IN THE CIRCUIT COURT OF THE EIGHTH JUDICIAL CIRCUIT IN AND FOR ALACHUA COUNTY, FLORIDA

GAINESVILLE CITIZENS CARE, INC.,

GAINESVILLE REGIONAL UTILITIES,

Plaintiff,

VS.

CASE NO.: DIVISION:

Defendant.

CITY OF GAINESVILLE, d/b/a

CITY OF GAINESVILLE'S ANSWER, DEFENSES AND AFFIRMATIVE DEFENSES TO FIRST AMENDED COMPLAINT

Defendant, the City of Gainesville ("City"), files this Answer, Defenses and Affirmative Defenses to the First Amended Complaint filed by Plaintiff, Gainesville Citizens Care, Inc.

As to the portion of Plaintiff's First Amended Complaint entitled "Introduction", the City generally denies the allegations made therein. In its Introduction, Plaintiff has not complied with Rule 1.110(f) Fla.R.Civ.P., which requires all averments of claim to be made in separately numbered paragraphs and requires the contents of each paragraph to be limited to a statement of a single set of circumstances. Consequently, the City is unable to admit or deny the allegations contained in the unnumbered paragraphs and general narrative presented in Plaintiff's Introduction.

As to the correspondingly numbered paragraphs of the First Amended Complaint, the City answers as follows:

- This Court has jurisdiction, otherwise deny. 1.
- 2. Admit.
- 3. Without knowledge, therefore deny.



- 4. Admit.
- 5. Admit that on May 12, 2008, the City Commission, among other actions, authorized the General Manager, or his designee, to negotiate and execute a contract between the City of Gainesville and Nacogdoches Power, LLC for a long term Power Purchase Agreement. Otherwise, deny.
- 6. Admit that on May 12, 2008, the City Commission authorized the General Manager, or his designee, to include a "back door out" clause in the negotiations, among other things. Otherwise, deny.
 - 7. Deny.
 - 8. Deny.
 - 9. Deny as phrased.
 - 10. Deny.
 - 11. Deny.
 - 12. Deny as phrased.
 - 13. Deny.
- Admit that the Power Purchase Agreement negotiated by the General Manager contained changes in the project in the contract structure from the initial proposal. Admit that the Power Purchase Agreement negotiated by the General Manager was presented to the City Commission for its review and final approval on May 7, 2009 at a publicly noticed and publicly convened meeting of the City Commission. Admit that the changes included an extension of the term of the contract. Admit that a "back door out" clause was discussed during the negotiations, but was ultimately not included in the final Power Purchase Agreement. Admit that the General Manager and/or his designee met with some, if not all, members of the City

Commission in individual meetings to discuss the terms of the agreement and answer any questions that the Commissioners might have. Admit that the Commission, by its independent and final action, ratified and approved the Power Purchase Agreement during and in a publicly noticed and public meeting of the City Commission on May 7, 2009. Otherwise, deny.

- 15. The City realleges its responses to paragraphs 1 through 14 as if fully set forth herein.
 - 16. Deny.
 - 17. Deny.
- 18. Admit that the Power Purchase Agreement for the Supply of Dependable Capacity, Energy, and Environmental Attributes from a Biomass-Fired Power Production Facility ("Power Purchase Agreement") was brought before the Gainesville City Commission for approval on May 7, 2009. Otherwise, deny.
 - 19. Deny.
 - 20. Without knowledge, therefore deny.
 - 21. Deny.

Any allegations in the First Amended Complaint that are not specifically admitted are hereby denied.

DEFENSES AND AFFIRMATIVE DEFENSES

- 22. Meetings held to negotiate the terms of the Power Purchase Agreement were not "meetings" subject to the requirements of the Sunshine Law.
- 23. The meetings held to negotiate the terms of the Power Purchase Agreement were not subject to the Sunshine Law. However, and alternatively, if any Sunshine Law violation did occur, it was remedied and cured by the May 7, 2009 publicly noticed City Commission meeting

held subsequent to the negotiations, where the City Commission took independent final action regarding the agreement in a full open hearing where the public was able, and did in fact, express their views and participate in the process.

24. If any Sunshine Law violation did occur, Plaintiff is barred by the doctrine of laches from asserting its claim because Plaintiff, who had awareness of all operative information, unreasonably delayed, without excuse, in asserting said claim, and that said delay caused the City undue prejudice.

WHEREFORE, the City requests judgment in its favor, and against the Plaintiff, dismissing the First Amended Complaint with prejudice, awarding the City its reasonable attorney's fees pursuant to Section 286.011(4) Fla. Stat., costs, and for such other and further relief as this Court may deem legally or equitably appropriate.

CERTIFICATE OF SERVICE

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