

1 Introduced by Council Member Boylan:

2
3 **ORDINANCE 2025-188**

4 AN ORDINANCE RELATING TO JEA AND ARTICLE 21
5 (JEA), CHARTER OF THE CITY OF JACKSONVILLE;
6 AMENDING SECTION 21.07 (FISCAL AND BUDGETARY
7 FUNCTIONS) OF ARTICLE 21 (JEA), CHARTER OF THE
8 CITY OF JACKSONVILLE; PROVIDING FOR CODIFICATION
9 INSTRUCTIONS; APPROVING AN AMENDED AND RESTATED
10 INTERAGENCY AGREEMENT; PROVIDING FOR CONTINUED
11 OVERSIGHT BY THE FINANCE DEPARTMENT; PROVIDING
12 AN EFFECTIVE DATE.

13
14 **WHEREAS**, JEA, pursuant to Article 21 of the City Charter, has
15 plenary authority regarding electric, water, sewer, natural gas and
16 all other utility systems existing under JEA’s control now or in the
17 future; and

18 **WHEREAS**, Section 21.07(c) describes the method by which the JEA
19 contribution to the City is calculated; and

20 **WHEREAS**, Section 21.07(d) describes the timing by which the
21 assessment calculations are to be reconsidered by council; and

22 **WHEREAS**, the City and JEA desire to amend certain language in
23 Section 21.07; and

24 **WHEREAS**, the City and JEA desire to amend and restate a March
25 22, 2016 Interagency Agreement, as approved by Ordinance 2015-764-E,
26 and amended by Ordinances 2018-747-E, 2021-118-E and 2023-873-E; and

27 **WHEREAS**, the Amended and Restated Interagency Agreement will set
28 forth the collective understanding and agreement between the City and
29 JEA regarding JEA’s annual assessment to the City which includes an
30 additional contribution amount of \$15 Million above the fiscal year
31 2022-2023 assessment amount in fiscal year 2024-2025 and an additional

1 contribution of \$40 Million in fiscal year 2025-2026; the transfer
2 of Basin Management Action Plan ("BMAP") water quality credits from
3 JEA to the City; and the transfer of additional water quality credits
4 to the City subject to availability; now therefore

5 **BE IT ORDAINED** by the Council of the City of Jacksonville:

6 **Section 1. Amending Article 21 (JEA), Charter of the City**
7 **of Jacksonville.** Article 21 (JEA), Charter of the City of
8 Jacksonville is hereby amended to read as follows:

9 **CHARTER AND RELATED LAWS**

10 **PART A - CHARTER LAWS CHARTER OF THE CITY OF JACKSONVILLE, FLORIDA**

11 * * *

12 **ARTICLE 21. JEA**

13 * * *

14 **Sec. 21.07. - Fiscal and budgetary functions.**

15 JEA shall have fiscal and budgetary functions, subject to the
16 limitations herein expressed:

17 * * *

18 (c) As consideration for the unique relationship between the
19 City of Jacksonville and JEA, as a tax-exempt entity within
20 the consolidated government, and in recognition of the
21 shared attributes with the consolidated City of
22 Jacksonville in connection with its electric, water, and
23 sewer distribution systems, there shall be assessed upon
24 JEA in each fiscal year, for the uses and purposes of the
25 City, from the revenues of the electric system and the
26 water and sewer system operated by JEA available after the
27 payment of all costs and expenses incurred by JEA in
28 connection with the operation of such electric system and
29 water and sewer system (including, without limitation, all
30 costs of operation and maintenance, debt service on all
31 obligations issued by JEA in connection with such electric

1 system and water and sewer system and required reserves
2 therefore and the annual deposit to the depreciation and
3 reserve account required pursuant to Section 21.07(g)), an
4 amount as provided herein. Effective October 1, ~~2016~~2024,
5 consistent with the provisions of this Section 21.07(c),
6 JEA shall pay the city combined assessment for the electric
7 system and the water and sewer system. The combined
8 assessment for the electric system and the water and sewer
9 system shall equal, ~~but not exceed the greater of (A) the~~
10 ~~sum of (i) the amount calculated by multiplying 7.468 mills~~
11 ~~by the gross kilowatt-hours delivered by JEA to retail~~
12 ~~users of electricity in JEA's service area and to wholesale~~
13 ~~customers under firm contracts having an original term of~~
14 ~~more than one year (other than sales of energy to Florida~~
15 ~~Power and Light Company from JEA's St. Johns River Power~~
16 ~~Park System, exception ending December 31, 2017) during~~
17 ~~the twelve-month period ending on April 30 of the fiscal~~
18 ~~year immediately preceding the fiscal year for which such~~
19 ~~assessment is applicable plus (ii) the amount calculated~~
20 ~~by multiplying 389.20 mills by the number of K-Gals (1=1000~~
21 ~~gallons) potable water and sewer service, excluding~~
22 ~~reclaimed water service, provided to consumers during the~~
23 ~~twelve-month period ending on April 30 of the fiscal year~~
24 ~~immediately preceding the fiscal year for which such~~
25 ~~assessment is applicable, or (B) a minimum calculated~~
26 ~~amount which increases by 1% per year from fiscal year~~
27 ~~2016-2017~~ 2024-2025 ~~through fiscal year 2022-2023 using~~
28 ~~the fiscal year 2015-16 combined assessment of \$114,187,538~~
29 ~~as the base year. The amounts applicable to clause (B)~~
30 ~~above are: for fiscal year 2016-2017 - \$115,329,413; for~~
31 ~~fiscal year 2017-2018 - \$116,482,708; for fiscal year 2018-~~

1 ~~2019 - \$117,647,535; for fiscal year 2019-2020 -~~
2 ~~\$118,824,010; and for fiscal year 2020-2021 - \$120,012,250;~~
3 ~~for fiscal year 2021-2022 - \$121,212,373; and for fiscal~~
4 ~~year 2022-2023 - \$122,424,496~~the following amounts: for
5 fiscal year 2024-2025 - \$137,424,496; for fiscal year
6 2025-2026 - \$178,798,741; for fiscal year 2026-2027 -
7 \$140,186,728; for fiscal year 2027-2028 - \$141,588,596;
8 for fiscal year 2028-2029 - \$143,004,482.

9 (d) The assessment ~~calculations~~amounts for the electric system
10 and the water and sewer system shall be in effect until
11 September 30, ~~2023~~2029. The council may reconsider the
12 assessment ~~calculations~~amounts after October 1, ~~2022~~2028
13 and changes, if any, shall become effective October 1,
14 ~~2023~~2029. The council may change the assessment amounts by
15 ordinance within the provisions of this Section 21.07.
16 Should the council not reconsider the assessment
17 ~~calculations~~amounts, the assessments shall equal ~~be~~
18 ~~calculated using the existing formulas specified in Section~~
19 ~~21.07(c), including a minimum calculated amount in clause~~
20 ~~(B) therein, which increases~~ by one percent (1%) per year
21 using the combined assessment of \$143,004,482 as the base
22 amount for each fiscal year computed as provided in Section
23 ~~21.07(c)~~. In addition to the annual assessment amounts
24 provided in Section 21.07(c), JEA pursuant to the terms of
25 an Interagency Agreement (as amended) with the City, agreed
26 to provide total nitrogen water quality credit to the City
27 to assist the City in meeting its Basin Management Action
28 Plan load reduction goal (BMAP Credit). If JEA cannot
29 provide the BMAP Credit pursuant to the terms of the
30 Interagency Agreement dated ~~March 22, 2016~~ Insert Date (as
31 amended), council and JEA shall work cooperatively to

1 address the BMAP Credit shortfall or council may reconsider
2 the assessment ~~ealeculations~~amounts.

3 * * *

4 **Section 2. Amended and Restated Interagency Agreement approved**
5 **and execution authorized.** The Amended and Restated Interagency
6 Agreement by and between the City of Jacksonville and JEA (the
7 "Agreement") dated Insert Date, which sets forth the collective
8 understanding and agreement of the City and JEA regarding the
9 conveyance of additional future Basin Management Action Plan ("BMAP")
10 water quality credits from JEA to the City and annual assessments
11 paid by JEA to the City, is hereby approved, and the Mayor, or her
12 designee, and the Corporation Secretary are hereby authorized to
13 execute and deliver, for and on behalf of the City, the Agreement,
14 in substantially the same form as attached hereto as **Exhibit 1** and
15 incorporated herein by this reference.

16 **Section 3. Oversight.** The Finance Department shall have
17 oversight of the Agreement described herein.

18 **Section 4. Codification Instructions.** The Codifier and the
19 Office of General Counsel are authorized and directed to make all
20 changes set forth herein to Article 21 (JEA), Charter of the City of
21 Jacksonville consistent with this legislation.

22 **Section 5. Effective Date.** This ordinance shall become
23 effective upon signature by the Mayor or upon becoming effective
24 without the Mayor's signature.

25
26 Form Approved:

27
28 /s/ Dylan Reingold

29 Office of General Counsel

30 Legislation Prepared By: Dylan Reingold

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