of the essence for purposes of the provisions of this Section 27.

28. **Certain Representations.**

28.1 Client represents that (i) one of the principal governmental purposes of Client is to provide reliable electric service to its customers; (ii) Client is authorized by law to engage in transactions analogous to those contemplated in a Task Order; and (iii) Client is either not subject to federal income tax or its income is exempt under Section 115 of the Internal Revenue Code.

- 28.2 Each Party represents and warrants to the other Party that it is and will remain duly organized, validly existing, and in good standing under the laws of the state of its organization throughout the term of this Agreement, and that the execution, delivery and performance of this Agreement are within its express or implied statutory powers, have been duly authorized by all necessary action, and do not violate any of the terms or conditions in its governing documents or applicable laws.
- 28.3 By executing this Agreement, each Party acknowledges having read this Agreement, and that, after a full opportunity to discuss the terms of this Agreement with any representative or counsel of the Party's choice, fully understands and voluntarily enters into this Agreement.
29. **Confidentiality.**
- 29.1 Any information disclosed by either Party in connection with this Agreement and designated in writing, by label, stamp, or other written communication by the disclosing Party as "confidential" or "proprietary" at the time of disclosure (or within ten (10) days after verbal disclosure) and any TEA Property or information that the receiving Party should reasonably believe is proprietary or confidential, with or without such designation, shall be treated as "Confidential Information" subject to this Section 29. Subject to Section 29.2, the recipient Party agrees (i) to treat such Confidential Information as confidential and not disclose it to third parties other than TEA's affiliate entities as necessary for performance of this Agreement, (ii) to restrict the use of such Confidential Information to matters relating to the recipient Party's performance of this Agreement, and (iii) to restrict access to such information to employees or consultants of the recipient Party and TEA's affiliate entities whose access is necessary in the implementation of this Agreement.
- 29.2 Upon receipt of a request under appropriate state or federal law to disclose Confidential Information to a third party, the Party receiving such request shall promptly provide written notification to the Party who provided the Confidential Information of the request and the time period within which the Party receiving the request will respond thereto. The Party who initially provided the Confidential Information may take any action, at its own expense, it deems necessary and appropriate to protect the confidentiality of the information provided, including legal action to stay disclosure of the Confidential Information. If the Party that provided the Confidential Information does not file an action in a court with jurisdiction to obtain a protective order for the subject Confidential Information within twenty (20) days of receiving notice of a disclosure request, the Party that received the confidential information may disclose the requested information to the requesting party without further liability if it believes, in its sole discretion, that withholding the information from the requesting party would result in a violation of applicable law.
30. **Waiver of Jury Trial and Consent to Relief from the Automatic Stay.**
THE PARTIES HEREBY KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVE THE RIGHT THEY MAY HAVE TO A TRIAL BY JURY IN ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER, OR IN CONNECTION WITH THIS AGREEMENT

AND ANY TASK ORDER CONTEMPLATED TO BE EXECUTED IN CONJUNCTION HERewith, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS, WHETHER VERBAL OR WRITTEN, OR ACTIONS OF EITHER PARTY. CLIENT FURTHER AGREES AND CONSENTS TO AN IMMEDIATE LIFTING OF THE AUTOMATIC STAY IMPOSED BY SECTION 362 OF THE UNITED STATES BANKRUPTCY CODE IN ANY BANKRUPTCY CASE FILED BY DISTRICT WITH RESPECT TO TEA'S RIGHT TO PURSUE ITS REMEDIES AGAINST ANY COLLATERAL OR LETTER OF CREDIT SECURING THE INDEBTEDNESS FOR THE PROCUREMENT OF POWER. THIS PROVISION IS A MATERIAL INDUCEMENT FOR TEA EXECUTING THIS AGREEMENT.

31. **Insurance.**

Each Party shall maintain during the term of this Agreement policies of liability insurance with the following limits: (i) worker's compensation and related insurance as prescribed by the law of the state in which the work is performed; (ii) employer's liability insurance with limits of at least One Million Dollars (\$1,000,000) for each occurrence; (iii) comprehensive general liability insurance with limits of at least One Million Dollars (\$1,000,000) for each occurrence, with a Two Million Dollar (\$2,000,000) annual policy aggregate; (iv) comprehensive motor vehicle liability insurance, with limits of at least One Million Dollars (\$1,000,000) for each occurrence; (v) professional liability (errors and omissions) with limits of at least Two Million Dollars (\$2,000,000) for each occurrence; and (vi) umbrella or excess liability insurance with a coverage limit of at least Four Million Dollars (\$4,000,000) per occurrence. Umbrella or excess liability policy must provide coverage in excess of employer's liability and commercial general liability and automobile liability. Upon request from the other Party, a Party shall cause the other Party to be named an additional insured under each such policy and shall provide the requesting Party with a certificate of insurance evidencing the required coverage. The certificate shall provide that such Party will notify the other Party of any termination of coverage not less than 30 days prior to such termination.

32. **Requirements Under Florida Statutes**

32.1 Public Records.

If TEA is deemed to be either a "contractor" as defined in Section 119.0701(1)(a), Florida Statutes, or an "agency" as defined in Section 119.011(2), Florida Statutes, TEA shall:

1. Keep and maintain public records, as defined in Section 119.011(12) of the Florida Statutes, required by Client to perform the Services.
2. Upon request from Client's custodian of public records, provide Client with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in this chapter or as otherwise provided by law.
3. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the

duration of the Agreement term and following completion of the Agreement if TEA does not transfer the records to Client.

4. Upon completion of the Agreement, transfer, at no cost, to Client all public records in possession of TEA or keep and maintain public records required by Client to perform the Services. If TEA transfers all public records to Client upon completion of the Agreement, TEA shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If TEA keeps and maintains public records upon completion of the Agreement, TEA shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to Client, upon request from Client's custodian of public records, in a format that is compatible with the information technology systems of Client.

IF TEA HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, AS TO TEA'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE CLIENT'S CUSTODIAN OF PUBLIC RECORDS AT (352) 393-1211, PUBLICRECORDSREQUEST@GRU.COM , OR PO BOX 147117, STATION E3E, GAINESVILLE FL 32614.

32.2 Anti-Human Trafficking

Pursuant to section 787.06(13), Florida Statutes (2024), when this Agreement is executed, renewed, or extended, TEA must provide the Client with an affidavit, signed by an officer or a representative of TEA under penalty of perjury, attesting that TEA does not use coercion of labor or services as those terms are defined in such section of the Florida Statutes.

32.3 Scrutinized Companies

Pursuant to section 287.135(5), Florida Statutes (2024), TEA certifies as of the Effective Date of this Agreement as follows: TEA is not on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in Iran Terrorism Sections List; TEA does not have business operations in Cuba or Syria; and TEA is not participating in a boycott of Israel.

32.4 E-Verify

TEA shall (1) utilize the U.S. Department of Homeland Security's E-Verify system to verify the employment eligibility of all new employees hired by TEA during the term of this Agreement; and (2) expressly require any subcontractors performing work or providing services pursuant to this Agreement to likewise utilize the U.S. Department of Homeland Security's E-Verify system to verify the employment eligibility of all new employees hired by such subcontractors during the term of this Agreement.

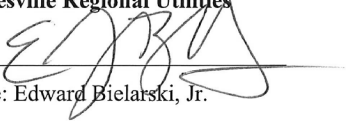
33. Proprietary, Confidential, and Trade Secret Information; Public Records Exemption.

TEA asserts that this Agreement contains proprietary, confidential, and trade secret information that is exempt from public disclosure pursuant to Sections 119.07(1) and 119.0715, Florida Statutes (2024), and other applicable laws. The information contained herein includes, among other things, processes, procedures, commercial information, and financial information, that TEA deems to be secret/confidential, of value, in use by the business, of advantage to the business, and deriving independent economic value from not being generally known to other parties.

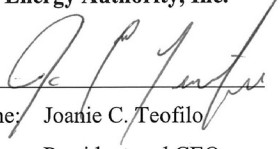
[Signature Page Follows]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed in their respective names by their respective duly authorized representatives as of the date written in the first paragraph of this Agreement.

City of Gainesville, Florida,
doing business as
Gainesville Regional Utilities

By: 
Name: Edward Bielarski, Jr.
Title: Chief Executive Officer / General Manager

The Energy Authority, Inc.

By: 
Name: Joanie C. Teofilo
Title: President and CEO

Signature Page to
Resource Management Agreement Between
The Energy Authority, Inc. and Gainesville Regional Utilities
This RMA Contains Confidential/Proprietary Information

Exhibit A

Form of Task Order

Exhibit A (Form of Task Order) to Resource Management Agreement
between The Energy Authority, Inc. and Gainesville Regional Utilities
Page 1

Task Order [X]

[Title Describing Services]

This Task Order [X] ("Task Order [X]"), effective as of _____, 20____ (the "Task Order [X] Effective Date"), is made part of the Resource Management Agreement dated _____, 20____ ("RMA"), and is entered into by and between **The Energy Authority, Inc.**, a Georgia nonprofit corporation, having its principal address at 1301 Riverplace Boulevard, Suite 2700, Jacksonville, Florida 32207 ("TEA"), and **City of Gainesville, Florida, doing business as Gainesville Regional Utilities**, a Florida municipal corporation ("Client"), having its principal address at 301 SE 4th Avenue, Gainesville, FL 32601. TEA and Client are sometimes referred to individually as a "Party," or collectively as the "Parties." This Task Order [X] is subject to all terms and conditions of the RMA. Capitalized terms used but not defined herein shall have the meanings assigned to such terms in the RMA.

Recitals

WHEREAS, TEA is in the business of providing certain energy-related services; and

WHEREAS, Client desires to retain TEA to perform certain services, as described herein, and TEA would like to provide such services, subject to the terms and conditions set forth below.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

Terms and Conditions

Section 1. Scope of Services. Pursuant to the terms of this Task Order [X], TEA shall provide Client with the following Services:

[Information regarding the Services to be inserted here.]

Section 2. Term of Task Order [X]. The term of this Task Order [X] shall commence on the Task Order [X] Effective Date and shall continue until [the later of (i) _____, 20____], or (ii)] the date on which all Services have been delivered by TEA hereunder and all fees related to such Services under this Task Order [X] have been paid to TEA by Client, unless otherwise terminated or extended in writing by an authorized representative of each Party.

Section 3. Compensation for Services. As compensation for TEA providing the Services described in Section 1 of this Task Order [X], Client will pay TEA [*compensation amount to be added*].

Section 4. Additional Services and Billing Rates. Client may request that TEA provide Services under this Task Order [X] that are in addition to those Services described in Section 1 of this Task Order [X] ("Additional Services"). Upon mutual agreement of the Parties, TEA shall provide Additional Services to Client based on hourly rates for actual Additional Services performed. For any such Additional Services, TEA will bill Client at TEA's then-current billing rates. Rates for Additional Services provided during 20[] are included in the table below and are subject to escalation of up to [] ([]%) annually.

TEA 20__ Billing Rates ⁽¹⁾	
Job/Group	Billing Rate (\$/hour)
Principal Consultant	\$[]
Senior Consultant/Project Manager	\$[]
Consultant	\$[]
Analyst	\$[]
Clerical	\$[]
[Other]	[\$]
⁽¹⁾ Billing rates are subject to increase annually starting January 1, 20__	

Section 5. Billing and Payment. TEA shall invoice Client for the Services and any Additional Services provided pursuant to this Task Order [X]. Unless otherwise instructed on an invoice, payment for all invoices shall be made by Client to TEA via electronic funds transfer or to the following address:

The Energy Authority, Inc.
 1301 Riverplace Boulevard, Suite 2700
 Jacksonville, Florida 32207
 Attention: Accounts Payable Department

Section 6 Headings. Headings or captions contained in this Task Order [X] are solely for the convenience of the Parties and shall not affect the construction or interpretation of any of the provisions of this Task Order [X].

Section 7 **Counterparts and Electronic Signatures.** This Task Order [X] may be executed in counterparts, each of which shall constitute an original, but all of which shall constitute one agreement. The delivery of this Task Order [X] by electronic mail or other means of electronic transmission with an electronic signature in PDF or other manually acceptable digital format (e.g., DocuSign or Adobe Sign) by an authorized representative of each Party shall be deemed an original for execution and enforcement of this Task Order [X].

Section 8 **Amendment.** This Task Order [X] may only be amended by an instrument in writing signed by an authorized representative of each Party.

[Signature Page to Follow]

IN WITNESS WHEREOF, the Parties hereto have caused this Task Order #[X] to be executed by their respective authorized representatives to be effective as of the date first above written.

The Energy Authority, Inc.

**City of Gainesville, Florida,
doing business as
Gainesville Regional Utilities**

By: _____

By: _____

Name:

Name:

Title:

Title:

Task Order 1

Energy Marketing Services

This Task Order 1 ("Task Order 1"), effective as of August 1, 2025 (the "Task Order 1 Effective Date"), is made part of the Resource Management Agreement dated August 1, 2025 ("RMA"), and is entered into by and between **The Energy Authority, Inc.**, a Georgia nonprofit corporation, having its principal address at 1301 Riverplace Boulevard, Suite 2700, Jacksonville, Florida 32207 ("TEA"), and the **City of Gainesville, Florida**, a Florida municipal corporation **doing business as Gainesville Regional Utilities** ("Client"), having its principal address at 301 SE 4th Avenue Gainesville, Florida 32601. TEA and Client are sometimes referred to individually as a "Party," or collectively as the "Parties." This Task Order 1 is subject to all terms and conditions of the RMA. Capitalized terms used but not defined herein shall have the meanings assigned to such terms in the RMA.

Recitals

WHEREAS, TEA is in the business of providing certain energy-related services; and

WHEREAS, Client desires to retain TEA to perform certain services, as described herein, and TEA would like to provide such services, subject to the terms and conditions set forth below.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

Terms and Conditions

Section 1. Scope of Services. Pursuant to the terms of this Task Order 1, TEA shall provide Client with the following Services:

A. Term and Day-Ahead ("DA") Power Marketing Services:

- a. TEA will provide term and DA services, including load and resource management, marketing and scheduling. On a daily basis, TEA shall purchase or sell Client's excess generation utilizing Client's unit commitment information, load forecast, and power purchase agreements to determine Client's position. TEA will market Client's position by seeking price discoveries from bilateral counterparties based on the economics of Client's assets. Transactions will include those with a term of one (1) year or less and a duration within the following eighteen (18) months. TEA shall:
 - i. Perform regional market discovery;

Task Order 1 to
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- ii. Negotiate and execute bilateral transactions as principal using TEA's enabling agreements with counterparties;
 - iii. Purchase and/or reserve required transmission service;
 - iv. Communicate, schedule, and tag Client transactions;
 - v. Manage counterparty credit thresholds;
 - vi. Provide a record of each transaction performed, including details such as counterparty, price, transmission, losses, etc. on TEA's secure website;
 - vii. Schedule transactions executed by TEA, which may include:
 - 1. Reservation and verification of transmission paths;
 - 2. Confirmation of the schedule with counterparties;
 - 3. Creation of transaction-tracking identifiers as defined by North American Electric Reliability Council ("NERC Tags") and transmission of the same to appropriate parties;
 - 4. Notification to counterparties (by electronic mail or other mutually agreed mode of notification) of schedules;
 - 5. Performance of checkouts with counterparties to confirm energy flow totals; and
 - 6. Coordination of changes to schedules with the transmission providers, the seller of the power, and the purchaser of the power, as appropriate.
 - viii. Provide transmission management:
 - 1. Buy and manage Client's transmission positions, including long-term firm positions, if necessary;
 - 2. Act as Purchasing/Selling Entity ("PSE") for all Point-to-Point ("PTP") transmission requests;
 - 3. Maintain and monitor all transmission reservations, including redirects, resales, and renewals;
 - 4. Calculate and manage all losses on the transmission as required by the transmission providers; and
 - 5. Manage other monthly firm PTP and network reservations to receive power into the Client system.
- B. **Real Time ("RT") Power Marketing:** TEA will provide RT load and resource management, marketing and scheduling. TEA shall provide 24/7 RT power and fuel trading desk and staff support to manage operational requirements in bilateral markets, including monitoring of plant dispatch, review of market conditions and unit capabilities, contact with appropriate control centers or plants, and coordination of starts/stops and unit parameter adjustments. On a RT basis, TEA shall:
- i. Perform regional market discovery;
 - ii. Negotiate and execute bilateral transactions as principal using TEA's enabling agreements with counterparties;

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- iii. Purchase and/or reserve required transmission service;
- iv. Communicate, schedule, and tag Client transactions;
- v. Manage counterparty credit thresholds;
- vi. Provide a record of each transaction performed, including details such as counterparty, price, transmission, losses, etc. on TEA's secure website;
- vii. Schedule transactions executed by TEA, which may include:
 - 1. Reservation and verification of transmission paths;
 - 2. Confirmation of the schedule with counterparties;
 - 3. Creation of transaction-tracking identifiers as defined by NERC Tags and transmission of the same to appropriate parties;
 - 4. Timely and effective notification to counterparties (by electronic mail or other mutually agreed mode of notification) of schedules;
 - 5. Performance of checkouts with counterparties to confirm energy flow totals; and
 - 6. Coordination of changes to schedules with the transmission providers, the seller of the power, and the purchaser of the power, as appropriate.
- viii. Monitor Client's load and generation that may impact sale and purchase opportunities, in collaboration with Client operators;
- ix. Manage RT changes of generation's planned and forced outages;
- x. Manage transmission outages and power curtailments to meet Client's load requirements;
- xi. Provide hourly price forecasts for Client to communicate with its participants and large loads;
- xii. Report all market activity (volume and price) to Client on an hourly basis. Reporting shall occur prior to XX:30 unless special circumstances occur; and
- xiii. Utilize Southeast Energy Exchange Market ("SEEM") to balance Client's load and resources within the hour (every 15 minutes) to maximize Client's assets in the marketplace, enter transactions within the SEEM platform and settle all transactions.

- C. **Fuel Management/Natural Gas Management:** TEA will manage Client's physical natural gas requirements, including:
- a. Determine daily fuel required for dispatch and the optimal economic sourcing for fuel supply;
 - b. Acquire appropriate fuel supplies in accordance with the fuel specifications directed and codified by Client;
 - c. Scheduling, nomination, balancing, and settlement of physical natural gas;

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- d. Managing Florida Gas Transmission pipeline capacity (and any other pipeline capacity) under Client's asset management agreement(s);
- e. Daily, Intra-day and First of the Month ("FOM") trading;
- f. Supporting fuel management issues outside normal business hours;
- g. Analyzing, recommending, and basis trading, whether financial or physical;
- h. Providing monthly operational updates;
- i. Interfacing with midstream service providers to determine the need for and commercial advice to assist Client's negotiation of any third-party agreements for firm transportation, balancing services, storage, and supply;
- j. Coordinate imbalances and sufficient quantities of delivery between upstream interstate pipelines coupled with the local transportation requirements on the Local Distribution Company system;
- k. Provide all daily reports to Client as required, including summaries of fuel procured, price, and volume; and
- l. Prepare and provide a detailed monthly fuel summary as well as an annual summary of the monthly reports as well as any other ad-hoc position or fuel activity as reasonably requested.

D. **Portfolio Management/Natural Gas Hedging:** TEA will collaborate with Client to provide portfolio risk management and natural gas hedging services, including quantitative analysis on incremental hedge strategies. TEA will maintain risk models to calculate a distribution of Client's natural gas usage and price exposure, then evaluate and recommend different hedge strategies in accordance with Client's risk mitigation goals. TEA's stochastic risk model will feed into Client's natural gas portfolio model that outlines hedging strategies based on natural gas pricing and volume. TEA will work with Client's staff to outline additional opportunities in the marketplace to reduce Client's overall risk.

- a. TEA shall:
 - i. Provide market knowledge on the forward natural gas market, including options and swaps;
 - ii. Collaborate with Client on strategies and execute those strategies for Client utilizing Client's existing Archer Daniels Midland, Inc. (ADM) account or utilize International Swaps and Derivatives Association ("ISDA") contracts;
 - iii. Execute on approved natural gas hedges on behalf of Client;
 - iv. Provide confirmation to Client for execution;
 - v. Provide standard mark-to-market reporting for Client's forward natural gas transactions. The reports would be available through the TEA's designated, secure web portal (currently, "TEA@Work"); and

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- b. Client shall provide TEA information to ensure the stochastic model is an accurate function of Client's historical and forward-looking model, including but not limited to:
 - i. Updates to load forecasts;
 - ii. Updates on generation, including outages and new units, and expected solar output;
 - iii. Transactions conducted by Client staff;
 - iv. Confirmation on natural gas forward pricing projections.

E. **Credit and Risk Control** – TEA shall provide the following:

- a. TEA shall enter all transactions (including both financial and physical natural gas, SEEM, RT, DA, term, capacity, transmission, and reserves) into TEA's Energy Trade and Risk Management ("ETRM") system for tracking and risk control purposes, as well as provide an audit trail of any modifications to a transaction tracked by ETRM after the trade ticket is entered. TEA's ETRM will also serve as the primary repository for all Client master trading agreements.
- b. TEA shall provide credit monitoring services, including keeping a record of all forward transactions, tracking the market value of these transactions against Client's approved counterparty credit limits, and shall work with Client to ensure that new transactions are executed within approved credit limits.
- c. TEA shall provide trade confirmation of transactions by independently contacting counterparties and confirming the transaction.
- d. TEA shall review trade documentation (after the fact) for Client internal authorizations.
- e. TEA shall provide reporting of any observed violations of the risk control parameters to Client's Risk Oversight Committee.
- f. Risk Control Criteria may include:
 - i. Implementation of contractual controls;
 - ii. Identifying key contractual commercial issues;
 - iii. Ensuring contracts are in place to facilitate trading;
 - iv. Ensuring trades and contracts are executed with proper legal entity and within available products;
 - v. Terminating duplicate/expired contracts, if applicable;
 - vi. Ensuring existing contracts contain up-to-date credit provisions and adequate contractual commercial provisions to minimize business risk;
 - vii. Generating reports, contractual products, provisions list, and custom reports as requested;
 - viii. Monitoring trade execution within contracts; and
 - ix. Monitoring contract performance and ensure adherence to contract terms and conditions.

F. Credit Monitoring. On a daily basis, TEA shall calculate Client's exposure to all counterparties, including TEA, and provide a risk assessment to other long-term transactions in the marketplace. TEA will monitor the ongoing creditworthiness of Client's counterparties and will notify Client regarding any events TEA detects that would impact a counterparty's creditworthiness, especially on the futures ISDA contracts. TEA will also monitor Client's credit position and work with Client staff to establish early pay or margining requirements should Client's position exceed the credit limits.

G. Market Pricing. TEA will develop multiple scenarios forecasts in the marketplace, using TEA proprietary software, systems, and know-how. TEA will provide Client with market pricing of capacity and energy when requested to support Client's initiatives. On a daily basis, TEA will provide daily market pricing for the next seven (7) days forward for Southern Company and Georgia Transmission Company. TEA will also provide market pricing the two (2) years forward, broken out for 5x16, 7x16, 7x24 trading blocks and by month with the corresponding NYMEX forward gas curve.

H. Counterparty Credit Reviews. TEA will monitor counterparty creditworthiness and inform Client of changes to counterparty credit positions.

I. Counterparty Settlement Services.

TEA shall provide confirmation and checkout services with each of Client's counterparties on a daily basis for all transactions:

- a. TEA shall act as billing agent on Client's settlements with counterparties.
- b. TEA shall provide consolidated billing detail to Client.
- c. TEA shall manage discrepancies with counterparties.

Section 2. Term of Task Order 1. The term of Task Order 1 shall commence on the Task Order 1 Effective Date and shall continue for an initial term of one (1) year (the "Initial Term"). At the end of the Initial Term, the Task Order 1 shall renew on an annual basis for successive one (1) year terms (each, a "Renewal Term"), unless terminated in accordance with the RMA.

Section 3. Compensation for Services and Expenses. The Compensation for Services described in Section 1 of this Task Order 1 are \$91,500 per month (the "Monthly Fixed Fee") during the Initial Term of this Task Order 1. After the Initial Term, and for each Renewal Term thereafter, the Monthly Fixed Fee shall be escalated annually up to the greater of a) CPI-U or b) four percent 4%.

Client shall be responsible for all expenses incurred by TEA in accordance with Section 4.2 of the RMA. All travel must be approved by Client in advance.

Section 4. Additional Services and Billing Rates. Client may request that TEA provide Services under this Task Order 1 that are in addition to those Services described in Section 1 of this Task Order 1 (“Additional Services”). Upon mutual agreement of the Parties, TEA shall provide Additional Services to Client based on hourly rates for actual Additional Services performed. Additional Services may include, but shall not be limited to, ad hoc analysis of resource additions, system retirements, or evaluations that are generally within the subject matter of this Task Order 1. Hourly Billing Rates are subject to adjustment annually as determined by TEA. Rates for Additional Services provided during 2025 are as follows:

TEA 2025 Billing Rates ⁽¹⁾	
Job/Group	Billing Rate (\$/hour)
Principal Consultant	\$450
Senior Consultant/Project Manager	\$345
Consultant	\$255
Analyst	\$190
Clerical	\$120
⁽¹⁾ Billing rates are subject to increase annually after December 31, 2025	

More complex Services, including but not limited to integrated resource planning (“IRP”), support for request(s) for proposal(s) (“RFP”) management; and short-term load forecasting may also be requested by Client. If requested, the Parties agree to discuss the additional effort associated with such Services in good faith and memorialize such Services, compensation, and related expenses under separate task orders

Section 5. Billing and Payment. TEA shall invoice Client for the Services and any Additional Services provided pursuant to this Task Order 1. Unless otherwise instructed on an invoice, payment for all invoices shall be made by Client to TEA via electronic funds transfer or to the following address:

The Energy Authority, Inc.
 1301 Riverplace Boulevard, Suite 2700
 Jacksonville, Florida 32207
 Attention: Accounts Payable Department

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Section 6. Headings. Headings or captions contained in this Task Order 1 are solely for the convenience of the Parties and shall not affect the construction or interpretation of any of the provisions of this Task Order 1.

Section 7. Counterparts and Electronic Signatures. This Task Order 1 may be executed in counterparts, each of which shall constitute an original, but all of which shall constitute one agreement. The delivery of this Task Order 1 by electronic mail or other means of electronic transmission with an electronic signature in PDF or other manually acceptable digital format (e.g., DocuSign or Adobe Sign) by each Party's authorized representative shall be deemed an original for execution and enforcement of this Task Order 1.

Section 8. Amendment. This Task Order 1 may only be amended by an instrument in writing signed by an authorized representative of each Party.

Section 9. Proprietary, Confidential, and Trade Secret Information; Public Records Exemption. TEA asserts that this Task Order 1 contains proprietary, confidential, and trade secret information that is exempt from public disclosure pursuant to Sections 119.07(1) and 119.0715, Florida Statutes (2024), and other applicable laws. The information contained herein includes, among other things, processes, procedures, commercial information, and financial information, that TEA deems to be secret/confidential, of value, in use by the business, of advantage to the business, and deriving independent economic value from not being generally known to other parties.

[Signature Page to Follow]

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Resource Management Agreement between
The Energy Authority, Inc. and Gainesville Regional Utilities
This Task Order Contains Confidential/Proprietary Information

IN WITNESS WHEREOF, the Parties hereto have caused this Task Order 1 to be executed by their respective authorized representatives to be effective as of the date first above written.

The Energy Authority, Inc.

**City of Gainesville, Florida, doing business
as Gainesville Regional Utilities**

By: _____

Name: Joanie Teofilo

Title: President and CEO

By: _____

Name: Edward Bielarski, Jr.

Title: Chief Executive Officer / General
Manager

Task Order 1 to
Resource Management Agreement between
The Energy Authority, Inc. and Gainesville Regional Utilities
This Task Order Contains Confidential/Proprietary Information



Gainesville Regional Utilities Authority Agenda Item Report

File Number: 2025-485

Agenda Date: June 11, 2025

Department: Gainesville Regional Utilities

Title: Discussion surrounding misinformation about GRU and GRUA (B)

Department: Gainesville Regional Utilities/Office of the CEO

Description: As the GRUA fulfills the mission established under HB 1645, it is critical to update customers on the utility's progress: lower bills; reduced debt; affirmation from bond rating agencies; and renewed commitment to customer experience. It is also important to address and refute the continuous flow of rhetoric from city commissioners, policy makers and political activists within our community.

Fiscal Note: None.

Recommendation: The GRU Authority hear the presentation, discuss and offer any suggestions.

Fact vs. Fiction

The truth behind the stories about GRU



CUSTOMER FIRST

ONE UTILITY. ONE GOAL.

Fiction

The GRU Authority doesn't listen to citizens.

Fact

- GRUA meetings are advertised and open to public comment.
- GRUA meetings are modeled after City Commission meetings.
- GRUA directors have public emails listed on GRU's website.
- Listening doesn't mean agreeing.

Fiction

Future power generation may be jeopardized under the Authority.

Fact

- City Commission decisions that saddled GRU with almost \$2 billion of debt have limited GRU generation options.
- GRU's solar deal mutually dissolved due to repeated price/cost hikes.

The utility is actively reducing carbon emissions by investing in its owned resources thru modernization, gasification and retrofits of diesel and coal units

Right-Sizing GFT

Fiction

The Authority is robbing Gainesville by randomly cutting the general fund transfer.

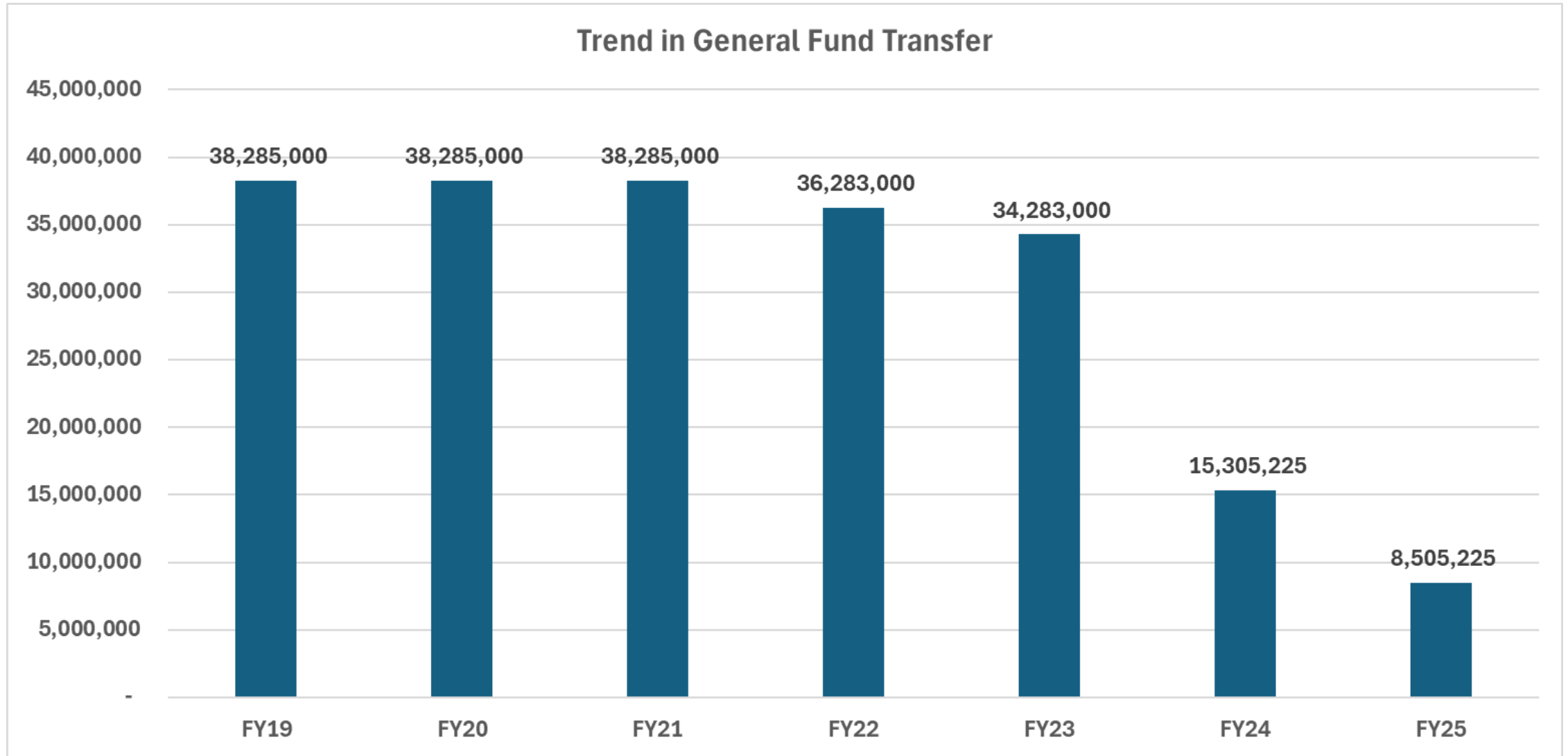
Fact

- City Commission decisions are reducing GRU profits which necessarily reduce what GRU can transfer to the city.
- Since 2000, 95% of GRU profits have gone to the city, limiting ability to forgo rate increases.
- Reduction of GFT from \$38 million peak to \$8.5 million needed to pay down commission-created debt and satisfy bond rating agencies.

Failure to implement or maintain planned reductions in the general fund transfer could lead to Negative Ratings

Reduced general fund transfer payment led to an increased FADS and accelerated amortization of debt – key strategic initiatives of the utility's financial plan

GFT History



Fiscal Mismanagement

Fiction

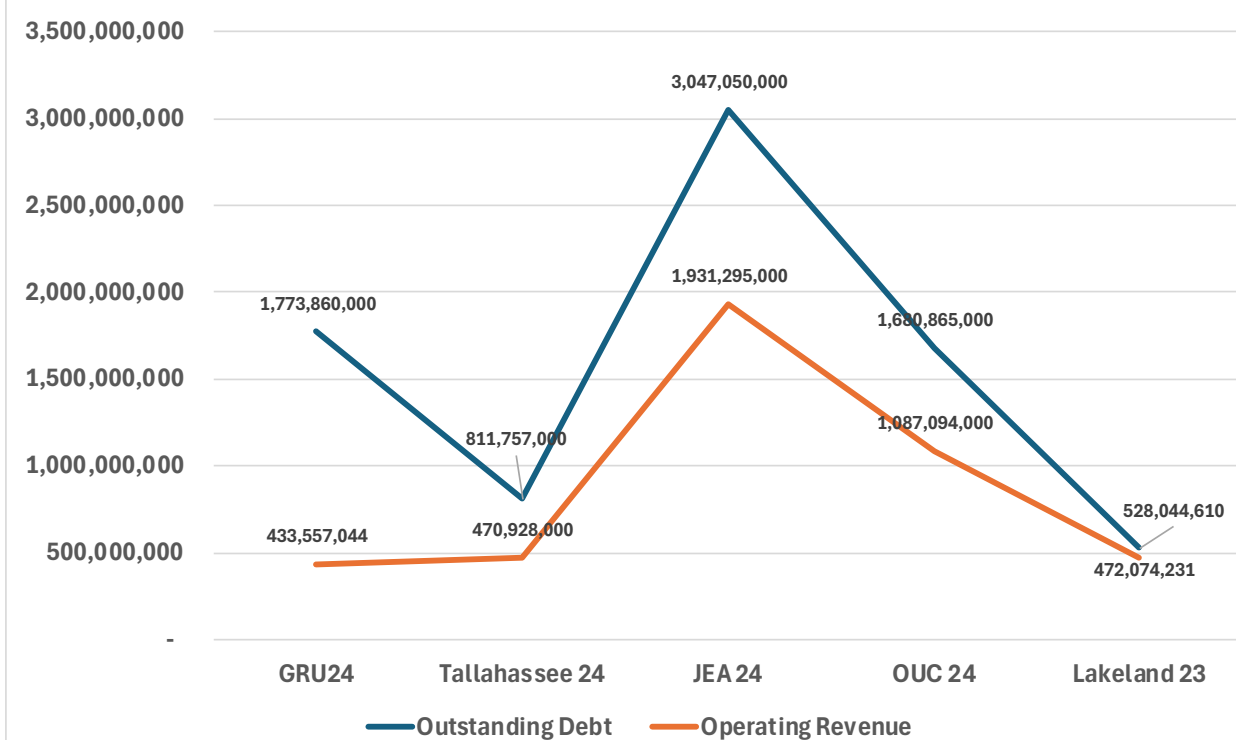
The state has put the city and GRU in a position unlike any utility in America.

Fact

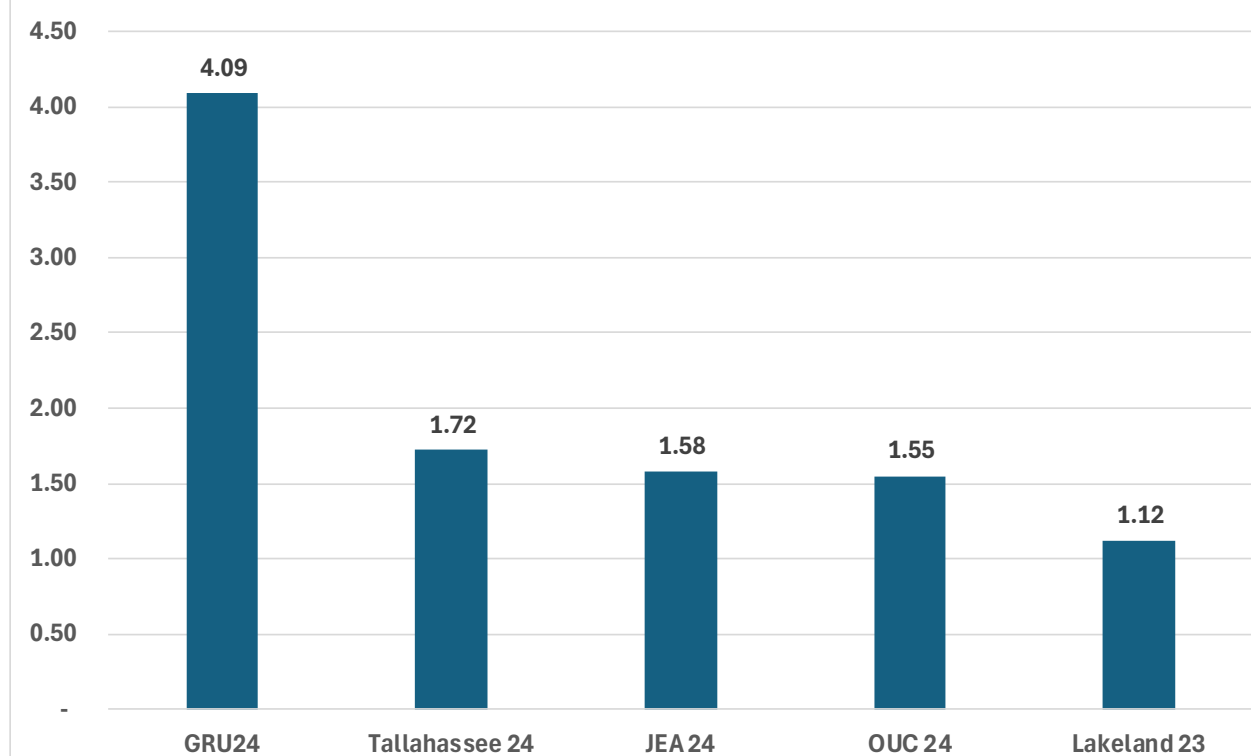
- City Commission operating decisions have saddled GRU customers with up to 4x the debt levels a utility its size should maintain.
- Transfers of \$69 million above profits to the city's general fund have led to higher rates.
- The situation was so extreme, the Florida Legislature passed HB 1645 in order to protect all of GRU customers.

Outstanding Debt vs Operating Revenue

Outstanding Debt vs Operating Revenue



Ratio of Outstanding Debt to Operating Revenue



Stabilizing GRU

Fiction

The City Commission is needed to bring stability to GRU.

Fact

- November 2024 ballot referendum fueled uncertainty, alerting bond rating agencies and rattling GRU workforce.
- Likely second referendum has investors concerned about the utility's ability to issue debt for operations.
- A new referendum takes the limitation on the GFT away, an action that will challenge GRU's ratings.

- GRU was issued STABLE outlook tied to expectations of:
 - Leverage below 10x.
 - GRU's ability to execute its current financial plan.
 - Maintenance of strong operating income levels.
 - Lower general fund transfers approved last year.

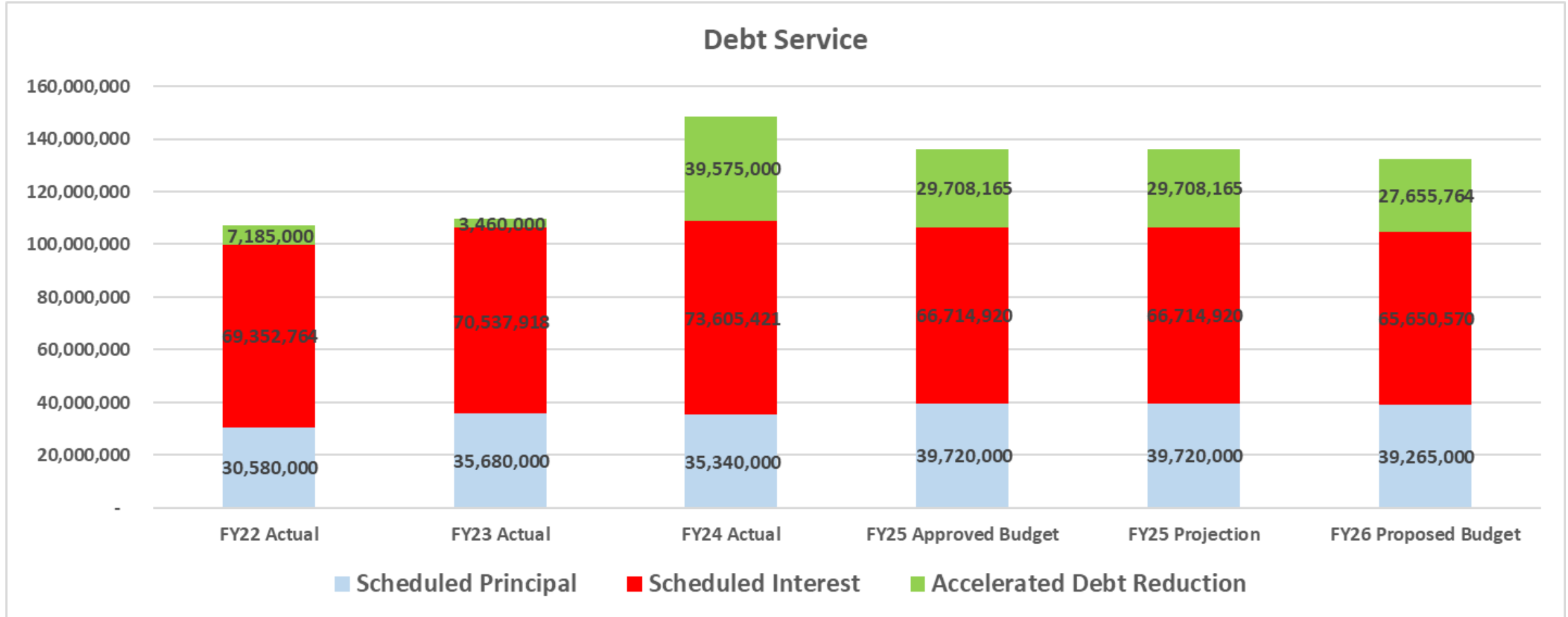
Mistruth

The Authority unilaterally takes money from the transfer.

Reality

- The GFT is most influenced by the size of GRU debt, which was created by commission actions.
- The amount of the GFT should be based on making the utility financially/fiscally sustainable.
- The Authority adjusts the GFT based on City Commission decisions that lower GRU's profits and potentially lead to higher rates.

Paying off Debt is all



Referendum Impact

Fiction

The people have spoken; thus, the issue is closed.

Fact

- A judge determined the referendum's language was misleading, so the vote lacks integrity.
- The legal process is ongoing, so there is no final verdict.
- One third of the people are being disenfranchised – those customers outside the city.

Facts – No Fiction

Fiction

Fact

- Average residential bill has fallen 25% in 2 years.
- No electric/gas base rate increase for 2 years.
- Lowest natural gas rates in the state.
- Among lowest utility bills for combined 4 services.

COMMENTS?

File Number: 2025-486

Agenda Date: June 11, 2025

Department: Gainesville Regional Utilities

Title: Authorize the Utilities Attorney to file a lawsuit on behalf of the Authority challenging City of Gainesville Ordinance No. 2025-416 in the Eight Judicial Circuit Court.

Department: Gainesville Regional Utilities/Utilities Attorney's Office

Description: The Gainesville City Commission ("Commission") is pursuing another charter amendment to unilaterally dissolve the GRU Authority, despite current ongoing litigation on appeal to the First District Court of Appeals.

Commission Ordinance No. 2025-415 directs the Supervisor of Elections to hold a special election on November 4, 2025, for a charter amendment disbanding the Authority and returning control of the Gainesville Regional Utilities to the Commission. It has been a long-held belief that such an amendment is inherently unlawful.

Although the district court's decision is stayed and the issues are on appeal with the First District Court of Appeals, the Commission seeks to move forward with a quarter-million-dollar special referendum irrespective of the judicial process and with full knowledge that further litigation is likely and will only serve to complicate and exacerbate today's legal issues at substantial cost to the taxpayers/ratepayers.

Should the Commission's ordinance go unchallenged, and the charter amendment approved, the Commission could take action to wrest control of GRU from the Authority, absent any judicial or legislative intervention. Challenging Ordinance No. 2025-416 is necessary to prevent the Commission's unlawful actions and maintain the status quo of Authority control over GRU until the courts bring finality to the outstanding questions of law.

GRU's CEO and Utilities Attorney recommend that the Authority authorize a lawsuit challenging Commission Ordinance No. 2025-416.

Fiscal Note: Filing and serving a lawsuit will cost approximately \$450, with legal expenses borne by the Authority's in-house Utilities Attorney.

Recommendation: The GRU Authority to authorize the Utilities Attorney to file a lawsuit on behalf of the Authority challenging the City of Gainesville's Ordinance No. 2025-416 in the Eighth Judicial Circuit Court.



June 4, 2025

Daniel M. Nee, Esq.
City Attorney, City of Gainesville
PO Box 490 Station 46
Gainesville, FL 32627-0490

via Electronic Mail: needm@cityofgainesville.org

RE: ORDINANCE NO. 2025-416; STATUTORY NOTICE THAT AN ORDINANCE THAT HAS BEEN PUBLICLY NOTICED IS EXPRESSLY PREEMPTED BY THE STATE CONSTITUTION OR STATE LAW OR IS ARBITRARY OR UNREASONABLE PURSUANT TO SECTION 57.112, FLORIDA STATUTES.

Dear Mr. Nee,

This letter is being provided to you in your representative capacity as the City Attorney for the City of Gainesville and its City Commission as formal notice, pursuant to the matters herein and Florida Statutes section 57.112, that proposed Ordinance No. 2025-416, publicly noticed for first reading on June 5, 2025, Agenda Item. No. Q.1, is expressly preempted by the State Constitution or state law or is arbitrary or unreasonable.

First, the ordinance violates article VIII, section 2, of the Florida Constitution's limitations on municipal power. Second, the ordinance violates Ch. 2023-348, Laws of Florida and section 101.161(1), Florida Statutes. Finally, the ordinance is arbitrary and/or unreasonable given the City's Charter, the will of the legislature, and the pending appeal of Case No. 24-CA-2932 to the First District Court of Appeals.

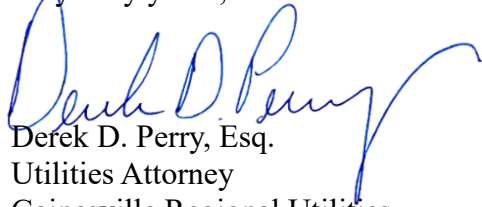
As a result, this letter respectfully requests that the City Commission abandon the adoption of Ordinance No. 2025-416 in consideration of the pending appeal before the First District Court of Appeals regarding Case No. 2024-CA-2932.

It makes little sense for the City Commission to reengage in a process that is already proceeding through the courts. The City adopts the ordinance; the Authority challenges; the City is enjoined; and both parties end right back where they are now, albeit having squandered taxpayer/customer dollars and precious judicial, legislative, and local government resources.

Please caution the City Commission to let reasonableness prevail; let this matter continue towards final resolution through the courts and abandon the adoption of Ordinance No. 2025-416. Further litigation on a separate ordinance and referendum will only serve to complicate and exacerbate today's legal issues and confuse the public at large.

Should you have any questions or would like to discuss this further, please feel free to contact me.

Very truly yours,



Derek D. Perry, Esq.

Utilities Attorney

Gainesville Regional Utilities

perrydd@gru.com

(352) 393-1015

ORDINANCE NO. 2025-416

An ordinance of the City of Gainesville, Florida, proposing an amendment to Article VII titled “Gainesville Regional Utilities Authority” of the Charter Laws of the City of Gainesville; providing for submission of the charter amendment to the electors for approval or disapproval at a special election to be held on November 4, 2025; approving the question to be placed on the ballot; providing that this charter amendment will become effective if approved by the electors; providing directions to the codifier; providing directions to the city clerk; providing a severability clause; providing a repealing clause; and providing an immediate effective date.

WHEREAS, the City of Gainesville, Florida, is a duly constituted municipality having such power and authority conferred upon it by the Florida Constitution and the Municipal Home Rule Powers Act; and

WHEREAS, the City of Gainesville was originally incorporated in 1866, re-incorporated in 1869, and then formally re-created in 1927 when the Florida Legislature adopted Chapter 12760, Laws of Florida (1927), a special act that provided a charter for the City of Gainesville to be submitted to a referendum of the qualified electors of the City for adoption; and

WHEREAS, following the State of Florida’s enactment of “home rule” authority in 1968 with the adoption of Article VIII, section 2 of the Florida Constitution, the Florida Legislature in 1990 adopted Chapter 90-394, Laws of Florida (1990), a special act that amended the charter of the City of Gainesville (“City Charter”); and

WHEREAS, Article VIII, section 2(a) of the Florida Constitution states, “Municipalities may be established or abolished and their charters amended pursuant to general or special law.”; and

WHEREAS, Article VIII, section 2(b) of the Florida Constitution states, “Municipalities shall have governmental, corporate and proprietary powers to enable them to conduct municipal

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1 government, perform municipal functions and render municipal services, and may exercise any
2 power for municipal purposes except as otherwise provided by law.”; and

3 **WHEREAS**, the Municipal Home Rule Powers Act, Chapter 166, Florida Statutes,
4 secures for municipalities the broad exercise of home rule powers granted by Article VIII,
5 section 2 of the Florida Constitution, including the exercise of any power for municipal purposes
6 not expressly prohibited by law; and

7 **WHEREAS**, the governing municipal legislative body for the City of Gainesville is the
8 Gainesville City Commission, as provided in Article II, section 2.01(3) of the City Charter; and

9 **WHEREAS**, section 166.031(1), Florida Statutes, states, “The governing body of a
10 municipality may, by ordinance ... submit to the electors of said municipality a proposed
11 amendment to its charter, which amendment may be to any part or to all of said charter except
12 that part describing the boundaries of such municipality. The governing body of the municipality
13 shall place the proposed amendment contained in the ordinance ... to a vote of the electors at the
14 next general election held within the municipality or at a special election called for such
15 purpose.”; and

16 **WHEREAS**, section 166.031(3), Florida Statutes, states, “A municipality may amend its
17 charter pursuant to this section notwithstanding any charter provisions to the contrary.”; and

18 **WHEREAS**, Article V, section 5.01 of the City Charter states, “This act may be
19 amended pursuant to this section or as otherwise provided by general law” and “[a]n amendment
20 may be proposed ... by an ordinance adopted by a four-fifths vote of the membership of the
21 commission. The commission shall place the proposed amendment to a vote of the electors at
22 the next general election or at a special election called for that purpose.”; and

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1 **WHEREAS**, the City Commission has duly considered the charter amendment set forth in
2 this ordinance and by passage of this ordinance indicates its desire to approve the charter
3 amendment as set forth herein, subject to approval of the electorate at a municipal election; and

4 **WHEREAS**, at least 10 days' notice has been given by publication in a newspaper of
5 general circulation notifying the public of this proposed ordinance and of public hearings held by
6 the City Commission; and

7 **WHEREAS**, the public hearings before the City Commission were held pursuant to the
8 published notice described, at which hearings the parties in interest and all others had an
9 opportunity to be and were, in fact, heard.

10 **NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE**
11 **CITY OF GAINESVILLE, FLORIDA:**

12 **SECTION 1.** The proposed amendment to Chapter 90-394, Laws of Florida, 1990, as
13 amended by Chapter 2023-348, Laws of Florida, 2023, otherwise known as the Charter Laws of
14 the City of Gainesville, Florida, which is provided in Section 2 of this ordinance, is approved for
15 submission to the electors of the City of Gainesville, Florida, for approval or disapproval at the
16 special election set for November 4, 2025.

17 **SECTION 2. *Proposed Charter Amendment.*** Article VII titled "Gainesville Regional
18 Utilities Authority" of the Charter of the City of Gainesville is deleted as follows:

19 ~~**ARTICLE VII. GAINESVILLE REGIONAL UTILITIES AUTHORITY.**~~

20 ~~**7.01 Establishment.—**~~

21 ~~There is created a regional utilities authority to be known as the "Gainesville Regional Utilities~~
22 ~~Authority" ("Authority"). Gainesville Regional Utilities shall be governed by the Authority upon~~

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1 ~~installation of the Authority's members pursuant to this article. The Authority shall operate as a~~
2 ~~unit of city government and, except as otherwise provided in this article, shall be free from~~
3 ~~direction and control of the Gainesville City Commission. The Authority is created for the~~
4 ~~express purpose of managing, operating, controlling, and otherwise having broad authority with~~
5 ~~respect to the utilities owned by the City of Gainesville.~~

6 ~~7.02 Definitions.—~~

7 ~~For the purposes of this article, unless otherwise designated, or the context otherwise requires,~~
8 ~~the following terms have the following meanings:~~

9 ~~(1) "Authority" means the Gainesville Regional Utilities Authority created in this article.~~

10 ~~(2) "City" means the City of Gainesville.~~

11 ~~(3) "City Commission" means the Gainesville City Commission.~~

12 ~~(4) "County" means Alachua County.~~

13 ~~(5) "Customer" means a person or an entity that makes application for and is supplied~~
14 ~~with service by GRU for its ultimate use.~~

15 ~~(6) "Flow of funds" means the sum of required debt service, necessary operations and~~
16 ~~management expenses, a reasonable contribution to a utility plan improvement fund, identified~~
17 ~~SLA related losses, and any other lawful purpose as provided in bond covenants.~~

18 ~~(7) "Government services contribution" or "GSC" means the portion of revenues~~
19 ~~generated from rates, fees, assessments, and charges for the provision of utility services by the~~
20 ~~utility system which is annually transferred by the Authority to the City for use in funding or~~
21 ~~financing its general government municipal functions.~~

22 ~~(8) "GRU" means Gainesville Regional Utilities.~~

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1 ~~(9) “Member” means a member of the Authority.~~

2 ~~(10) “Net revenues” means the gross revenues less fuel revenues.~~

3 ~~(11) “Service level agreement” or “SLA” means a contract entered into by the Authority~~
4 ~~that establishes a set of deliverables that one party has agreed to provide another.~~

5 ~~(12) “Utilities” means the electric utility system, water utility system, wastewater utility~~
6 ~~system, reuse water utility system, natural gas utility system, communications utility system, and~~
7 ~~such other utility systems as may be acquired by GRU in the future.~~

8 ~~7.03 Powers and duties.—~~

9 ~~(1) The Authority shall have the following powers and duties, in addition to the powers~~
10 ~~and duties otherwise conferred by this article:~~

11 ~~(a) To manage, operate, and control the utilities, and to do all things necessary to~~
12 ~~effectuate an orderly transition of the management, operation, and control of the utilities from the~~
13 ~~City to the Authority, consistent with this article.~~

14 ~~(b) To establish and amend the rates, fees, assessments, charges, rules, regulations, and~~
15 ~~policies governing the sale and use of services provided through the utilities.~~

16 ~~(c) To acquire real or personal property and to construct such projects as necessary to~~
17 ~~operate, maintain, enlarge, extend, preserve, and promote the utility systems in a manner that~~
18 ~~will ensure the economic, responsible, safe, and efficient provision of utility services, provided~~
19 ~~that title to all such property is vested in the City.~~

20 ~~(d) To exercise the power of eminent domain pursuant to chapter 166, Florida Statutes,~~
21 ~~and to use utility funds to appropriate or acquire property, excluding federal or state property, for~~
22 ~~the purpose of obtaining, constructing, and maintaining utility facilities, provided that title to all~~

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1 such property is vested in the City.

2 ~~(e) To authorize the issuance of revenue bonds and other evidences of indebtedness of the~~
3 ~~City, secured by the revenues and other pledged funds and accounts of the utility system,~~
4 ~~pursuant to Florida law. Upon resolution of the Authority establishing the authorized form,~~
5 ~~terms, and purpose of such bonds, for the purpose of financing or refinancing utility system~~
6 ~~projects, and to exercise all powers in connection with the authorization of the issuance, and sale~~
7 ~~of such bonds by the City as conferred upon municipalities by part II of chapter 166, Florida~~
8 ~~Statutes, other applicable state laws, and section 103 of the Internal Revenue Code of 1986. Such~~
9 ~~bonds may be validated in accordance with chapter 75, Florida Statutes. The Authority may not~~
10 ~~authorize the issuance of general obligation bonds. Such bonds and other forms of indebtedness~~
11 ~~of the City shall be executed and attested by the officers, employees, or agents of the City,~~
12 ~~including the chief executive officer/general manager (CEO/GM) or chief financial officer of the~~
13 ~~utility system, the Authority has so designated as agents of the City. The Authority may enter~~
14 ~~into hedging agreements or options for the purpose of moderating interest rates on existing and~~
15 ~~proposed indebtedness or price fluctuations of fuel or other commodities, including agreements~~
16 ~~for the future delivery thereof, or any combinations thereof.~~

17 ~~(f) To dispose of utility system assets only to the extent and under the conditions that the~~
18 ~~City Commission may dispose of such assets pursuant to section 5.04 of Article V.~~

19 ~~(g) To prepare and submit to the City Commission, at least 3 months before the start of~~
20 ~~the City's fiscal year, an annual budget for all Authority and GRU operations, including the~~
21 ~~amount of any transfer to the City. The term of the budget shall coincide with the City's fiscal~~
22 ~~year. The amount of any transfer is subject to the limitations specified in section 7.11.~~

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1 ~~(h) To appoint and remove a CEO/GM as provided in this article.~~

2 ~~(i) To recommend, by resolution to the City Commission, the acquisition and operation of~~
3 ~~a utility system not owned or operated by GRU as of the date of transfer of governing authority~~
4 ~~to the Authority.~~

5 ~~7.04 Authority members.—~~

6 ~~(1) There shall be five members of the Authority appointed by the Governor. Each~~
7 ~~member shall be a person of recognized ability and good business judgment as identified by the~~
8 ~~Governor who is expected to perform his or her official duties in the best interests of GRU and~~
9 ~~its customers. Appointments shall be made as follows:~~

10 ~~(a) One member shall be a residential customer with substantial knowledge of GRU, its~~
11 ~~operations, and its history.~~

12 ~~(b) One member shall be a private, nongovernment customer consuming at least 10,000~~
13 ~~kilowatt hours per month of electric usage during each of the previous 12 months. This member~~
14 ~~may be the owner or representative of the customer.~~

15 ~~(c) Three members shall be competent and knowledgeable in one or more specific fields~~
16 ~~substantially related to the duties and functions of the Authority, including, but not limited to,~~
17 ~~law, economics, accounting, engineering, finance, or energy.~~

18 ~~(2) All members of the Authority shall:~~

19 ~~(a) Maintain primary residence within the electric service territory of GRU's electric~~
20 ~~utility system.~~

21 ~~(b) Receive GRU electric utility system service at all times during the term of~~
22 ~~appointment.~~

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1 ~~(c) Not have been convicted of a felony as defined by general law.~~

2 ~~(d) Be a qualified elector of the City, except that a minimum of one member must be a~~
3 ~~resident of the unincorporated area of the county or a municipality in the county other than the~~
4 ~~City of Gainesville.~~

5 ~~(3) The composition of the Authority shall be adjusted upon expiration of any member's~~
6 ~~term, or upon any Authority vacancy, to reflect the ratio of total electric meters serving GRU~~
7 ~~electric customers outside the City's jurisdictional boundaries to total electric meters serving all~~
8 ~~GRU electric customers. For example, upon expiration of a member's term or upon an Authority~~
9 ~~vacancy, if the ratio of total electric meters serving customers outside the City boundaries to total~~
10 ~~electric meters serving all electric customers reaches 40 percent, the Governor must appoint a~~
11 ~~second member from outside the City boundaries to serve the next term that would otherwise be~~
12 ~~served by a qualified elector of the City. Conversely, upon expiration of any member's term or~~
13 ~~upon any Authority vacancy, if the ratio subsequently falls below 40 percent, the Governor must~~
14 ~~appoint a qualified elector of the City to serve the next term that otherwise would have been~~
15 ~~served by a resident from outside the City boundaries.~~

16 ~~7.05 Member nominations and terms.—~~

17 ~~(1) The Governor shall issue a public notice soliciting citizen nominations for Authority~~
18 ~~members within 120 days after the effective date of this article. The nomination solicitation~~
19 ~~period shall remain open for at least 30 days after the date of the public notice.~~

20 ~~(2) The Governor shall appoint initial members to the Authority from among the~~
21 ~~nominees within 60 days after the close of the nomination solicitation period. The initial terms of~~
22 ~~office for the five members shall commence at 12 a.m. on October 1, 2023. The terms of the~~

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1 initial appointments shall be as follows: one member shall be designated to serve until 12 a.m. on
2 October 1, 2024; one member shall be designated to serve until 12 a.m. on October 1, 2025; one
3 member shall be designated to serve until 12 a.m. on October 1, 2026; and two members shall be
4 designated to serve until 12 a.m. on October 1, 2027.

5 (3) The Governor shall have a citizen nomination solicitation period for at least 30 days
6 and appoint members for subsequent terms from among the nominees. Members appointed for
7 subsequent terms shall be appointed for 4 year terms commencing at 12 a.m. on October 1 of the
8 year in which they are appointed. If a member is appointed to complete an unexpired term, the
9 member's term shall commence at the time of appointment and shall continue through the
10 remainder of the unexpired term.

11 (4) The Governor shall fill any vacancy for the unexpired portion of a term within 60
12 days after the vacancy occurs if the remainder of the term exceeds 90 days.

13 7.06 Member compensation. Beginning October 1, 2023, necessary expenses of members
14 incurred in carrying out and conducting the business of the Authority shall be paid in accordance
15 with Authority policy and procedures, subject to the approval of a majority of the members of
16 the Authority. No supplemental benefits shall be provided for a member position.

17 7.07 Authority; oath; organization; and meeting.—

18 (1) The Authority shall initially meet at the chambers of the City Commission at 6 p.m.
19 on Wednesday, October 4, 2023.

20 (2) Before taking office for any term, each member shall be given an oath or affirmation
21 by the Mayor or his or her designee similar to the oath or affirmation required of a member of
22 the City Commission.

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1 ~~(3) The first official action of the Authority shall be election of a chairperson and a vice~~
2 ~~chairperson from among its membership.~~

3 ~~(4) The Authority shall meet at least once each month, except in case of unforeseen~~
4 ~~circumstances. All meetings of the Authority shall be noticed and open to the public, and~~
5 ~~minutes shall be kept as required by law, except that meetings related to settlement of then~~
6 ~~existing litigation may be held as allowed by law.~~

7 ~~(5) The GRU general manager or his or her designee shall be responsible for making~~
8 ~~arrangements for and providing adequate notice for the initial meeting of the Authority.~~

9 ~~7.08 Removal and suspension of members.—~~

10 ~~(1) A member may be removed or suspended from office by the Governor in accordance~~
11 ~~with s. 112.501, Florida Statutes. In addition to the grounds for removal set forth therein, a~~
12 ~~member may be removed by the Governor for failure to maintain the qualifications specified in~~
13 ~~section 7.04.~~

14 ~~(2) The Authority may recommend to the Governor that a member be removed or~~
15 ~~suspended from office if it finds, by vote of at least three members, a reasonable basis for~~
16 ~~removal or suspension on one or more of the grounds set forth in s. 112.501, Florida Statutes, or~~
17 ~~for failure to maintain the qualifications specified in section 7.04. The Authority shall give~~
18 ~~reasonable notice of any proceeding in which such action is proposed and must provide the~~
19 ~~member against whom such action is proposed a written statement of the basis for the proposed~~
20 ~~action and an opportunity to be heard. The member against whom such action is proposed may~~
21 ~~not participate in the Authority's debate or vote on the matter.~~

22 ~~7.09 Management and personnel.—~~

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1 ~~(1) A chief executive officer/general manager (CEO/GM) shall direct and administer all~~
2 ~~utility functions, subject to the rules and resolutions of the Authority. The CEO/GM shall serve~~
3 ~~at the pleasure of the Authority. Appointment or removal of the CEO/GM shall be by majority~~
4 ~~vote of the Authority. Until such time as the Authority appoints a CEO/GM, the sitting general~~
5 ~~manager of GRU shall serve as the CEO/GM. A sitting member of the Authority may not be~~
6 ~~selected as the CEO/GM.~~

7 ~~(2) All officers and employees of the City who serve under the supervision and direction~~
8 ~~of the sitting general manager of GRU shall serve under the CEO/GM. The CEO/GM shall have~~
9 ~~the exclusive authority to hire, transfer, promote, discipline, or terminate employees under his or~~
10 ~~her supervision and direction.~~

11 ~~(3) The Authority shall fix the salary of the CEO/GM, and the CEO/GM shall fix the~~
12 ~~salaries of all other employees who serve under his or her direction consistent with the annual~~
13 ~~budget approved by the Authority. The sitting general manager of GRU, as well as all officers~~
14 ~~and employees of the City who, by virtue of this article, become subject to the supervision and~~
15 ~~direction of the CEO/GM, shall continue without any loss of rights or benefits as employees~~
16 ~~under the pension plans and civil service merit system of the City existing as of the creation of~~
17 ~~the Authority.~~

18 7.10 General provisions.—

19 ~~(1) The City and the Authority shall perform all acts necessary and proper to effectuate~~
20 ~~an orderly transition of the governance, operation, management, and control of all utility~~
21 ~~systems, properties, and assets held in the possession of GRU as of January 1, 2023, to the~~
22 ~~Authority, including, but not limited to, the creation of such instruments as are necessary for the~~

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1 Authority to function in accordance with this article. Notwithstanding the reorganization of the
2 governance structure of the management of the utility system as provided in this section, the
3 utility system shall continue to be operated as a single enterprise and there shall be no change to
4 the ownership of the utility system.

5 (2) All City ordinances, policies, rates, fees, assessments, charges, rules, regulations, and
6 budgets related to operation of the utilities shall remain in effect until such time as the Authority,
7 pursuant to the powers granted in this article, modifies any such item. In the event that any City
8 charter provision, ordinance, resolution, decree, or any part thereof conflicts with the provisions
9 of this article, the provisions of this article shall govern. This subsection is not intended to and
10 shall not interfere with existing contractual arrangements between the City and county,
11 regardless of whether such arrangements are reflected in charter provisions, ordinances,
12 resolutions, decrees, or any part thereof.

13 (3) All rights, responsibilities, claims, and actions involving GRU as of the transfer to the
14 Authority shall continue, except as may be modified by the Authority under the powers granted
15 by this article and consistent with law.

16 (4) No franchise, right of way, license, permit or usage fee or tax may be levied by the
17 City upon the Authority or the utilities unless allowed by general law.

18 (5) Any utility advisory board created by the City Commission shall have no role with
19 respect to the Authority.

20 (6) No member of the Authority shall be individually responsible for Authority debts or
21 liabilities.

22 (7) The Authority shall develop an ethics policy and a code of business conduct that shall

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1 ~~be reviewed at least biennially.~~

2 ~~(8) In order to provide for the transitional administrative needs and orderly compliance~~
3 ~~with the provisions of this act, the chairperson of the Authority or his or her designee is~~
4 ~~authorized to execute documents required for the transition.~~

5 ~~7.11 Limitation on government services contribution.—~~

6 ~~(1) MAXIMUM CAP ON GSC.— For any fiscal year, the GSC may not exceed aggregate~~
7 ~~utility system net revenues less flow of funds.~~

8 ~~(2) DEBT SERVICE AND AVOIDANCE.— Any remaining funds, after deductions for~~
9 ~~flow of funds and GSC, shall be dedicated to additional debt service or utilized as equity in~~
10 ~~future capital projects.~~

11 ~~7.12 Limitation on utility directives.— The Authority and the CEO/GM, in making all policy and~~
12 ~~operational decisions over the affairs of the utility system as contemplated under the provisions~~
13 ~~of this act, shall consider only pecuniary factors and utility industry best practices standards,~~
14 ~~which do not include consideration of the furtherance of social, political, or ideological interests.~~
15 ~~Appropriate pecuniary factors and utility industry best practices are those which solely further~~
16 ~~the fiscal and financial benefit of the utility system and customers. This provision does not~~
17 ~~prohibit the establishment and application of rate structures based on utility usage.~~

18 **SECTION 3.** The following ballot title and question is approved for submission to the
19 electors of the City of Gainesville, Florida, for approval or disapproval at the election set for
20 November 4, 2025:

21 CITY OF GAINESVILLE CHARTER AMENDMENT

22 LOCAL PUBLIC UTILITIES

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1 SHALL THE CITY OF GAINESVILLE CHARTER BE AMENDED TO
2 DELETE ARTICLE VII, ELIMINATING THE GOVERNOR-APPOINTED
3 GAINESVILLE REGIONAL UTILITIES AUTHORITY AND ITS
4 AUTHORITY-APPOINTED CHIEF EXECUTIVE OFFICER/GENERAL
5 MANAGER THAT MANAGE, OPERATE AND CONTROL THE CITY OF
6 GAINESVILLE’S LOCAL PUBLIC UTILITIES, SO THAT THE ELECTED
7 CITY COMMISSION AND ITS CITY COMMISSION-APPOINTED CHARTER
8 OFFICER HAVE THAT RESPONSIBILITY; AND ELIMINATING
9 LIMITATIONS ON THE GOVERNMENT SERVICES CONTRIBUTION AND
10 UTILITY DIRECTIVES, AS PROPOSED BY ORDINANCE NO. 2025-416?

11 **SECTION 4.** The Supervisor of Elections is requested to place this ballot title and
12 question on the November 4, 2025, special election ballot.

13 **SECTION 5.** In the event that the charter amendment proposed by Section 2 of this
14 ordinance is approved by affirmative vote of a majority of votes cast by the electors of the City of
15 Gainesville, Florida at the November 4, 2025, election, then: 1) the codifier is directed to
16 incorporate the amendments stated in Section 2 of this ordinance in the Charter Laws of the City of
17 Gainesville; and 2) the City Clerk is directed to file a true copy of this ordinance with the Florida
18 Department of State.

19 **SECTION 6.** If any word, phrase, clause, paragraph, section, or provision of this
20 ordinance or the application hereof to any person or circumstance is held invalid or
21 unconstitutional, such finding will not affect the other provisions or applications of this
22 ordinance that can be given effect without the invalid or unconstitutional provision or

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1 application, and to this end the provisions of this ordinance are declared severable.

2 **SECTION 7.** All ordinances or parts of ordinances in conflict herewith are to the extent of
3 such conflict hereby repealed.

4 **SECTION 8.** This ordinance will become effective immediately upon adoption.

5 **PASSED AND ADOPTED** this 12th day of June, 2025.
6
7
8
9

10 _____
11 HARVEY L. WARD, JR.
12 MAYOR

13
14 Attest:

Approved as to form and legality:

15
16
17
18 _____
19 KRISTEN J. BRYANT
20 CITY CLERK

DANIEL M. NEE
CITY ATTORNEY

21
22
23
24 This ordinance passed on first reading this 5th day of June, 2025.

25 This ordinance passed on second reading this 12th day of June, 2025.

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Gainesville Regional Utilities Authority Agenda Item Report

File Number: 2025-487

Agenda Date: June 11, 2025

Department: Gainesville Regional Utilities

Title: State of the Utility, Monthly Update April 2025 (B)

Department: Gainesville Regional Utilities/Office of the Chief Operating Officer

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 April 2025.

Fiscal Note: None

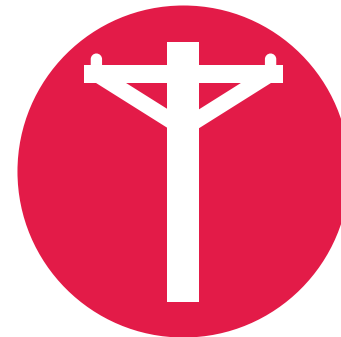
Recommendation: The GRU Authority hears a monthly update from the utility's operational areas.

FY25
April
State of the Utility



State of the Utility

FY25
April



Energy Supply

Major Figures & Achievements

Recordable
Injuries
0

Regulatory
Compliance
Issues
1

YTD

Recordable
Injuries
1

Regulatory
Compliance
Issues
1

Regulatory Compliance (NERC)

- **Environmental Compliance** – One outstanding environmental issue is under active resolution. During post-outage tuning of CT4 at the Kelly Combined Cycle Plant (JCC1), CO emissions exceeded the permitted limit. GRU is coordinating with the Environmental Group, GE (OEM), and PAS to conduct more extensive tuning the week of June 20–27. Environmental staff have been in communication with FDEP regarding the exceedance and the planned corrective actions.
- **Electric Reliability Compliance** – GRU's NERC audit process is underway. All requested documentation has been submitted, and the onsite audit with SERC is scheduled for May 20–22.

Deerhaven Renewable (DHR)

- Unit was taken offline for a Short Duration Outage (SDO) beginning May 2, with an expected return to service on May 23.
- The outage scope included repair of a component cooling system heat exchanger leak, which was found to be a single tube failure. The compromised tube was plugged and retested with no further leakage detected.
- Due to intermittent sticking of the left Turbine Throttle Valve, the valve was removed, shipped to Orbital in Georgia for rebuild, and reinstalled on May 11. During inspection of the spring can assembly, all three concentric springs failed bench testing. New springs were ordered; one spring is being manufactured by Siemens and is expected for delivery by May 22. Final testing will follow spring installation.

Energy Supply

Deerhaven (DH)

Deerhaven Unit 1 (DH1)

- Unit was returned to service ahead of the DH2 SDO after a period of economic outage.
- Engineering is developing the scope for a potential 2026 outage to continue the Lifetime Assessment begun in 2021. This evaluation supports the possibility of extending DH1 operation beyond its current retirement date of December 31, 2027. The assessment will identify needed work on critical components to ensure continued safe operation.

Deerhaven Combustion Turbines

- All three units are online and fully available. No issues reported.

Kelly Generating Station (JRK)

- Unit is online.
- Post-outage tuning revealed CO emissions from CT4 exceeded permitted limits. Advanced tuning is scheduled for June 20–27 to correct the issue.

South Energy Center (SEC)

- **Solar Engine** – Operated all of April while the Wartsila engine underwent a planned 64,000-hour outage. Returned to standby status after Wartsila was brought back online on May 2.
- **Wartsila Engine** – Offline for the month of April for scheduled maintenance. Returned to service May 2.
- **Steam-Driven Chiller** – Offline due to turbine seal and bearing damage. The turbine was repaired in Jacksonville and returned on May 12. Reassembly is underway, with expected return to service by May 28.

Other Items

Insurance & Recovery

- GRU has submitted an insurance claim related to the premature failure of the DHR turbine rotor, discovered in October 2024. The turbine has only been in service for 11 years. A third-party engineering firm, contracted by the insurer, has completed its assessment. GRU is working with the insurance carrier to provide all required documentation for claim evaluation.

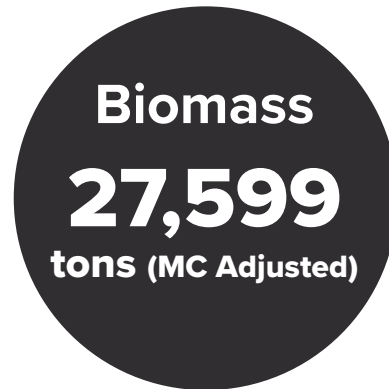
Energy Supply

Fuels Management

Inventory

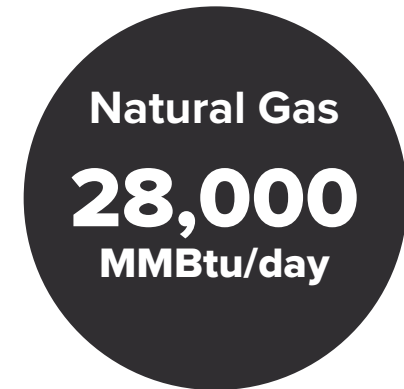


42 days at full load;
84 days at half load.



8.9 days at full load;
13.5 days at half load;
14.7 days at most recent
burn rate.

Usage



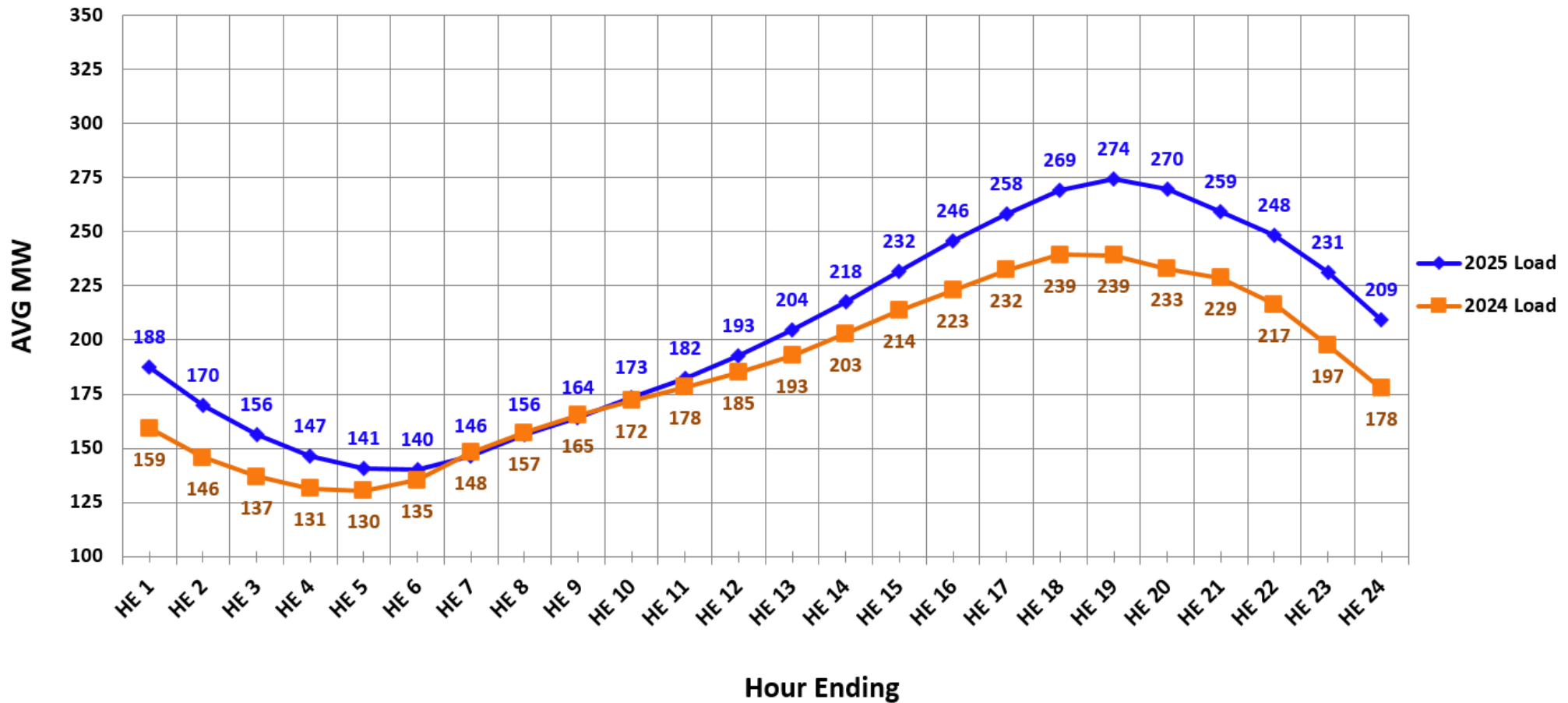
Estimated Expenses & Budget

Generation: \$7,817,556 (\$2,379,092 over budget)

Purchase Power: \$932,860 (\$199,395.19 over budget)

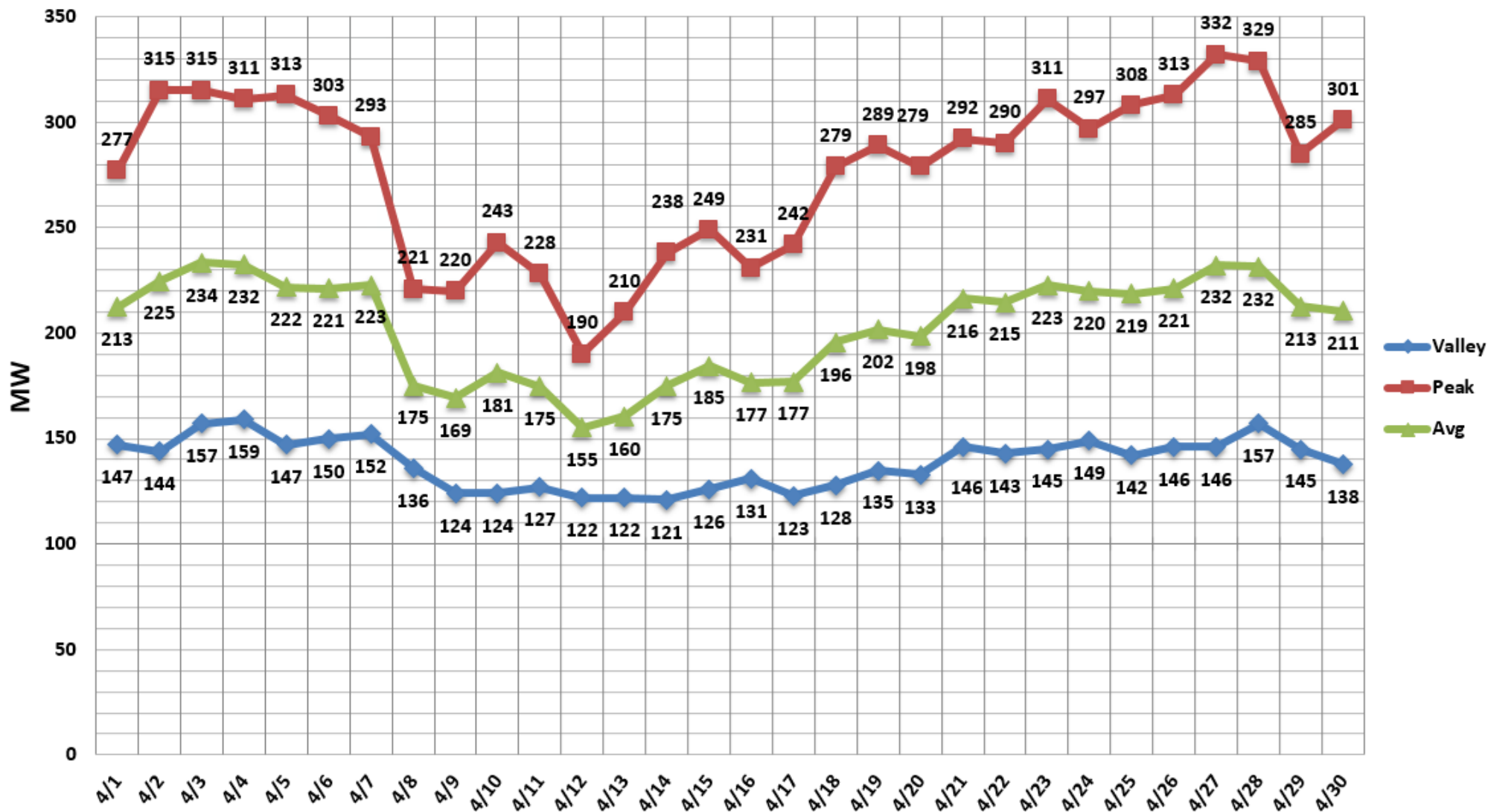
Energy Supply

April 2025 vs April 2024
Average Hourly Loads



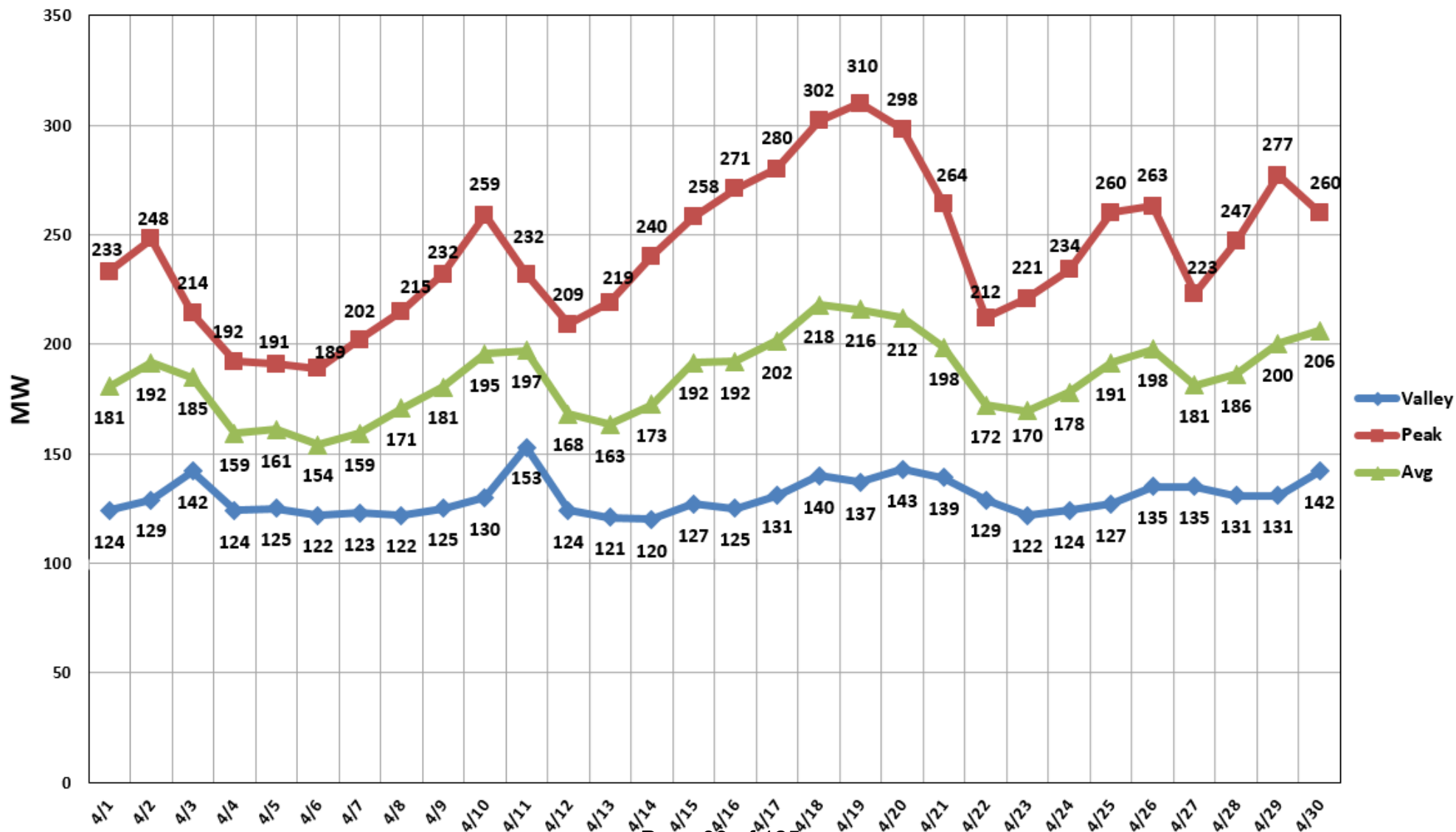
Energy Supply

April 2025
Peak, Valley, and Average Loads



Energy Supply

April 2024 Peak, Valley, and Average Loads



Energy Supply

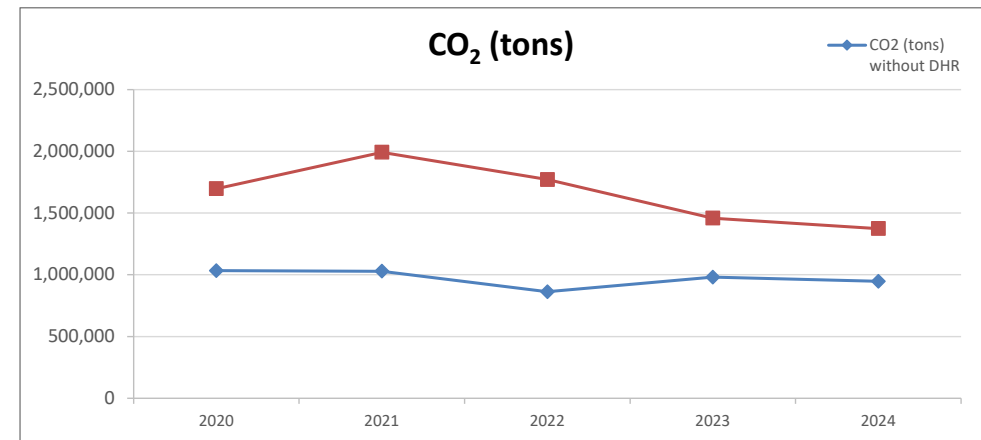
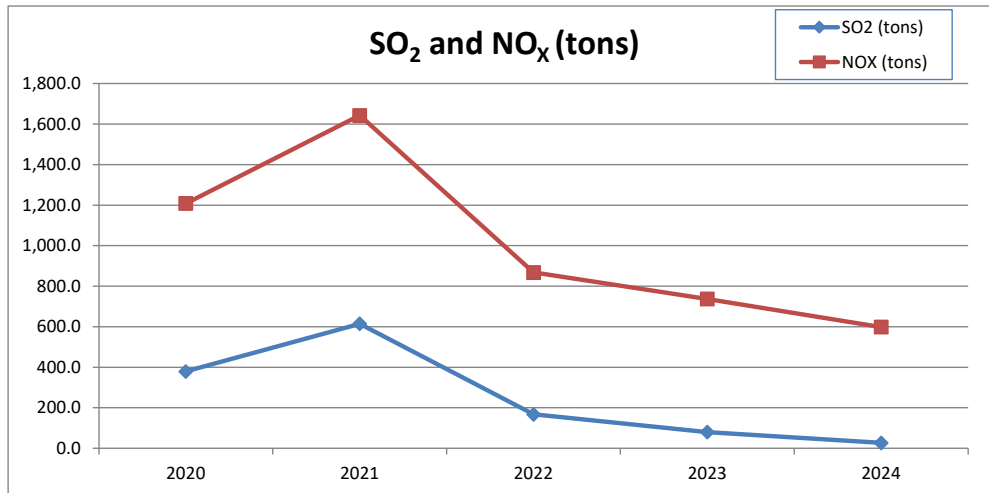
Emissions Data

Yearly Emissions

	SO ₂ (tons)	NO _x (tons)	Mercury (lbs)*	PM (tons)*	CO ₂ (tons) without DHR	CO ₂ (tons) with DHR
2020	379.3	1,208.3	3.1	56.5	1,033,389.5	1,697,218.5
2021	614.7	1,643.0	3.7	63.7	1,027,918.9	1,991,487.9
2022	167.4	867.8	2.1	11.2	861,824.7	1,771,204.7
2023	80.2	737.1	0.6	12.2	980,726.2	1,458,824.3
2024	26.5	598.4	0.8	5.3	946,129.6	1,373,862.0
2025 (thru April)**	128.6	227.1	0.5	2.3	292,797.0	490,247.6

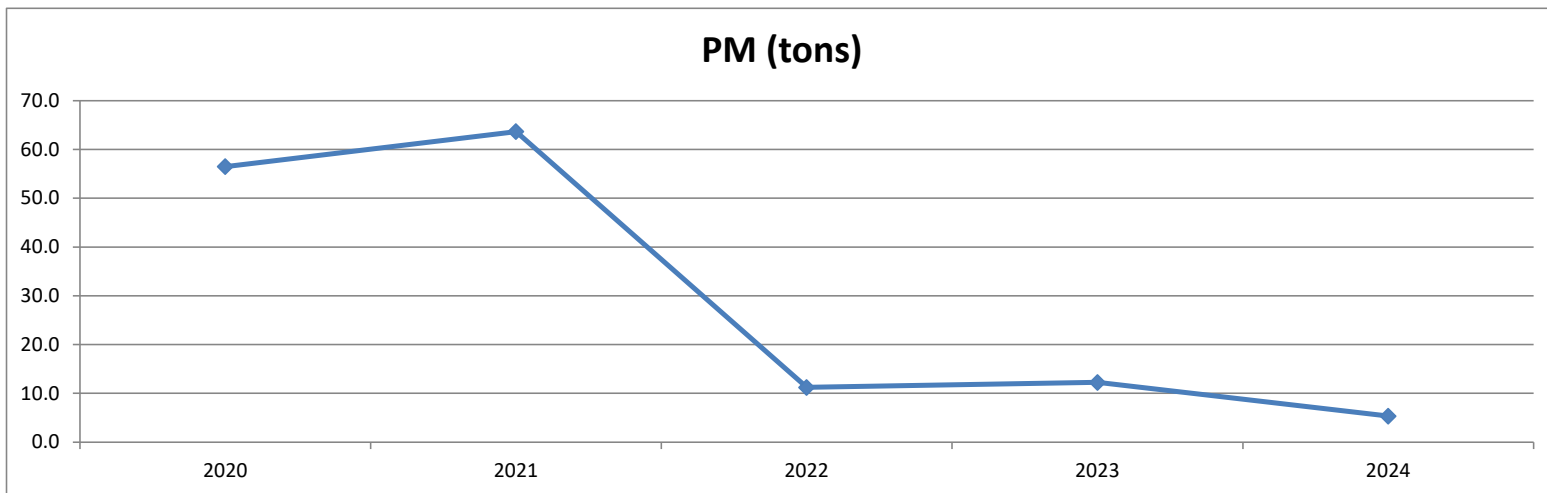
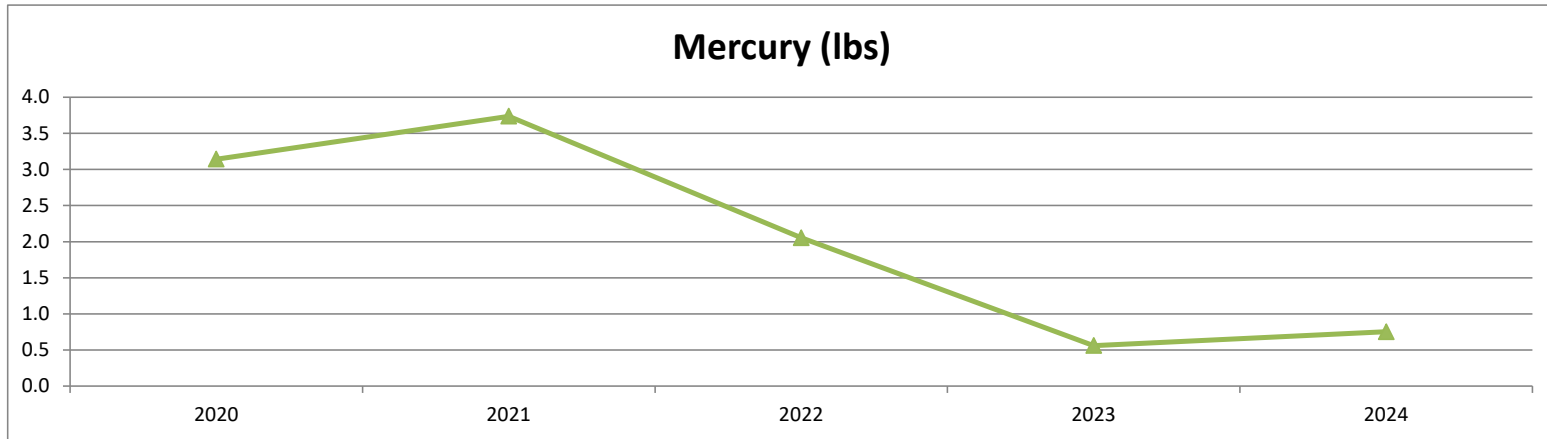
*Mercury and Particulate values are for Unit 2 only.

**Values Subject to Change - Final Values Dependent on Fuel Analyses



Energy Supply

Yearly Emissions



Energy Supply

Emissions Data

				2025 (thru April)					
	SO ₂ (tons)	NO _x (tons)	Mercury (lbs)	PM (tons)	CO ₂ (tons)	SO ₂ Rate (lb/MMBtu)	NO _x Rate (lb/MMBtu)	HTIP (MMBtu)	GEN (MW-hours)
DH1	37.1	31.4			23,826.1			372,603.0	31,157.0
DH2	87.3	119.9	0.50	2.3	158,418.7			2,569,509.0	229,811.0
DHCT3	0.0	0.2			293.6			4,942.0	313.0
JRKCC1	0.5	20.1			110,258.6			1,855,351.9	219,140.0
DHR	3.7	55.5			197,450.6			1,871,773.9	139,234.0
TOTAL	128.6	227.1	0.50	2.3	490,247.6			6,674,179.8	619,655.0
			TOTALS without DHR						
	SO ₂ (tons)	NO _x (tons)	Mercury (lbs)	PM (tons)	CO ₂ (tons)	SO ₂ Rate (lb/MMBtu)	NO _x Rate (lb/MMBtu)	HTIP (MMBtu)	GEN (MW-hours)
DH1	37.1	31.4			23,826.1			372,603.0	31,157.0
DH2	87.3	119.9	0.50	2.3	158,418.7			2,569,509.0	229,811.0
DHCT3	0.0	0.2			293.6			4,942.0	313.0
JRKCC1	0.5	20.1			110,258.6			1,855,351.9	219,140.0
Total Without DHR	124.9	171.6	0.50	2.3	292,797.0			4,802,405.9	480,421.0

Energy Supply

Emissions & Compliance Data

Environmental				
		April		Calendar Year to Date (April)
Notices of Violation		0		0
Emissions				
DH1, DH2, DHCT3, JRKCC1				
	CO ₂ (tons)	83,222.4		292,797.0
	NO _x (tons)	37.8		171.6
	SO ₂ (tons)	1.1		124.9
DH Unit 2 (only)				
	PM _{FILT} (tons)	0.6		2.3
	Hg (lbs)	0.1		0.5
DHR				
	CO ₂ (tons)	57,736.5		197,450.6
	NO _x (tons)	16.5		55.5
	SO ₂ (tons)	1.1		3.7

Energy Supply

Availability & Capacity

	Month	FY25 YTD	FY24 YTD	Month	FY25 YTD	FY24 YTD
DH-2	100.00%	99.98%	74.32%	33.79%	31.93%	29.13%
DH-1	100.00%	100.00%	90.96%	7.15%	16.96%	20.76%
Kelly CC	100.00%	85.43%	88.78%	95.75%	82.71%	81.90%
DH CT-1	100.00%	100.00%	95.09%	0.00%	0.01%	0.06%
DH CT-2	100.00%	99.87%	94.75%	0.01%	0.01%	0.02%
DH CT-3	64.63%	94.48%	99.09%	0.33%	0.06%	0.29%
DHR	91.97%	41.77%	84.30%	50.27%	24.46%	33.83%

Fuel Consumed

	Month	YTD	Budget YTD	Delta Budget
Coal (Tons)	38	5,708	-	5,708
Gas (MCF)	1,358,862	9,055,206	8,573,175	482,031
Fuel Oil (Gal)	86	491,892	-	491,892
Biomass (Tons)	53,853	170,256	61,716	108,540

Energy Supply

Performance Parameters

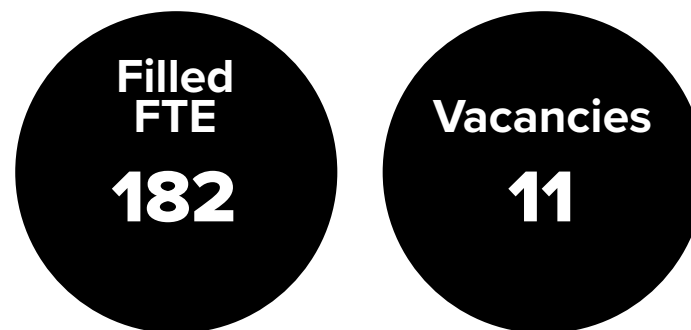
25-Feb	Month	YTD	Budget YTD	Delta Budget
DH-2	52,965	201,308	198,383	2,925
DH-1	3,485	27,567	-	27,567
Kelly CC1	75,128	217,066	233,805	-16,739
CTs	205	307	6	301
Grid	-21,898	-27,850	52,828	-80,678
DHR	36,031	121,959	46,855	75,104

Energy Supply

Vacancies and Retirements

Status	Title	Filled?	Group	Vacant Date
Vacant	Engineer and Utility Designer IV	N	GRU Deerhaven Plant	12/01/23
Vacant	Energy Supply Maintenance Planner	N	GRU Deerhaven Plant	03/01/25
Vacant	Power Plant ICE Technician	N	GRU Deerhaven Plant	07/08/24
Vacant	Power Plant Mechanic Journeyman	N	GRU Deerhaven Plant	04/03/23
Vacant	Power Plant Mechanic Journeyman	N	GRU Deerhaven Plant	07/27/23
Vacant	Power Plant MMG ICE Supervisor	N	GRU Deerhaven Plant	05/22/23
Vacant	Production Technician	N	GRU Kelly Plant	02/03/25
Vacant	Power Plant Journeyman Operator	N	GRU Deerhaven Plant	03/04/25
Vacant	Production Leader	N	Deerhaven Renewables	02/18/25
Vacant	Power Plant Heavy Equipment Operator	Y	GRU Deerhaven Plant	04/23/25
Vacant	Power Plant Journeyman Operator	N	GRU Deerhaven Plant	04/23/23
Vacant	Energy Supply Maintenance Planner	N	GRU Deerhaven Plant	03/01/25
	Process Plant Operator II	N	GRU Deerhaven Plant	03/06/25

Personnel



Energy Delivery

Reliability Statistics

Customers
Served
101,836

Total
Outages
86

Customers
Affected
14,243

Outage
Minutes
8,648

Outage Causes

Cause	Overhead	Underground	Both
Undetermined	8	0	0
Weather	1	1	0
Vegetation	15	0	2
Animals	15	1	1
Foreign Interference	1	0	0
Human Cause	2	3	0
Equipment Failure	21	10	1
Other	1	0	3
Total	64	15	7

Energy Delivery

Electric System Consumption

	2025		2024	
	CONSUMPTION (kWh)	CUSTOMERS	CONSTUMPION (kWh)	CUSTOMERS
Feed-in-Tariff - Residential	433	85	1,427	90
Feed-in-Tariff - General Service	1,480	140	3,036	148
Electric - GS - Demand - Regular	40,526,516	1,106	41,991,110	1,103
Electric - General Service Demand PV	1,383,639	31	1,596,034	32
Electric - GS - Kanapaha w Curtail Cr	1,087,200	1	1,089,600	1
Electric - GS - Demand - Large Power	8,759,980	10	7,563,000	7
Electric - GS - Murphree Curtail Credit	1,440,000	1	1,404,000	1
Electric - GS - Large Demand PV	3,362,400	2	3,376,800	2
Electric - GS - Non Demand	13,249,196	10,123	13,039,397	10,237
Electric - General Service PV	105,734	84	110,651	86
Electric - Lighting - Rental *	811,484	1,797	827,255	7,040
Electric - Lighting - Street - City *	403,477	15	396,040	15
Electric - Lighting - Street - Country *	127,121	1	127,313	1
Electric - Lighting - Traffic	144	1	144	1
Electric - Residential - Non TOU	55,351,831	90,780	51,930,556	90,926
Electric - Residential PV	364,971	1,517	311,146	1,394
Total Retail Electric	126,975,606	103,881	123,767,509	104,028

* Number of customers is excluded from total customer count.

Energy Delivery

Gas System Consumption

	2025		2024	
	CONSUMPTION (THM)	CUSTOMERS	CONSUMPTION (THM)	CUSTOMERS
Gas - GS - Regular Service (Firm)	822,057	1,262	736,694	1,304
Gas - GS - Regular Service (Small)	30,893	495	28,454	448
Gas - GS - Interruptible - Regular Serv	43,841	1	39,311	1
Gas - GS - Interruptible - Large Volume	490,372	9	401,084	7
Gas - Residential - Regular Service	701,910	35,695	561,562	35,575
Total Retail Gas	2,089,073	37,462	1,767,105	37,335

Major Projects

Electric Engineering / T&D Construction

- **North Florida Regional Medical Center at Archer** – Construction is 95% complete.
- **Oaks Preserve Phase 2** – Residential subdivision. Electrical construction in progress.
- **Butler Plaza Center Cup** – Commercial development. Design completed; construction underway.
- **Archer Place Apartments** – Multistory apartments with retail. Overhead-to-underground conversion in progress. Permanent power to follow road and building completion.
- **Evergreen Apartments at Oaks Mall** – Design completed. Awaiting developer to begin electrical installation.
- **Hawthorne Heights** – Affordable housing. Final design details being completed in ProjectDox.
- **Natura** – Nine-building multifamily site. Work order packet released.
- **Hammock Preserve** – Mixed-use residential and commercial development. Construction in progress.
- **Airport Parking Garage** – Construction in progress.
- **Gilbane-Collegiate Apartments (NW 20th Ave)** – Construction has started.
- **Tesla at Oaks Mall** – Pad inspection complete; directional drilling begins week of March 10.
- **Main St WWW Plant** – In design. New underground power source to be installed.
- **203–205 Feeders (GRIP Grant)** – Work order released. Awaiting DOE approval.
- **Bradford Transmission Line 15 (GRIP Grant)** – 100 ductile iron poles and equipment replaced in February. Improves reliability with neighboring utility. Project currently on hold.

Energy Delivery

- **TACTICS 931** – Line hardening and tie point addition. 98% complete.
- **TACTICS 209/287** – System hardening and replacement of aging poles and crossarms.
- **Feeder #1038** – Pre-design underway.
- **Santa Fe College 12kV System** – Design delivered to customer.
- **County Criminal Court Complex Expansion** – Early-stage project.
- **Bradford Transmission Line 15 Replacement** – Pole and insulator replacements. Construction 98% complete.

Substation & Relay

- **Parker Autotransformers** – 90% design package delivered. IFC drawings expected by early summer. First transformer arrival scheduled for May.
- **McMichen T-42 Transformer (GRIP)** – CS 420 re-installed. Foundation, firewall, and grating completed. Transformer delivery expected 5/14. Assembly to follow; in-service date targeted for early June.
- **Line 16 Upgrade** – Scope established. CAI, FMPA, and GRU have signed documents. PRs and POs issued. IFC drawings expected early September; construction to begin late October.
- **Line 8 Upgrade** – Design in progress to replace one breaker, two sets of gang switches, and five line protection relays (plus one new relay). Scheduled for Spring 2026.
- **Fort Clarke T-81 & T-82 Relay Upgrade** – Scope finalized, design and engineering in progress, equipment ordered. Construction scheduled for Summer FY25.
- **Sugarfoot Feeder Replacements** – Six breakers replaced; four remaining scheduled for Summer FY25. IFC relay and RTAC settings expected May 5; IFC package review week of May 5.

Gas Engineering

- **Bridlewood** – 6” main extension under construction. Reroute design completed and permitted.
- **Parker Rd Backfeed** – Construction underway under current permit. Continuing design toward Lugano Subdivision.
- **Convergence Research Park Phase 3** – Design completed and under construction. Joint trenching with electric.
- **UF Backfeeds** – Pricing provided to UF for additional backfeeds to enhance system reliability.
- **UF Cogen Test** – Testing complete. Project being closed out.
- **Flint Rock Phase 2** – Design completed and construction underway. Joint trenching with electric contractor.

Energy Delivery

Gas T&D

- **Museum Rd Pit Relocation** – UF approved relocation to above-ground Center Dr. location without easement. GRU Land Rights has submitted all required documents to the State for easement request.
- **Mi Apa Restaurant (Alachua)** – 820 ft of 3” main and service installed. Gas meter set on 5/2. Pipeline test and turn-on being scheduled with contractor.
- **Gainesville Housing Authority (2626 E. University Ave)** – 3,520 ft of poly replacing bare steel. May be deferred due to Bridlewood-related budget impact. No updates at this time.
- **Bridlewood Subdivision (External & Phase 1)** – 9,400 ft of 6” main (external); 5,367 ft of 4”, 3”, 2”, ¾” main (interior).
 - External rerouted due to fiber/sinkhole conflicts; 33% complete. Interior 85% complete.
- **Archer Place Apts (3101 Old Archer Rd)** – Construction complete. 1,550 ft of 3” poly installed. Awaiting building completion before meter installation/testing. No updates at this time.
- **Flint Rock Subdivision Phases 2 & 3** – 2,980 ft of main installed (3”, 2”, ¾”). Installation complete; tie-ins remain.
- **Convergence Research Park Subdivision Phase 3** – 4,840 ft of gas main (3”, 1¼”, ¾”). Approx. 66% complete. Awaiting developer schedule. No updates.
- **Williston Rd Regulation Station (24 PSI Backfeed)** – Site acquisition in progress. Enhances system redundancy. No updates.
- **System Protection (Williston Rd & SW 23rd St)** – 200 ft of 4” main being installed to connect isolated pipeline section. No updates.
- **System Growth (Broward Hall, UF)** – 450 ft of 1¼” main to support increased gas demand. Project on hold pending UF landscape redesign due to pipeline cover concerns.

Energy Delivery

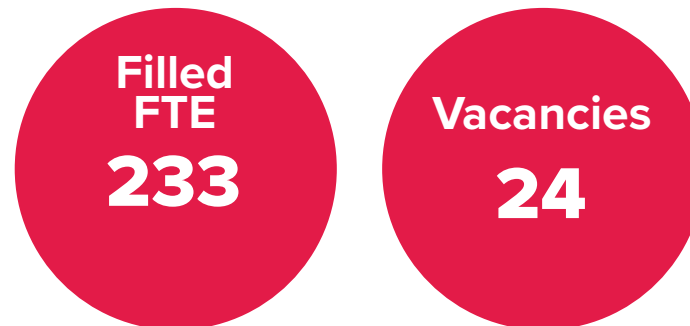
Advanced Metering Infrastructure (AMI)

Category	Electric	Water	Natural Gas	Total
Remote Reading	103,513	56,834	32,141	192,488
AMI Devices	103,570	59,323	32,494	195,387
Non-AMI Devices	91	18,690	5,438	24,219
Total Devices	103,661	78,013	37,932	219,606
Saturation %	99.90%	76.00%	85.70%	89.00%

Standard Industry Comparisons

Comparison	Actual	Goal	Description
SAIDI	55.05 minutes	≤ 55 min.	System Average Interruption Duration Index
CAIDI	45.54 minutes	≤ 60 min.	Customer Average Interruption Duration Index
SAIFI	1.21	≤ 1.0	System Average Interruption Frequency Index
ASAI	99.99%		Average Service Availability Index

Personnel



Energy Delivery

Vacancies and Retirements

Status	Title	Filled?	Group	Vacant Date
Vacant	Electric Line Clearance Coordinator	N	T&D Vegetation Management	Nov. 2024
Vacant	Principal Engineer and Utility Designer	N	Electric Engineering	March 2024
Vacant	Energy Delivery Facilities Specialist II	N	Electric Engineering	March 2024
Vacant	Engineer & Utility Designer III	N	Electric Engineering	Jan. 2024
Vacant	Substation Electrician Apprentice	N	Relay Operations	March 2024
Vacant	Substation Electrician	N	Electric Engineering	Feb. 2025
Vacant	Relay Technician	N	Electric Meter Measurement Operations	Feb. 2025
Vacant	Analyst, Senior	N	Electric Meter Measurement Operations	April 2025
Vacant	Energy Delivery Facilities Specialist II	N	Electric Meter Measurement Operations	Feb. 2025
Vacant	Meter Reader	N	T&D Construction	Feb. 2025
Vacant	Electric Line Worker	N	T&D Construction	Feb. 2025
Vacant	Electric Line Worker	N	T&D Construction	June 2024
Vacant	Line Worker Lead	N	Systems Control/Technical Support	Feb. 2025
Vacant	Technical Systems Analyst II	N	Gas T&D Construction	April 2025
Vacant	Principal Engineer and Utility Designer	N	Gas T&D Administration	Feb. 2025
Vacant	Operational Technology Network Analyst Sr.	N	Systems Control/Technical Support	April 2026
Retiring	Power Systems Application Engineer	Y	Systems Control Operations	June 2025
Retiring	Electric Line Worker	Y	T&D Construction	Sept. 2025
Retiring	GIS and Operational Systems Specialist I	Y	ED GIS Operations and Standards	July 2025

Water/Wastewater

Production

Murphree Water Treatment Plant (Operations Normal)

		Month (mgd)	FY 25 YTD (mgd)	FY 24 (mgd)	Permitted Capacity (mgd)	FY 25 YTD % of Permitted Capacity
	Average Daily Flow	25.7	23.3	23.2	30	78%
	Max Daily Peak Flow	33.5	33.5	35.4	54	62%

Main Street Water Reclamation Facility (Operations Normal, Reclaimed Water On)

		Month (mgd)	FY 25 YTD (mgd)	FY 24 (mgd)	Permitted Capacity (mgd)	FY 25 YTD % of Permitted Capacity
	Average Daily Flow	5.5	5.7	6.2	7.5	76%
	Max Daily Peak Flow	8.4	13.1	16.1	NA	NA

Kanapaha Water Reclamation Facility (Operations Normal, Reclaimed Water On)

		Month (mgd)	FY 25 YTD (mgd)	FY 24 (mgd)	Permitted Capacity (mgd)	FY 25 YTD % of Permitted Capacity
	Average Daily Flow	10.8	10.7	11.1	14.9	72%
	Max Daily Peak Flow	17.9	19.1	24.7	NA	NA

Water/Wastewater

Environmental Compliance					
Water Distribution System					
			Month	FY 25 YTD	FY 24
		Precautionary Boil Water Notices:	2	14	25
Wastewater Collection System					
			Month	FY 25 YTD	FY 24
		Sanitary Sewer Overflows (SSOs)	2	13	22
		<i>SSOs By Type:</i>			
		Residential Grease & Toiletries		3	8
		Infrastructure	2	8	4
		Third-Party Damage		2	3
		Wet Weather			0
		Named Storms			7

Water/Wastewater

Maintenance						
Water Distribution System						
			Month	FY 25 YTD	FY 24	Monthly Goal
		Dispatched Water Work Orders	433	3,120	3,866	-
		Water Leaks	154	1,280	1,711	-
		Water Damages (by 3rd Parties)	44	257	N/A	-
		Other Water Work Orders	235	1,583	2,175	-
		AMI Large Meter Changeouts	86	512	1,057	-
		Number of Water Services Replaced	150	545	1,278	83
		Feet of Water Main Replaced	5,884	14,132	22,543	2,200
Wastewater Collection System						
			Month	FY 25 YTD	FY 24	Monthly Goal
		Dispatched Sewer Work Orders	86	505	776	-
		Sewer Stoppages	13	127	226	-
		Sewer Damages (by 3rd Parties)	9	33	N/A	-
		Other Sewer Work Orders	64	345	550	-
		SWAMP Program				
		Miles of Gravity Main Inspected	12.9	100	214	12.5
		Number of Manholes Inspected	263	2,738	5,121	200
Reclaimed Distribution System						
			Month	FY 25 YTD	FY 24	Monthly Goal
		Dispatched Reclaim Work Orders	16	75	86	-
		Reclaim Leaks	4	17	12	-
		Reclaim Water Damages (by 3rd Parties)	1	1	N/A	-
		Other Reclaim Work Orders	1	57	74	-

Water/Wastewater

Major Projects

Water Distribution

- **Galvanized Water Main Replacements** – Multiple locations near Metcalfe Elementary and Howard Bishop Middle Schools.

Wastewater Collection

- **SW 24th Ave. Force Main Improvements Project (Grant Funded)** – Construction in progress. Project completion is expected in July 2025.
- **Fort Clarke Blvd. Force Main** – Construction began in March 2025. Work within the FDOT right-of-way is expected to be completed by July 2025. Full project completion is scheduled for December 2025.

Main Street Water Reclamation Facility

- **Capacity and Renewal Upgrade Project Phase 1 (Grant Funded – \$4.7M received)** – Construction continues on the master pump station, headworks structure, and electrical building. Electrical contractor is working on in-slab conduits.

Kanapaha Water Reclamation Facility

- **Phase 3 Headworks Restoration Project** – Project complete.

Lift Stations

- **Lift Station No. 1 Project** – Demolition of old lift station underway for installation of new electrical building and generator pad. Equipment delivery scheduled for fall.

Murphree Water Treatment Plant

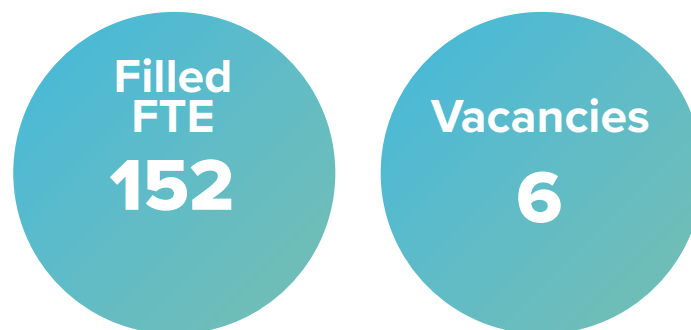
- **Lime Slaking Equipment Replacement** – Engineer has submitted 100% design plans. Equipment purchase documents are under review for approval.

Water/Wastewater

Vacancies and Retirements

Status	Title	Filled?	Group	Vacant Date
Posting Soon	Wastewater ICE Tech	N	Water Reclamations	Nov. 2024
Reposting	New Development Engineer 1-4	N	W/WW Engineering	Dec. 2024
Reviewing Candidates	Principal Engineer	N	W/WW Engineering	April 2025
Candidate Selected	Crew Leader	N	Water Distribution	Jan. 2025
HOLD - Interim Move	Crew Leader	N	Wastewater Collection	Feb. 2025
Reviewing Candidates	Service Operator	N	Wastewater Collection	April 2025
Retiring, Posted	Construction Operations Specialist	Y	W/WW Engineering	July 2025
Retiring, Posting Soon	Development Operations Specialist	Y	W/WW Engineering	Sept. 2025
Retiring, Posting Soon	Treatment Plant Supervisor	Y	Water Reclamations	Sept. 2025

Personnel



Safety & Training

Safety Data Month Injury Statistics



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.

Fiscal YTD Injury Statistics



Department	First Aid Given	Recordable Injuries	DART
Administration	1	1	0
W/WW	0	1	0
Energy Supply	0	1	30
Energy Delivery & Gas	0	3	11
GRUCom	0	0	0
Total	1	6	41

Safety & Training

Month Vehicle Collisions & Miles Driven



Department	Miles Driven	Recordable Collisions	Preventable Collisions
Administration	6,050	0	0
W/WW	58,532	1	0
Energy Supply	2,023	0	0
Energy Delivery & Gas	81,796	0	0
GRUCom	3,252	0	0
Total	151,653	1	0

Fiscal YTD Vehicle Collisions & Miles Driven



Department	Miles Driven	Recordable Collisions	Preventable Collisions
Administration	55,289	1	0
W/WW	493,739	6	0
Energy Supply	20,091	0	0
Energy Delivery & Gas	709,259	4	1
GRUCom	36,011	2	1
Total	1,314,389	13	2

Safety & Training

Injury Details

- None reported.

Collision Details

- **April 11, 2025** – While GRU vehicle stopped at traffic light, bus in turning lane struck side mirror.

Customer Operations

Revenue Assurance

Referred
to Collections
\$325,189.02

YTD: \$7,317,835.50

Funds
Collected
\$118,006.06

YTD: \$510,263.17

Bankruptcies
\$12,826.48

YTD: \$201,831.37

Prior Indebtedness
Funds Collected
\$47,023.64

YTD: \$234,628.06

Disconnections
2,131

Reconnections
2,635

Billing & Customer Solutions

- Invoicing rating: 99.94%
- Meter rereads: 167
- Locked reads: 8,127
- Solar invoicing rating: 100%
- Processed emails: 1,451/1,430 (101%)

Customer Experience

Transactional
Survey

4.1



Lobby
Survey

4.6



Customer Operations

New Services

Active Projects	Amount
City	168
County	42

Building Permit Reviews	88
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New Installations	Amount
Electric	49
Water	57
Wastewater	53
Gas	19

Solar Reviews	Amount
Plan Reviews for March	6
PVs Completed on Time	6
PV Installations	4

Customer Operations

Customer Service

Answer Speed

Call Type	Actual	YTD	Goal
Residential	9:05	8:22	5:00
Non-residential	3:10	1:57	3:00

Handle Time

Call Type	Actual	YTD	Goal
Residential	8:51	7:57	6:00
Non-residential	9:00	8:47	6:00

Total
Calls
15,463

Other Statistics

Payments
Returned

697

Lobby
Visits

3,417

Project
Share
\$2,722.21

Social
Service Vouchers

190

\$249,916.82

\$183,626.82

Customer Operations

Payment Type Details

Payment Type	Transactions	Transactions YTD	\$ Amount	\$ Amount YTD
Drop Box	215	2,239	\$62,264.49	\$1,064,505.10
Mailed	16,295	125,139	\$12,998,258.73	\$106,175,949.57
Office Payment	59	246	\$9,406.59	\$83,312.61
Drive Thru	4,206	30,081	\$2,653,029.38	\$18,646,754.98
Kubra Cash	203	1,329	\$34,940.92	\$250,169.94
Check Free	6,928	46,671	\$2,247,263.24	\$15,621,921.69
Kubra ACH	17,964	122,495	\$4,727,421.50	\$36,624,838.43
Collection Agency	82	211	\$2,501,701.14	\$849,865.96
Kubra CC/EZPAY	23,968	166,496	\$4,741,087.87	\$35,612,407.69
Lobby Walk-Ins	2,486	16,046	\$1,112,517.55	\$6,719,472.92
Direct Debit	3,220	191,213	\$8,807,504.28	\$61,323,832.65