

**RESOLUTION NO. 2015-**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VERO BEACH, FLORIDA, URGING THE FLORIDA LEGISLATURE TO ADOPT AND THE GOVERNOR RICK SCOTT TO SUPPORT HOUSE BILL 579 AND SENATE BILL 840 REGULATING MUNICIPAL POWER; AND DIRECTING CERTIFIED COPIES OF THIS RESOLUTION TO BE PROVIDED TO VARIOUS OFFICIALS.**

**WHEREAS**, The Florida Municipal Power Agency is a Joint Use Action Agency created pursuant to a series of inter-local agreements with Florida municipalities to finance, acquire, contract, manage, and operate its own electric power projects or jointly accomplish the same purposes with other public or private utilities, and

**WHEREAS**, The Florida Municipal Power Agency is governed by a Board of Directors, with one Board member appointed by each member municipality. The Board decides all issues concerning each project except for the All Requirements Project. The All Requirements Project is governed by an Executive Committee, with each All Requirements Project member municipality that purchases power from the project appointing one Executive Committee member, and

**WHEREAS**, most of those who serve on the Board of Directors and the Executive Committee are not elected by the voters of the communities to which the Florida Municipal Power Agency serves; and

**WHEREAS**, the Joint Legislative Auditing Committee received Report No. 2015-165 on March 30, 2015, regarding the Florida Municipal Power Agency, which contains findings and recommendations, and

**WHEREAS**, many of the Florida Municipal Power Agency's hedging activities were found to be inconsistent with other joint use action agencies, leading to net losses of \$247.6 million over the past 12 fiscal years, and

**WHEREAS**, several of the Florida Municipal Power Agency's personnel and payroll administration activities may negatively affect future rates, including the Chief Executive Officer's employment contract providing for severance pay and lifetime benefits even if employment is terminated for cause, and

**WHEREAS**, the Florida Municipal Power Agency did not consistently follow its own procurement and competitive selection policies, one of which may increase the cost of bond issues, and

**WHEREAS**, the Florida Municipal Power Agency's All Requirements Project agreement to curtail peak-shaving activities are primarily voluntary, rely on self-reporting, and contain no penalties for noncompliance, and

**WHEREAS**, certain of the All Requirements Project contract provisions relating to withdrawing members are ambiguous, use a fixed discount rate rather than one based on current capital costs, and do not provide for independent verification by a withdrawing member, and

**WHEREAS**, even though the Florida Municipal Power Agency is a governmental entity, many of the laws that apply to local governments do not apply to the agency, and

**WHEREAS**, the Florida Municipal Power Agency is not subject to any rate-setting authority, including the Public Service Commission, and

**WHEREAS**, elected officials who support transparency and accountability in government, including governmental agencies, serve their constituencies well; and

**WHEREAS**, elected officials have a fiduciary duty to those they serve to understand the value of the assets and liabilities for which they are responsible; and

**WHEREAS**, House Bill 579 and Senate Bill 840 have been introduced to promote transparency, consistency, and public understanding and confidence in the operation of the Florida Municipal Power Agency by the member municipalities and the public, including those electric ratepayers who are not residents of the municipality supplying electric power but who are subject to a municipality that is receiving power from the Florida Municipal Power Agency,

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF VERO BEACH, FLORIDA, THAT:**

**Section 1.** The above "WHEREAS" clauses are true and correct, and are hereby adopted as findings of the City Council of the City of Vero Beach ("City Council").

**Section 2.** The City Council urges the State Administration and Florida Legislature to support House Bill 579 and Senate Bill 840 which provide much needed regulation of municipal power.

**Section 3.** A certified copy of this resolution shall be provided to the Governor Rick Scott, the Speaker of the House, the President of the Senate and the Indian River County Legislative Delegation.

The foregoing resolution was moved for adoption by Councilmember \_\_\_\_\_, and seconded by Councilmember \_\_\_\_\_, and, upon being put to a vote, the vote was as follows:

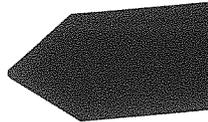
Mayor Jay Kramer \_\_\_\_\_  
Vice Mayor Randolph B. Old \_\_\_\_\_  
Councilmember Pilar E. Turner \_\_\_\_\_  
Councilmember Richard G. Winger \_\_\_\_\_  
Councilmember Harry Howle, III \_\_\_\_\_

ATTEST:

CITY COUNCIL  
CITY OF VERO BEACH, FLORIDA

\_\_\_\_\_  
Tammy K. Vock  
City Clerk

\_\_\_\_\_  
Jay Kramer  
Mayor



[SEAL]

Approved as to form and legal  
sufficiency:

  
\_\_\_\_\_  
Wayne R. Coment  
City Attorney

Approved as conforming to municipal  
policy:

  
\_\_\_\_\_  
James R. O'Connor  
City Manager