

1 Introduced by Council Member Boylan and Co-sponsored by Council
2 Members Bowman, DeFoor, Dennis, Ferraro, Priestly Jackson, Salem
3 and Wilson:

4
5 **ORDINANCE 2020-419**

6 AN ORDINANCE RELATING TO JEA AND ARTICLE 21
7 (JEA), CHARTER OF THE CITY OF JACKSONVILLE;
8 REPEALING SECTIONS 21.03 (COMPOSITION;
9 COMPENSATION; OFFICERS; MEETINGS), 21.08
10 (EMPLOYEES), AND 21.09 (AWARDS OF CONTRACTS)
11 OF ARTICLE 21 (JEA), CHARTER OF THE CITY OF
12 JACKSONVILLE; AMENDING ARTICLE 21 (JEA),
13 CHARTER OF THE CITY OF JACKSONVILLE; CREATING
14 NEW SECTIONS 21.03 (COMPOSITION; COMPENSATION;
15 OFFICERS; MEETINGS), 21.08 (EMPLOYEES;
16 MANAGING DIRECTOR; EMPLOYMENT CONTRACT
17 RESTRICTIONS), 21.09 (PROCUREMENT GENERALLY;
18 CONTRACTS GENERALLY), 21.11 (PRIVATIZATION,
19 SALE, REORGANIZATION, SERVICE TERRITORY
20 TRANSFERS PROHIBITED) AND 21.12 (PUBLIC
21 ENGAGEMENT); RENUMBERING EXISTING SECTIONS
22 21.11 (LEGISLATIVE AUTHORITY OF COUNCIL) AND
23 21.12 (SEVERABILITY) TO 21.13 AND 21.14
24 RESPECTIVELY; PROVIDING FOR PROVISO LANGUAGE
25 REGARDING 2020-100-E; PROVIDING FOR
26 CODIFICATION INSTRUCTIONS; PROVIDING AN
27 EFFECTIVE DATE.

28
29 **BE IT ORDAINED** by the Council of the City of Jacksonville:

30 **Section 1. Repealing Sections 21.03 (Composition;**
31 **compensation; officers; meetings), 21.08 (Employees), and 21.09**

1 (Awards of contracts) of Article 21 (JEA), Charter of the City of
2 Jacksonville. Sections 21.03 (Composition; compensation; officers;
3 meetings), 21.08 (Employees), and 21.09 (Awards of contracts) of
4 Article 21 (JEA), Charter of the City of Jacksonville, a copy of
5 which is attached hereto as Exhibit 1, are hereby repealed in their
6 entirety.

7 Section 2. Amending Article 21 (JEA), Charter of the City
8 of Jacksonville. Article 21 (JEA), Charter of the City of
9 Jacksonville is hereby amended to read as follows:

10 CHARTER AND RELATED LAWS

11 PART A - CHARTER LAWS CHARTER OF THE CITY OF JACKSONVILLE, FLORIDA

12 * * *

13 ARTICLE 21. JEA

14 Sec. 21.01. - JEA created and continued; audits.

15 (a) Creation. There is hereby created and established a body
16 politic and corporate to be known as JEA, which is authorized
17 to own, manage and operate for the benefit of the City of
18 Jacksonville the a utilities systems within and without the
19 City of Jacksonville. JEA is created for the express purpose
20 of acquiring, constructing, operating, financing and otherwise
21 having plenary authority with respect to electric, water,
22 sewer, natural gas and such other utility systems as may be
23 under its control now or in the future. ~~Such~~ The utilities
24 systems may be owned, operated or managed by JEA for the
25 benefit of the City of Jacksonville separately or in such
26 combined or consolidated manner as JEA may determine and JEA
27 may use such name or names in the conduct of its business in
28 connection therewith as it may determine. It is the specific
29 purpose of this article ~~21~~ to repose in JEA all powers with
30 respect to electric, water, sewer, natural gas and such other
31 ~~utilities~~ utility system which are now, in the future could

1 be, or could have been but for this article, exercised by the
2 City of Jacksonville. JEA created and established by this
3 article is the same Jacksonville Electric Authority previously
4 created and established by ~~chapter~~ Chapter 67-1569, Laws of
5 Florida, as amended, (including as added to Chapter 67-1320,
6 Laws of Florida by Chapter 78-538, Laws of Florida and, as
7 amended and readopted by Chapters 80-515, and 92-341, Laws of
8 Florida) and, except as otherwise provided or authorized by
9 this article, JEA shall continue to function under this
10 article the same as it previously functioned under ~~chapter~~
11 Chapter 67-1569, Laws of Florida, as amended (including as
12 added to Chapter 67-1320, Laws of Florida by Chapter 78-538,
13 Laws of Florida and, as amended and readopted by Chapters 80-
14 515 and 92-341, Laws of Florida).

15 (b) Audits. JEA shall be subject to the council auditor's
16 authority set forth in section 5.10 of the charter.

17 **Sec. 21.02. - Definitions.**

18 In the interpretation of this article, unless the context
19 otherwise requires:

20 (a) The term "utilities systems" means the electric utility system
21 and the water and sewer utility system now operated by JEA
22 which shall include, except where inconsistent with Chapter
23 80-513, Laws of Florida, as amended, or where the context
24 otherwise requires, any "system" or "project" authorized
25 pursuant to the provisions of Chapter 80-513, Laws of Florida,
26 as amended and any natural gas utility system to be operated
27 in the future by JEA together with any other additional
28 utility systems as may be hereafter designated as a part of
29 the utilities systems operated by JEA as provided in section
30 21.04(v) herein.

31 (b) The term "member" means ~~a member of JEA~~ an individual

1 confirmed by the council to serve on the governing body of JEA
2 pursuant to this article.

3 (c) The term "managing director" means the ~~managing director~~ chief
4 executive officer of JEA.

5 (d) The term "utility system" shall mean any ~~of the~~ separate
6 utility systems operated by JEA such as its electric utility
7 system, its water utility system, its wastewater utility
8 system, ~~or~~ its natural gas utility system or any other
9 additional utility system as may be hereafter designated as a
10 part of the utilities systems operated by JEA as provided in
11 section 21.04(v) herein.

12 (e) The terms "sewer utility system" and "wastewater utility
13 system" shall each have the same meaning as the other and
14 these terms shall be interpreted as meaning the same.

15 (f) The term "district energy system" or "DES" shall mean a system
16 of centrally located chillers designed to provide chilled or
17 heated water via pipes for the purposes of providing heating
18 and cooling within a designated area.

19 (g) The term "governing body of JEA" means the governing body of
20 JEA consisting of seven members.

21 **Sec. 21.03. - Composition; compensation; officers; meetings.**

22 (a) Composition; qualifications; removal. The governing body of
23 JEA shall consist of seven members, each of whom shall serve
24 for a term of four years or until such member's successor has
25 been appointed and has qualified. Four members shall be
26 nominated by the council president and confirmed by the
27 council, and three members shall be appointed by the mayor and
28 shall be confirmed by the council. With regard to one member
29 appointed by council through open application, the council
30 president shall nominate an applicant who has one of the
31 following qualifications: was a former JEA employee, or person

1 recommended by an employee, union or group of current or
2 former JEA employees. To the extent feasible and regarding
3 member appointments generally, individuals who have
4 demonstrated corporate, executive or administrative experience
5 working in public or private organizations, including, but not
6 limited to, non-profit and government organizations, are
7 preferred, but not required, to serve on the governing body of
8 JEA. Each member shall have been a resident and elector of
9 the city for at least six consecutive months prior to such
10 member's appointment. No member shall hold any other public
11 office or position. If at any time during a member's tenure on
12 the governing body of JEA, such member shall cease to possess
13 the qualifications required for membership on the governing
14 body of JEA, such member shall cease to be a member and a
15 vacancy shall exist on JEA. Any vacancy on the governing body
16 of JEA, however created, shall be filled for the unexpired
17 term in the same manner as the position was originally filled,
18 and the person filling the vacancy shall have and shall retain
19 all the qualifications prescribed for membership on JEA. Any
20 member appointed to the governing body of JEA for two
21 consecutive full terms shall not be eligible for the
22 succeeding term. The members appointed by the mayor may be
23 removed by the mayor at any time with or without cause, but a
24 removal must be approved by a two-thirds vote of the council.
25 The members appointed by the council may be removed by the
26 council at any time with or without cause, but a removal must
27 be approved by a two-thirds vote of the council.

28 (b) Compensation; applicable laws. Members shall not be entitled
29 to pension or other retirement benefits on account of service
30 on the governing body of JEA, but members shall be entitled to
31 payment or reimbursement for reasonable expenses incurred

1 (e.g., travel expenses) as prescribed by the council by
2 ordinance. Members shall be subject to the provisions of
3 section 286.012, Florida Statutes, as amended, relating to
4 voting at meetings of JEA, and the provisions of sections
5 112.311 through 112.3175, Florida Statutes, as amended,
6 relating to financial disclosure and conflicts of interest.
7 Additionally, Members shall be subject to all other relevant
8 and applicable laws and ordinances, including but not limited
9 to, Chapter 286 (Public Business: Miscellaneous
10 Provisions), Florida Statutes, as amended, Chapter 112, Part
11 III (Code of Ethics for Public Officers and Employees),
12 Florida Statutes, as amended, and Chapter 119 (Public
13 Records), Florida Statutes, as amended, and Chapter 602
14 (Jacksonville Code of Ethics), Ordinance Code of the City of
15 Jacksonville, as amended.

16 (c) *Officers; meetings; quorum; governing documents.* The governing
17 body of JEA shall elect a chairperson, vice-chairperson and
18 secretary of JEA and may elect one or more assistant
19 secretaries of JEA, each of whom shall serve for one year or
20 until such officer's successor is chosen. JEA may meet at such
21 times and places designated by the governing body of JEA and
22 shall hold regular meetings as necessary. Generally, JEA shall
23 meet once a month, but in no event less than eight (8) times a
24 year. Special meetings may be held upon the call of the
25 chairperson or any three (3) members. JEA meetings shall be
26 subject to section 286.011 (Florida Open Meetings Laws),
27 Florida Statutes, as amended. A majority of the membership
28 shall constitute a quorum for the purpose of meeting and
29 transacting business. Each member shall have one vote. The
30 governing body of JEA shall adopt governing documents,
31 including, but not limited to, bylaws, a board policy manual,

1 and such other rules and regulations not inconsistent with
2 this article, the charter or general law. Unless otherwise
3 provided herein, the governing body of JEA shall annually
4 review and update its governing documents. JEA's bylaws,
5 board policy manual, and other governing documents, including
6 any amendments thereto, shall be posted on JEA's website in a
7 conspicuous manner for the public to view.

8 (d) Office-holding; oath. JEA membership shall be considered an
9 office and limited by the office holding provisions as
10 provided for under the Florida Constitution. No member shall
11 be eligible to serve as a member while holding another office
12 or being an employee of JEA. Members shall be required to take
13 an oath of office consistent with the oath of office taken by
14 other public officials serving on city boards and commissions.

15 (e) Transparency in meetings. JEA should hold its meetings in the
16 most open and transparent manner practicable for the benefit
17 of the public and citizens of the City of Jacksonville. JEA
18 shall adopt procedural rules regarding the publication of
19 meeting agendas, meeting materials, meeting minutes, and
20 public participation during all meetings, including regular,
21 special and committee meetings, where action by the governing
22 body of JEA or committee is contemplated. To the greatest
23 extent feasible, JEA is encouraged to adhere to best practices
24 and recommendations regarding openness and transparency
25 contained in the latest published edition of Florida's
26 Government-In-the Sunshine Law Manual prepared by the Office
27 of the Attorney General. At a minimum, such procedural rules
28 should require JEA to (i) publish an agenda and any meeting
29 materials for its regular, special and committee meetings in a
30 conspicuous manner on JEA's official website; (ii) promptly
31 post meeting minutes generally within 72 hours after each

1 meeting; and (iii) provide the timeframe for when an agenda
2 and any meeting materials must be made available to the public
3 in advance of such meetings. Such procedural rules should also
4 require JEA to deliver copies of its meeting agendas,
5 including regular, special and committee meeting agendas, and
6 any meeting materials related thereto, to the council auditor
7 in substantially the same timeframe and content as provided to
8 members. Nothing in this subsection shall prohibit JEA from
9 amending previously published meeting agendas and meeting
10 materials in accordance with its bylaws, board policy manual,
11 or other applicable governing documents.

12 **Sec. 21.04. - Powers.**

13 JEA shall have the following powers, in addition to powers
14 otherwise conferred:

15 (a) To construct, own, acquire, establish, improve, extend,
16 enlarge, reconstruct, reequip, maintain, repair, finance,
17 manage, operate, and promote the utilities systems.

18 (b) To acquire for the use of the utilities systems by grant,
19 purchase, gift, devise, condemnation by eminent domain
20 proceedings, exchange, lease or in any other manner, all
21 property, real or personal, or any estate or interest therein,
22 including without limitation, property used:

23 (1) In connection with the generation, transmission and
24 distribution of electric power and energy;

25 (2) In connection with the collection, storage, treatment,
26 processing, disposal, transmission and distribution of
27 water and wastewater including, but not limited to, raw
28 water, potable water, non-potable water, chilled water and
29 reused water; however, JEA shall have no power or
30 authority for the function of stormwater runoff and
31 drainage management;

1 (3) In connection with the production, procurement,
2 extraction, manufacture, transmission, transportation,
3 distribution, and storage of natural gas; and

4 (4) In connection with the production of steam, the mining,
5 extraction, development, production, manufacture,
6 procurement, transportation, handling, storage, processing
7 or reprocessing of fuel of any kind, to likewise acquire
8 any facility or rights with respect to the supply of
9 water, any rights with respect to minerals, including but
10 not limited to coal, petroleum coke, natural gas and oil
11 and bio-mass facilities for the processing of by-products
12 derived from the operation of the utilities systems, solid
13 waste disposal and environmental protection facilities,
14 communication and computer facilities, and any other
15 property, equipment, facilities or property rights
16 whatsoever determined by JEA to be necessary or convenient
17 in connection with the operation, promotion, financing,
18 construction, management, improvement, extension,
19 enlargement, reconstruction, re-equipment, maintenance,
20 repair, decommissioning or disposal of the utilities
21 systems or any part thereof, and to sell, lease or
22 otherwise transfer, with or without consideration, any
23 such property when in JEA's discretion it is no longer
24 needed or useful, or such sale, lease or transfer
25 otherwise is in the best interest of JEA, all upon such
26 terms and conditions as JEA shall by resolution fix and
27 determine.

28 The right of eminent domain conferred herein shall be
29 exercised by JEA in the manner provided by law. If JEA leases
30 any real property to another agency, firm, corporation,
31 entity, or individual, it shall cause a memorandum of said

1 * * *

2 (g) To sue and be sued, implead and be impleaded, complain and
3 defend in all courts, to adopt and use a corporate seal, to
4 apply for, hold and own patents and copyrights, to sell or
5 license patents, copyrights, patented or copyrighted materials
6 to other public or private entities. Prices or fees for such
7 sales or licensing may be based upon market considerations.
8 JEA may designate how proceeds from such sales or licensing
9 shall be used. Prices or fees for the sale of copyrighted data
10 processing software, as defined in section ~~119.083~~ 119.011,
11 Florida Statutes, shall be established pursuant to section
12 ~~119.083~~ 119.084, Florida Statutes, as amended.

13 * * *

14 (n) To enter into joint project agreements as provided by part II
15 of chapter 361, Florida Statutes, as amended, for the purpose
16 of implementing a project, as such term is defined in Part II
17 of Chapter 361, Florida Statutes. A copy of all such joint
18 project agreements shall be filed with the council, the
19 council auditor, and the mayor at least thirty days prior to
20 the effective date of the agreement. Anything in this
21 provision to the contrary notwithstanding, (i) any joint
22 project agreement that involves a transfer of ~~any~~ the electric
23 system, function or operation that ~~comprises more than ten~~
24 ~~percent of the total of the utilities system by sale, lease or~~
25 ~~otherwise to any other utility, public or private,~~ is subject
26 to the requirements and limitations of section 21.11 herein or
27 (ii) any joint project agreement that involves the issuance of
28 debt not previously authorized by ~~§~~ section 21.04(i)(2)
29 herein, shall require prior approval of the council.

30 (o) To enter into agreements with one or more other electric
31 utilities, public or private, and related contracts with

1 respect to joint electric power projects as provided in
2 section 2 of ~~chapter~~ Chapter 80-513, Laws of Florida, as
3 amended. The provisions of said ~~chapter~~ Chapter 80-513 shall
4 govern and control JEA in all respects in the carrying out of
5 a joint electric power project authorized thereunder
6 notwithstanding any provision of the charter or of the
7 Ordinance Code of the City of Jacksonville which may be in
8 conflict therewith.

9 (p) ~~To transfer, sell, finance, lease or otherwise provide~~
10 ~~services or products, or by-products, developed or used by JEA~~
11 ~~incident to the exercise of the powers conferred by this~~
12 ~~article, including but not limited to, energy performance~~
13 ~~contracting, water, sewer and natural gas (and any other~~
14 ~~utility service hereafter provided by JEA) contracting, power~~
15 ~~marketing services, the testing and maintenance of customer-~~
16 ~~owned facilities such as transformers, capacitors, lighting,~~
17 ~~HVAC systems, water cooling and heating systems, energy~~
18 ~~management systems, etc.; the temporary leasing of JEA~~
19 ~~facilities such as oil storage tanks; the supply of steam or~~
20 ~~other thermal energy; the provision of specially conditioned~~
21 ~~power on the premises of customers and the provision of~~
22 ~~services or products to build, transfer, lease, finance,~~
23 ~~operate or sell cogeneration facilities, small power~~
24 ~~production facilities, specially conditioned power, energy~~
25 ~~conservation, energy efficiency and dispersed generation to~~
26 ~~other electric utilities both within and without the state or~~
27 ~~to any wholesale or retail customers of JEA, upon such terms~~
28 ~~and conditions as JEA shall by resolution fix and determine,~~
29 ~~and to transfer, sell, finance, lease or otherwise provide~~
30 ~~services, products or by-products developed or used by JEA~~
31 ~~incident to the exercise of the powers conferred by this~~

1 ~~article, in the delivery of water, wastewater and natural gas~~
2 ~~services, including but not limited to the financing, testing,~~
3 ~~maintenance and operation of customer owned facilities used in~~
4 ~~water, wastewater and natural gas functions; provided,~~
5 ~~however, that JEA will not enter into any activity pursuant to~~
6 ~~this section in addition to those activities listed herein~~
7 ~~without first providing written notice of such activities to~~
8 ~~the council auditor no less than 30 days before the~~
9 ~~commencement of such activity. Nothing in this article shall~~
10 ~~authorize or be construed to authorize JEA to transfer any~~
11 ~~function or operation which comprises more than ten percent of~~
12 ~~the total of the utilities system by sale, lease or otherwise~~
13 ~~to any other utility, public or private without approval of~~
14 ~~the council; provided, however, that no approval by the~~
15 ~~council shall become effective without subsequent referendum~~
16 ~~approval of the terms and conditions of the sale. So long as~~
17 ~~there are outstanding any of the city's "Capital Project~~
18 ~~Revenue Bonds" as originally authorized pursuant to Ordinance~~
19 ~~97-1054-E, the council may approve only such transfer which~~
20 ~~does not materially adversely affect future receipts of JEA~~
21 ~~contributions as defined therein. To provide, supply,~~
22 ~~transfer, sell, finance, or lease services, products, by-~~
23 ~~products, and activities developed or used by JEA incident to~~
24 ~~the exercise of the powers conferred by this article in the~~
25 ~~delivery of the utilities systems in the following manner:~~

26 (1) JEA governing body approval. The governing body of JEA
27 shall approve in advance all services, products, by-
28 products or activities developed or used by JEA in
29 accordance with this subsection (p) at a duly noticed
30 meeting. The governing body of JEA shall not delegate its
31 approval authority under this subsection to the managing

1 director or any other officer, employee or agent of JEA.

2 (2) Permitted services, products, by-products and activities.

3 The services, products, by-products and activities
4 expressly permitted to be developed or used by JEA
5 pursuant to this subsection (p) shall include providing,
6 supplying, transferring, selling, financing or leasing the
7 following: (i) energy performance contracting; (ii) water,
8 sewer and natural gas (and any other utility service
9 hereafter provided by JEA) contracting; (iii) power
10 marketing services; (iv) testing and maintenance of
11 customer-owned facilities such as transformers,
12 capacitors, lighting, HVAC systems, water cooling and
13 heating systems, energy management systems, etc.; (v)
14 temporary leasing of JEA facilities such as oil storage
15 tanks; (vi) steam or other thermal energy services and
16 contracting; (vii) services regarding specially
17 conditioned power on the premises of customers; (viii)
18 services or products to build, transfer, lease, finance,
19 operate or sell cogeneration facilities, small power
20 production facilities, specially conditioned power, energy
21 conservation, energy efficiency and dispersed generation
22 to other electric utilities both within and without the
23 state or to any wholesale or retail customers of JEA, upon
24 such terms and conditions as JEA shall by resolution fix
25 and determine; and (ix) financing, testing, maintenance
26 and operation of customer owned facilities used in water,
27 wastewater and natural gas functions.

28 (3) Required notice of additional services or products not
29 expressly listed in subsection (p) (2) above. JEA may
30 provide "additional services or products" not listed in
31 subsection (p) (2) above. However, JEA shall not provide,

1 supply, transfer, sell, finance or lease any additional
2 service, product, by-product or activity not expressly
3 listed in subsection (p)(2)(i)-(ix) above ("additional
4 service or product") to any person or entity under this
5 subsection without first providing written notice as
6 provided herein of such additional service or product to
7 the council auditor no less than 60 days prior to such
8 date that the governing body of JEA is scheduled to
9 approve such additional service or product in accordance
10 with subsection (p)(1). JEA's required written notice to
11 the council auditor shall include the following
12 information regarding such additional service or product:
13 (i) an express reference in the notice that the notice is
14 being provided pursuant to this subsection; (ii) a
15 detailed description of the additional service or product;
16 (iii) a copy of any applicable business plans; (iv) a
17 copy of any proposed contracts or contract forms; (v) a
18 financial analysis, including projected revenues and
19 expenses; and (vi) any other information developed by JEA
20 or third parties regarding the additional service or
21 product. Any action by JEA to provide, supply, transfer,
22 sell, finance or lease an additional service or product
23 pursuant to this subsection shall be void without the
24 required prior approval of the governing body of JEA and
25 prior notice to the council auditor as provided herein.
26 JEA shall provide the mayor and council with a notice
27 containing the information in items (i) and (ii) above
28 regarding such additional service or product concurrent
29 with the required council auditor notice provided herein.

30 (4) Annual report. JEA shall provide a comprehensive annual
31 written report to the mayor, council, and council auditor

1 regarding all services, products, or by-products developed
2 or used by JEA pursuant to this subsection (p).

3 (5) Prohibition. JEA shall not exercise any powers pursuant
4 to this subsection (p) that are expressly prohibited in
5 the charter or this article, including, but not limited
6 to, the express prohibitions set forth in section 21.11
7 herein.

8 (q) To implement giving programs in the following manner:

9 (1) Upon approval of the governing body of JEA, ~~To~~ collect
10 from customers and ratepayers monthly or one-time
11 voluntary contributions to be deposited into an elderly
12 and/or handicapped or low-income customer emergency trust
13 fund administered by JEA. The proceeds of such trust fund
14 may be expended periodically by JEA for the purpose of
15 providing financial assistance to elderly and/or
16 handicapped or otherwise needy low-income residents living
17 within the service area of JEA for the payment of their
18 utilities needs. The method of administration of such
19 trust fund, including the collection and distribution
20 thereof, shall be as provided by ordinance of the council.
21 The results of such giving program shall be reported
22 annually each July 1st to the council.

23 (2) Upon the ~~unanimous~~ approval of the ~~Board~~ governing body of
24 JEA, and a ~~two-thirds~~ vote of the ~~City Council~~, to collect
25 monthly or one-time voluntary contributions from customers
26 and ratepayers, for a charitable, scholastic, or public
27 service community giving program. Contributions from any
28 such program shall be passed through to an appropriate
29 non-profit entity for administration and distribution and
30 shall not be administered by JEA. The results of such
31 giving program shall be reported annually each July 1st to

1 the ~~Council~~ council.

2 (3) Upon approval of the ~~Board~~ governing body of JEA, to
3 collect monthly or one-time voluntary contributions from
4 customers, ratepayers or other contributors for other
5 customer assistance programs directly related to services
6 or utilities provided by JEA. ~~The results of such giving~~
7 ~~program(s) shall be reported annually each July 1st to the~~
8 ~~Council~~. Contributions from any such program shall be
9 passed through to an appropriate non-profit entity for
10 administration and distribution and shall not be
11 administered by JEA. The results of any such giving
12 program shall be reported annually each July 1st to the
13 council.

14 * * *

15 (s) Except as otherwise prohibited herein, to ~~Te~~ delegate any act
16 authorized pursuant to this article to any officer, employee
17 or agent of JEA as it may deem necessary or desirable for the
18 prudent management of JEA.

19 * * *

20 (v) If JEA determines that it is necessary or appropriate for it
21 to provide, operate or maintain any other utility system or
22 function other than electric, water wastewater and natural
23 gas, JEA shall by resolution identify such additional utility
24 system or systems or function or functions and indicate its
25 desire to provide such utility service or services or function
26 or functions to the council. Sixty days prior to JEA filing
27 the JEA resolution via legislation with the council, JEA shall
28 provide written notice to the council auditor regarding the
29 additional utility system, function, or utility service that
30 JEA desires to provide, operate and maintain. Such notice to
31 the council auditor shall include the following information

1 regarding such additional utility system, function, or
2 utility service: (i) an express reference in the notice that
3 the notice is being provided pursuant to this subsection; (ii)
4 a detailed description of the additional utility system,
5 function or utility service; (iii) a copy of any applicable
6 business plans; (iv) a copy of any proposed contracts or
7 contract forms; (v) a financial analysis, including projected
8 revenues and expenses; and (vi) any other information
9 developed by JEA or third parties regarding the additional
10 utility system, function, or utility service. The JEA
11 resolution to be provided to council via legislation for
12 adoption and approval by the council shall address relative
13 real property tax treatment of JEA providing, operating or
14 maintaining the additional utility system and shall include
15 the information listed in (i)-(vi) above. Upon the adoption
16 and approval of this resolution by JEA and the council, voting
17 as separate entities, JEA, with respect to the specified
18 system or systems, shall be vested with all powers set forth
19 herein or in general law that would, but for the provisions of
20 this article, apply to such specified utility system or
21 systems.

22 * * *

- 23 (x) To coordinate carefully with the Department of Public Works of
24 the City of Jacksonville, and the Jacksonville Transportation
25 Authority, and other independent agencies, the planning and
26 execution of engineering and construction projects involving
27 underground work and streets and highways to seek to minimize
28 the total cost of such projects and to reduce disruption to
29 the citizens of the city to the maximum extent possible.
- 30 (y) To expend JEA funds up to ~~one and one-half (1.5)~~ one (1%)
31 percent of the prior year's gross revenues to promote the

1 efficient use of JEA's services through public education
2 including exhibits, conferences, displays, tours and other
3 events customary to the utilities industry and also to
4 publicize, advertise and promote the ~~objects~~ objectives of
5 this article and to promote the objectives of JEA all in the
6 manner set forth by resolution of JEA. Accordingly, JEA may
7 expend its funds to make known to the users, potential users
8 and public in general the advantages, facilities, resources,
9 products, attractions and attributes of the services provided
10 by JEA and to further create a favorable climate of opinion
11 concerning the activities and projects authorized and
12 indicated by this article. JEA may also, to the extent
13 permitted by the laws of the State of Florida, expend funds in
14 cooperative efforts to and with other agencies, both public
15 and private, in accomplishing the purposes enumerated and
16 indicated by this article; and in furtherance thereof. JEA may
17 also authorize reasonable expenditures for any and all of the
18 purposes herein enumerated, including but not limited to,
19 ~~meals, hospitality and entertainment of persons~~ reasonable
20 food and beverage expenditures in the interest of promoting
21 and engendering good will toward the activities and projects
22 herein authorized. Whenever an expenditure of funds for any of
23 the foregoing purposes is made by a member or employee of JEA,
24 JEA may reimburse such member or employee therefor, but only
25 after such expenditures have been duly authorized by JEA or
26 its managing director if so delegated to do so. JEA will
27 provide a list of proposed promotional expenditures each year
28 to the council auditors. The spending limitation on promotional
29 expenditures set forth in this subsection shall not apply to a
30 newly approved utility system, function or utility service
31 under subsection (v) herein and newly approved additional

1 services or products under subsection (p) herein. For purposes
2 of this subsection "newly approved" shall mean within seven
3 years of the approval date by council for matters subject to
4 the provisions of subsection (v) or by the governing body of
5 JEA for matters subject to the provisions of subsection (p),
6 as applicable. All funds expended by JEA as reimbursement for
7 travel expenses shall be subject to Chapter 106, Part 7, of the
8 Ordinance Code of the City of Jacksonville, as amended. JEA
9 shall not exercise any powers pursuant to this subsection to
10 promote the privatization, sale, transfer or reorganization of
11 JEA as expressly prohibited in section 21.11 herein or
12 otherwise in this article or the charter.

13 * * *

14 (dd) To the extent permitted by the laws of the State of Florida,
15 to have ownership and membership in separate organization
16 entities, including but not limited to corporations, to
17 conduct utility related activities and functions. A copy of
18 all such ownership agreements, and any amendments thereto,
19 shall be filed with the council and the mayor at least thirty
20 (30) days prior to the effective date of the agreement.

21 * * *

22 (ff) Subject to the prior approval of the governing body of JEA,
23 to:

- 24 (1) Transfer to an entity by sale, lease, assignment or
25 other disposition of up to, but not more than, the net
26 capital assets calculation (as defined in Section 21.11)
27 of an included system, or the management, function, or
28 operation of any portion of an included system which
29 comprises more than the net capital assets calculation
30 of such included system;
31 (2) Explore, investigate or consummate a reorganization of

1 JEA, or JEA's governance structure in a manner that
2 would affect JEA's ownership or management control of up
3 to, but not more than, the net capital assets
4 calculation (as defined in Section 21.11) of an included
5 system;

6 (3) Sell, lease, assign or otherwise transfer up to, but not
7 more than, one percent (1%) of the service territory of
8 a JEA included system to any entity; and

9 (4) Sell, lease, assign or otherwise transfer up to, but not
10 more than, one percent (1%) of JEA's electric, water, or
11 wastewater, customer accounts based on the latest
12 available JEA monthly financial statements.

13 For purposes of this subsection and as applicable, terms and
14 phrases used in this subsection shall have the meaning
15 ascribed to them in section 21.11 herein.

16 **Sec. 21.05. - Construction.**

17 ~~The powers of JEA shall be construed liberally in favor of JEA.~~
18 ~~No listing of powers included in this article is intended to be~~
19 ~~exclusive or restrictive and the specific mention of, or failure to~~
20 ~~mention, particular powers in this article shall not be construed~~
21 ~~as limiting in any way the general powers of JEA as stated in~~
22 ~~Section 21.04. It is the intent of this article to grant to JEA~~
23 ~~full power and right to exercise all authority necessary for the~~
24 ~~effective operation and conduct of JEA. It is further intended that~~
25 ~~JEA should~~ In addition to the express powers granted in this
26 article, JEA shall have all implied powers necessary or incidental
27 to carrying out the expressed powers and the expressed purposes for
28 which JEA is created. The express powers granted to JEA in this
29 article shall be strictly construed, and the implied powers granted
30 to JEA in this section shall be strictly construed in relation to
31 the relevant and applicable express power granted to JEA in this

1 article. The fact that this article specifically states that JEA
2 possesses a certain power does not mean that JEA must exercise such
3 power unless this article specifically so requires. JEA's power to
4 levy special assessments shall not be deemed to be the power to
5 levy taxes.

6 * * *

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

8 JEA shall have fiscal and budgetary functions, subject to the
9 limitations herein expressed:

10 * * *

11 (h) JEA shall not be required to utilize the personnel, motor
12 pool, purchasing, communication or information systems
13 services of the city. By mutual agreement of JEA and the city
14 such services may be provided from one party to the other but
15 only on a cost-accounted basis. JEA shall be required to use
16 the legal services of the city on a cost-accounted basis
17 except in those cases when the chief legal officer of the city
18 determines that the city legal staff cannot or should not
19 provide legal services in the required legal area. JEA shall
20 appropriate the funds necessary to meet the obligations for
21 outside legal services as determined by the ~~chief legal~~
22 ~~officer~~ general counsel of the city. ~~Such chief legal officer~~
23 The general counsel shall consult with JEA before he or she
24 selects outside counsel.

25 * * *

26 ~~(j) JEA shall employ and fix the compensation of the managing~~
27 ~~director, who shall manage the affairs of the utilities system~~
28 ~~under the supervision of JEA. The entire working time of such~~
29 ~~managing director shall be devoted to the performance of the~~
30 ~~duties of such office and the managing director shall have no~~
31 ~~outside employment or business. The managing director shall be~~

1 ~~a graduate of an accredited college or university, or have at~~
2 ~~least ten years' managerial experience in a consumer-oriented~~
3 ~~industry or comparable enterprise. JEA may appoint and fix the~~
4 ~~compensation of 48 staff assistants to the managing director,~~
5 ~~to serve at the pleasure of JEA. JEA shall employ and fix the~~
6 ~~compensation of the department heads, deputy directors of~~
7 ~~departments, division chiefs and assistant division chiefs of~~
8 ~~the utilities system. JEA may adopt position titles different~~
9 ~~from those recited herein, consistent with utility industry~~
10 ~~practice. The managing director, department heads, deputy~~
11 ~~directors of departments, staff assistants, division chiefs~~
12 ~~and assistant division chiefs shall not be included within the~~
13 ~~civil service system of the city. JEA may employ such~~
14 ~~certified public accountants, consultants and other employees~~
15 ~~for special purposes, not within the civil service system, as~~
16 ~~it may require, and fix and pay their compensation. Whenever~~
17 ~~used in this s. 21.07(i), "compensation" shall mean both~~
18 ~~salary and benefits, exclusive of city pension benefits. All~~
19 ~~personnel appointed by JEA pursuant to this s. 21.07(i) shall~~
20 ~~participate in the City of Jacksonville pension plan in the~~
21 ~~same manner as other employees of JEA who participate in such~~
22 ~~plan. However JEA shall have the option to establish an~~
23 ~~employee deferred compensation program separate from the~~
24 ~~city's employee deferred compensation program Reserved.~~

25 * * *

26 (m) When JEA is in receipt of a request for information from the
27 council auditor pursuant to the authority of the council
28 auditor under Section 5.10 of the charter, it shall, within
29 two business days of receipt of the request, 1) acknowledge
30 receipt of the request by electronic mail to the council
31 auditor, and 2) submit to the council auditor an estimated

1 timeframe for which the information requested will be
2 available to the council auditor for review. If the
3 information requested by the council auditor is not within the
4 purview of JEA or JEA is unsure of the request or unfamiliar
5 with the information that is requested, it should provide such
6 explanation in its response to the council auditor.

7 **Sec. 21.08. - Employees generally; managing director; employment**
8 **contract restrictions.**

9 (a) Generally. All employees of the utilities systems shall be
10 employees of JEA and shall be subject to Articles 16 and 17 of
11 the charter unless otherwise provided by the council, which
12 shall be and continue to be the legislative body as provided
13 in section 447.203(10), Florida Statutes, as amended.
14 Participants in the JEA apprenticeship program shall not have
15 civil service status and shall not be subject to Article 17 of
16 the charter. JEA shall be fully responsible for the
17 administration and operation of all utility services as set
18 out in this article and in order to meet its administrative
19 and operational responsibilities, JEA shall have full and
20 independent authority to hire, transfer, promote, discipline,
21 terminate and evaluate employees engaged to provide any and
22 all of the utilities services for which it is responsible and
23 accordingly, consistent with the provisions of Article 17 of
24 the charter, JEA may establish employment policies relating to
25 hiring, promotion, discipline and termination, and other terms
26 and conditions of employment, and enter into negotiations with
27 employee organizations with respect to wages, hours and terms
28 and conditions of employment and take such other employment
29 related action as needed to assure effective and efficient
30 administration and operation of the utilities systems. In
31 order to effectively implement the foregoing, JEA shall

1 perform all functions with regard to its own employees that
2 are performed by the City department or division which
3 oversees city employees in regard to personnel matters. JEA,
4 at its expense, shall provide accidental death benefits for
5 all employees engaged in hazardous duty as determined by JEA,
6 in the amount of \$50,000 payable to the beneficiary named by
7 the employee, or as otherwise provided, in the event said
8 employee dies as a result of an accident occurring to any
9 employee in the course of his/her employment. Nothing
10 contained in this section shall be construed to supersede or
11 repeal any provision of section 12 of Chapter 80-513, Laws of
12 Florida, as amended.

13 (b) *Managing Director.* The governing body of JEA shall employ and
14 fix the compensation of the managing director, who shall serve
15 at the pleasure of the governing body of JEA. The managing
16 director shall manage the affairs of the utilities systems
17 under the supervision of the governing body of JEA. The entire
18 working time of such managing director shall be devoted to the
19 performance of the duties of such office and the managing
20 director shall have no outside employment. Subject to the
21 approval of the governing body of JEA, the managing director
22 may engage in or have unrelated business interests so long as
23 such business interests do not interfere with the managing
24 director's duties as provided herein. The managing director
25 shall be a graduate of an accredited college or university,
26 and have at least five years executive experience within the
27 utilities industry. The managing director shall have a
28 fiduciary duty of loyalty, fidelity, and allegiance to act at
29 all times in the best interests of JEA and will act in a
30 manner consistent with the responsibilities of this article
31 and other policies, rules and regulations governing the

1 conduct of JEA employees. The managing director's employment
2 agreement, if any, shall be subject to the provisions of
3 subsection (d) below.

4 (c) Other Employees. The governing body of JEA may appoint and fix
5 the compensation of staff assistants to the managing director,
6 to serve at the pleasure of the governing body of JEA. JEA
7 shall employ and fix the compensation of the department heads,
8 deputy directors of departments, division chiefs and assistant
9 division chiefs of the utilities systems. JEA may adopt
10 position titles different from those recited herein,
11 consistent with utility industry practice. The managing
12 director, department heads, deputy directors of departments,
13 staff assistants, division chiefs and assistant division
14 chiefs shall not be included within the civil service system
15 of the city. The managing director may employ such certified
16 public accountants, consultants and other employees for
17 special purposes, not within the civil service system, as it
18 may require, and fix and pay their compensation. Whenever used
19 in this section 21.08, "compensation" shall mean both salary
20 and benefits, exclusive of any city retirement benefits
21 pursuant to Article 16 of the charter.

22 (d) Employment contract restrictions. JEA may have an employment
23 contract with the managing director only. The managing
24 director's employment contract shall be approved by the
25 governing body of JEA. Nothing in this subsection, or in any
26 employment agreement entered into pursuant to this subsection,
27 may be construed as a guarantee of employment for the managing
28 director at any time, or for any length of time. At a
29 minimum, the managing director's employment contract shall
30 satisfy the following requirements:

31 (1) The contract term, including any renewal term, shall not

1 exceed five (5) years;

2 (2) The amount of severance pay, if any, shall not exceed the
3 amounts allowed under Florida law and shall not be
4 permitted if the managing director is terminated for
5 cause or terminated for misconduct, as defined in section
6 443.036(29), Florida Statutes, as amended;

7 (3) The contract shall not contain a mandatory consulting,
8 separation and transition, or similar agreement that is
9 operative due to the managing director's termination
10 without cause under the contract;

11 (4) JEA shall not be required to release, indemnify or hold
12 harmless the managing director against any claims except
13 as otherwise permitted by law;

14 (5) JEA shall not be required to pay for or provide legal
15 counsel to the managing director beyond the legal counsel
16 required of the Office of General Counsel pursuant to the
17 charter or general law;

18 (6) The contract shall contain a provision that the managing
19 director serves at the pleasure of the governing body of
20 JEA and may be terminated without cause at any time, and
21 such provision may provide for not more than 30 days
22 advance notice to the managing director of such
23 termination without cause;

24 (7) The contract may contain a provision for termination of
25 the managing director for cause, provided that "cause"
26 shall be defined consistent with the definition of cause
27 as contained in Rule 9.05(a) of the Civil Service and
28 Personnel Rules and Regulations of the City of
29 Jacksonville;

30 (8) All compensation terms shall be reasonable and customary
31 and similar to other public utilities comparable to JEA

1 when taking into account the size of JEA's territory
2 area, employee workforce, and utility systems; and

3 (9) Any such other terms as may be in the best interest of
4 JEA and not inconsistent with this section.

5 Any managing director employment contract entered into by JEA
6 that does not satisfy the minimum requirements above shall be
7 null and void.

8 (e) Pension Plan; Defined Contribution Plan; Deferred Compensation
9 Plan. All personnel appointed by JEA pursuant to this section
10 shall participate in one of the city's retirement plans, as
11 governed by the rules and requirements of such retirement
12 plans and in the same manner as other JEA employees who
13 participate in such plan. JEA is authorized to establish a
14 single deferred compensation program for its employees
15 separate from any city deferred compensation program. Such
16 program shall be approved by the governing body of JEA and
17 shall be subject to and comply with all federal and state laws
18 applicable to deferred compensation programs for public or
19 government employees, including, but not limited to, the
20 Internal Revenue Code, as amended, and section 112.215,
21 Florida Statutes, as amended. JEA shall periodically provide
22 the council auditor with a report regarding such deferred
23 compensation program.

24 (f) Employee Bonus Program. JEA may implement or adopt an employee
25 bonus plan or program ("bonus program") for JEA employees
26 pursuant to section 215.425(3), Florida Statutes, as amended,
27 subject to the prior approval of the governing body of JEA.
28 The governing body of JEA shall approve such bonus program
29 annually for each fiscal year, and if a bonus program is
30 implemented in any fiscal year without first obtaining the
31 approval of the governing body of JEA, such program shall be

1 void. The governing body of JEA shall not delegate its
2 approval authority regarding a bonus program under this
3 subsection to the managing director or any other officer,
4 employee or agent of JEA. Such bonus program must comply with
5 section 215.425(3), Florida Statutes, as amended, the charter,
6 and other applicable laws. The governing body of the JEA
7 shall establish rules, procedures, and standards regarding
8 such bonus program. Additionally, JEA shall include a budget
9 line item and specific detailed plan regarding such bonus
10 program as an exhibit to its annual budget submission to
11 council. JEA shall also provide the council auditor with an
12 annual end of fiscal year report regarding the disbursements
13 related the bonus program.

14 **Sec. 21.09. - Procurement generally; contracts generally.**

15 (a) Applicability. Unless otherwise provided herein, this
16 section shall apply to contracts entered into by JEA
17 pursuant to this article.

18 (b) Procurement generally.

19 (1) Open and Fair Competition. To the greatest extent reasonably
20 practicable, JEA shall use open, fair, competitive, and
21 generally accepted government procurement methods that seek
22 to encourage the most competition and best price for the
23 purchase of supplies, construction, professional and other
24 contractual services. JEA should adhere to all applicable
25 state procurement laws, including, but not limited to, laws
26 governing the purchase of construction services and
27 professional design services.

28 (2) Procedures; governing body approval. JEA shall not be
29 required to follow the City's procurement procedures. JEA
30 may establish its own procurement procedures regarding the
31 purchase of goods, supplies, equipment, and services,

1 subject to applicable state law. JEA's procurement
2 procedures, including any amendments thereto, shall be
3 reviewed and approved by the governing body of JEA. The
4 governing body of JEA may not delegate its approval of the
5 procurement procedures, including any amendments thereto, to
6 the managing director or any other officer, employee or
7 agent of JEA. In the absence of JEA established procurement
8 procedures, JEA shall follow the city's procurement
9 procedures. JEA shall adhere to its procurement procedures
10 in entering into procurement contracts, including but not
11 limited to, contracts relating to the construction,
12 reconstruction, repair, operation or maintenance of the
13 utilities systems or the purchase of supplies, equipment,
14 machinery and materials for the utilities systems or the
15 contracting or otherwise purchasing for any advisory,
16 professional or other services necessary or incidental to
17 the operation of the utilities systems.

18 (3) Jacksonville Small Emerging Business (JSEB) Program;
19 Minority Business Enterprises. JEA shall adhere to the
20 city's Jacksonville Small Emerging Business (JSEB) Program,
21 or successor city program, in its procurement procedures.
22 Subject to applicable federal, state and local laws, JEA is
23 authorized to implement and to take all actions necessary to
24 administer a race-conscious purchasing and procurement
25 program to remedy the present effects of past discrimination
26 by JEA, if any, in the awarding of contracts. Any such race-
27 conscious program implemented by JEA to remedy the present
28 effects of past discrimination by JEA, if any, in the
29 awarding of contracts must be supported by evidence and
30 based on the required criteria and standards as set forth in
31 applicable federal and state laws.

1 (4) Certain solicitation specifications and standards
2 prohibited; rejection of bids, proposals, and replies. JEA
3 should not develop solicitation specifications that are so
4 narrowly tailored to an entity or entities that other
5 qualified entities (i.e., bidders, respondents and vendors)
6 are precluded from participating in such solicitation.
7 Additionally, JEA should not develop standards that limit
8 open competition and preclude qualified entities (i.e.,
9 bidders, respondents and vendors) from participating in
10 solicitations. JEA shall have the right to reject any and
11 all bids, proposals, or replies, in whole or in part, in the
12 best interests of JEA.

13 (5) Annual survey. JEA shall annually conduct a survey of
14 actual, interested and prospective bidders, respondents, and
15 vendors to obtain feedback on JEA's procurement process.
16 Such survey shall be on a form approved by JEA and
17 participation in the survey shall be open to actual,
18 interested and prospective bidders, respondents, and
19 vendors. Survey topics may include, without limitation,
20 various aspects of JEA's procurement process such as
21 information transparency and accessibility, pre-conferences,
22 bid submittal packages, evaluations, and awards. JEA shall
23 consider such survey results during JEA's biennial review of
24 its procurement code.

25 (6) Transparency in procurement governing documents. The
26 procurement code and any procurement policies, operating
27 procedures, rules, directives, standards, and other
28 procurement governing documents, including any amendments
29 thereto, shall be posted on JEA's website in a conspicuous
30 manner for the public to view.

1 (7) Biennial review; annual report. JEA shall biennially review
2 its procurement procedures. JEA shall also prepare and
3 deliver a report to the council and mayor on or before
4 December 31st of each fiscal year summarizing the
5 procurement contract awards for the immediately prior fiscal
6 year. Such report shall contain at a minimum the following
7 information:

8 (i) The number of contract awards for the reporting
9 fiscal year;

10 (ii) A detailed listing of all contract awards
11 categorized by service type (e.g., construction,
12 professional, supplies, professional design
13 services), award type (e.g., single source,
14 emergency, request for proposal, invitation to
15 negotiate, piggyback, etc.) and a brief
16 description of each contract award containing the
17 contractor name, contract amount and procurement
18 method used;

19 (iii) The number of JSEB contract awards categorized by
20 service type (e.g., construction, engineering,
21 supplies, professional), award type (e.g., single
22 source, emergency, request for proposal,
23 invitation to negotiate, piggyback, etc.), and a
24 brief description of each contract award
25 containing the JSEB contractor name, contract
26 amount and procurement method used;

27 (iv) The number of bid protests for the reporting
28 fiscal year and the outcome of each protest (i.e.,
29 whether JEA prevailed); and

30 (v) The annual survey results pursuant to the survey
31 requirement in subsection (b) above.

1 (8) Prohibition. JEA shall not exercise any powers pursuant to
2 this section to explore, investigate or consummate a
3 privatization, sale, transfer or reorganization of JEA as
4 expressly prohibited in section 21.11 herein or this
5 article.

6 (c)Contracts Generally.

7 (1) Maximum indebtedness. Unless otherwise provided herein or by
8 law, all contracts of any kind entered into by JEA pursuant
9 to this article, including, but not limited to, procurement
10 contracts, joint project contracts, and interlocal
11 agreements shall contain a provision clearly specifying a
12 fixed, maximum monetary indebtedness of JEA thereunder. Such
13 contracts may, however, provide for a lesser variable
14 indebtedness of JEA upon a reasonable basis, subject to such
15 fixed, maximum monetary indebtedness.

16 (2) Public records; ethics training. All contracts and related
17 documents entered into by JEA shall contain a provision
18 clearly stating that such vendor or contractor shall comply
19 with the provisions of Chapter 119 (Public Records Law),
20 Florida Statutes, as amended. All senior-level employees,
21 including the managing director and senior-level officers,
22 directors and managers of JEA, shall be trained by the
23 Office of General Counsel, in consultation with the Ethics
24 Office, at least annually on Florida's open meetings laws,
25 public records and ethics laws in accordance with policies
26 and procedures established by JEA.

27 (3) Audit. JEA shall require a person or entity providing
28 contractual services (e.g., construction services,
29 professional design services, or other contractual services)
30 purchased by JEA to agree and be deemed to have agreed by
31 virtue of doing business under contract with JEA to be

1 subject to audit by the council auditor's office pursuant to
2 Article 5 of the charter, as applicable. Additionally, JEA
3 shall include a provision in any contract entered into
4 pursuant to this article that such vendor or contractor
5 shall comply with all applicable federal, state and local
6 laws, rules and regulations as the same exist or as may be
7 amended from time to time.

8 (4) Confidentiality agreements. The use of confidentiality,
9 nondisclosure or similar agreements by government agencies
10 are contrary to open and transparent government. Except
11 regarding information or records deemed by JEA to be
12 confidential or exempt information or records by law, JEA
13 should not enter into confidentiality or nondisclosure
14 agreements with third parties and should use
15 confidentiality, nondisclosure or similar agreements
16 sparingly in the conduct and operation of the utilities
17 systems. Additionally, JEA should not require a member,
18 officer or employee of JEA to execute any type of
19 confidentiality or nondisclosure agreement that would
20 require such member, officer or employee to maintain the
21 confidentiality of information or records that is not
22 confidential or exempt by law.

23 (5) No financial interest. Except for an employment contract or
24 agreement executed pursuant to section 21.08, no member,
25 officer or employee of JEA shall either directly or
26 indirectly be a party to, or be in any manner interested in,
27 any contract or agreement with JEA for any matter, cause or
28 thing whatsoever in which such member shall have a financial
29 interest or by reason whereof any liability or indebtedness
30 shall in any way be created against JEA. If any contract or
31 agreement shall be made in violation of the provisions of

1 this section the same shall be null and void and no action
2 shall be maintained thereon against JEA.

3 (d) No limitation. Unless otherwise provided herein, nothing in this
4 section shall be construed to limit the power of JEA to
5 construct, repair, or improve the utilities systems or any part
6 thereof, or any addition, betterment or extension thereto.

7 * * *

8 **Sec. 21.11 - Privatization, sale, reorganization, service**
9 **territory transfers prohibited.**

10 (a) Definitions. For purposes of this section, the following
11 definitions shall apply:

12 "entity" shall mean any person or entity, public or private.

13 "net capital assets" shall mean the net capital assets based
14 on the Combining Statement of Net Position in latest available
15 JEA annual financial statements for the appropriate Enterprise
16 Fund for each included system.

17 "net capital assets calculation" shall mean the net capital
18 assets for each included system multiplied by .10 or 10%. For
19 purposes of this section, the initial net capital asset
20 calculation for each included system shall be established
21 based on the October 1, 2020 financial statements. The net
22 capital assets calculation shall reset every five years
23 thereafter.

24 "calculation period" shall mean the five year period after the
25 net capital assets calculation is established during which the
26 cumulative impact on the net capital assets of the sale,
27 lease, assignment, other disposition, or the assignment of the
28 management function or operation of such portion of an
29 included system, shall be recorded.

30 "service territory" shall mean the geographically defined
31 areas in which JEA is the utility provider.

1 "included system" shall mean the electric system and bulk
2 power supply system, and the water and sewer utility system
3 reported on the financial statements as the water and sewer
4 Enterprise Fund, owned, operated and managed by JEA.

5 "excluded system" shall mean JEA's district energy system, and
6 the St. Johns River Power Park system.

7 (b) Prohibition on privatization, sale, reorganization and
8 transfer of management. JEA shall not directly, or indirectly
9 through a consultant or advisor, explore, investigate or
10 consummate a privatization or transfer to an entity by sale,
11 lease, assignment or other disposition of the net capital
12 assets of an included system, or the management, function, or
13 operation of any portion of an included system which
14 cumulatively comprises more than the net capital assets
15 calculation during the calculation period, without obtaining
16 approval of the council in advance by amending this section to
17 permit such action by JEA; provided, however, that no final
18 approval of such disposition by the council shall become
19 effective without subsequent referendum approval of the terms
20 and conditions of the disposition, lease, or other assignment
21 of the management, function or operation of such portion of a
22 included system. Additionally, JEA shall not directly or
23 indirectly through a consultant or advisor, explore,
24 investigate or consummate a reorganization of JEA, or JEA's
25 governance structure in a manner that would affect JEA's
26 ownership or management control of the net capital assets of
27 an included system which cumulatively comprises more than the
28 net capital assets calculation during the calculation period,
29 without obtaining approval of the council in advance by
30 amending this section to permit such action by JEA. Upon
31 approval by the council for JEA to explore or investigate a

1 privatization, transfer, or reorganization of JEA, council may
2 in its discretion prescribe by ordinance budget restrictions
3 related to professional consultants, legal engagements,
4 promotional expenses, and other expenses anticipated by JEA
5 during such exploration or investigation. The terms "explore"
6 and "investigate" as used in this subsection shall include,
7 but not be limited to, exploring or investigating in
8 connection with any strategic planning process undertaken by
9 JEA or any of its consultants or advisors.

10 (c) Reports. JEA shall report to the council auditor within 30
11 days of the issuance of the annual audited financial
12 statements the change in net capital assets for each included
13 system for the period covered by the financial statements. JEA
14 shall also report the cumulative impact of the change in net
15 capital assets for each included system during the calculation
16 period. Both reports will include supporting documentation as
17 requested by the council auditor.

18 (d) Prohibited service territory transfers. Any sale, lease,
19 assignment or other transfer of the service territory of a JEA
20 included system to any entity that will result in a total net
21 loss of .01 or 1% or more of the service territory or any
22 sale, lease, assignment, or transfer to any entity that will
23 result in a total net loss of .01 or 1% or more of JEA's
24 electric, water, or wastewater, customer accounts based on the
25 latest available JEA monthly financial statements shall
26 require council approval in advance. JEA shall not enter into
27 any agreement, contract, memorandum of understanding, letter
28 of intent or other arrangement that would exceed the .01 or 1%
29 threshold without obtaining council approval in advance.
30 Nothing in this section shall prevent JEA from complying with
31 the terms and conditions of interlocal agreements with St.

1 Johns County and Nassau County which include, but are not
2 limited to, an option to purchase the assets and service
3 territory of JEA within the respective counties without
4 council or referendum approval.

5 **Sec. 21.12. - Public engagement.**

6 JEA should seek to fully engage and inform its ratepayers, the
7 public, interested stakeholders, and other interested parties in
8 any future planning discussions, including, but not limited to
9 short-term and long-term plans, objectives and goals, regarding the
10 future of JEA to enable its ratepayers, the public, interested
11 stakeholders and other interested parties to fully participate in
12 such planning discussions to the greatest extent reasonably
13 practicable. Examples of ways for JEA to fully engage and inform
14 its ratepayers, the public, interested stakeholders, and other
15 interested parties pursuant to this section may include, but not be
16 limited to, hosting town hall meetings and JEA workshops and
17 proactively making information regarding such discussions available
18 to its ratepayers, the public, and other interested parties.

19 **Sec. ~~21.11~~ 21.13. - Legislative authority of council.**

20 * * *

21 **Sec. ~~21.12~~ 21.14. - Severability.**

22 * * *

23 **Section 3. Proviso language regarding 2020-100-E.** Section
24 21.03(a) herein includes language which requires voter approval of
25 Ordinance 2020-100-E. The referendum will be voted upon on November
26 3, 2020. Should the language not be approved by the voters, the
27 language for 21.03(a) shall read as follows:

28 **CHARTER AND RELATED LAWS**

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

30 * * *

31 **ARTICLE 21. JEA**

1 * * *

2 **Sec. 21.03. - Composition; compensation; officers; meetings.**

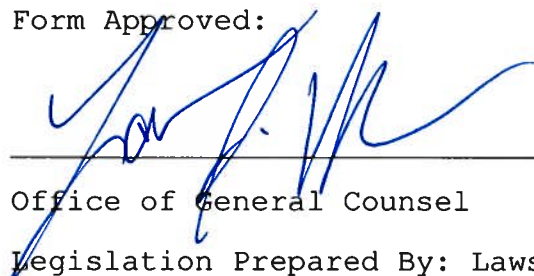
3 (a) Composition; qualifications; removal. The governing body of
4 JEA shall consist of seven members, appointed by the mayor,
5 subject to confirmation by the council for a term of four
6 years or until such member's successor has been appointed and
7 has qualified. To the extent feasible and regarding member
8 appointments generally, individuals who have demonstrated
9 corporate, executive or administrative experience working in
10 public or private organizations, including, but not limited
11 to, non-profit and government organizations, are preferred,
12 but not required, to serve on the governing body of JEA. Each
13 member shall have been a resident and elector of the city for
14 at least six consecutive months prior to such member's
15 appointment. No member shall hold any other public office or
16 position. If at any time during a member's tenure on the
17 governing body of JEA, such member shall cease to possess the
18 qualifications required for membership on the governing body
19 of JEA, such member shall cease to be a member and a vacancy
20 shall exist on JEA. Any vacancy on the governing body of JEA,
21 however created, shall be filled for the unexpired term in the
22 same manner as the position was originally filled, and the
23 person filling the vacancy shall have and shall retain all the
24 qualifications prescribed for membership on JEA. Any member
25 appointed to the governing body of JEA for two consecutive
26 full terms shall not be eligible for the succeeding term. The
27 members appointed by the mayor may be removed by the mayor at
28 any time with or without cause, but a removal must be approved
29 by a two-thirds vote of the council.

30 * * *

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

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

8
9 Form Approved:

10 
11 _____
12 Office of General Counsel

13 Legislation Prepared By: Lawsikia J. Hodges

14 GC-#1377272-v2-Article_21_(JEA)_Omnibus_Refinement_Bill_(final_7_22_2020)

Section 21.03. - Composition; compensation; officers; meetings.

- (a) The governing body of JEA shall consist of 7 members, appointed by the mayor, subject to confirmation by the council, for a term of 4 years or until such member's successor has been appointed and has qualified. Each member of JEA shall have been a resident and elector of the city for at least 6 consecutive months prior to such member's appointment. No member of JEA shall hold any other public office or position. If at any time during a member's tenure on JEA, such member shall cease to possess the qualifications required for membership on JEA, such member shall cease to be a member and a vacancy shall exist on JEA. Any vacancy on JEA, however created, shall be filled for the unexpired term in the same manner as the position was originally filled, and the person filling the vacancy shall have and retain all the qualifications prescribed for membership on JEA. Any member appointed to JEA for 2 consecutive full terms shall not be eligible for the succeeding term. The members may be removed by the mayor at any time with or without cause, but a removal must be approved by a two-thirds vote of the council.
- (b) The members of JEA shall not be entitled to compensation, pension, or other retirement benefits on account of service on JEA, but members and employees shall be entitled to payment of reasonable expenses as provided by the council. Members of JEA shall be subject to the provisions of s. 286.012, Florida Statutes, relating to voting at meetings of JEA, and to the provisions of ss. 112.311 through 112.3175, inclusive, Florida Statutes, as from time to time amended, relating to financial disclosure and conflicts of interest.
- (c) JEA shall elect a chairperson, vice-chairperson and secretary and may elect one or more assistant secretaries, each of whom shall serve for one year or until such officer's successor is chosen. JEA may meet at such times and places designated by it but shall hold regular meetings as necessary, and generally once a month. Special meetings may be held upon the call of the chairperson or any 3 members of JEA. A majority of the membership shall constitute a quorum for the purpose of meeting and transacting business. Each member of JEA shall have one vote. JEA may adopt bylaws and make rules and regulations not inconsistent with this article or general law.

(Laws of Fla., Ch. 75-538, § 1; Laws of Fla., Ch. 80-515, § 1; Ord. 83-693-582, § 1; Ord. 84-1307-754, § 25; Laws of Fla., Ch. 92-341, § 1; Ord. 93-82-1385, § 1; Ord. 98-253-E, § 1; Ord. 2016-764-E, § 2)

Section 21.08. - Employees.

All employees of the utilities system shall be employees of JEA and shall be subject to articles 16 and 17 unless otherwise provided by the council, which shall be and continue to be the legislative body as provided in section 447.203(10), Florida Statutes. JEA shall be fully responsible for the administration and operation of all utility services as set out in this article and in order to meet its administrative and operational responsibilities, JEA shall have full and independent authority to hire, transfer, promote, discipline, terminate and evaluate employees engaged to provide any and all of the utilities services for which it is responsible and accordingly, consistent with the provisions of article 17, JEA may establish employment policies relating to hiring, promotion, discipline and termination, and other terms and conditions of employment, and enter into negotiations with employee organizations with respect to wages, hours and terms and conditions of employment and take such other employment related action as needed to assure effective and efficient administration and operation of the utilities system. In order to effectively implement the foregoing, JEA shall perform all functions with regard to its own employees that are performed by the City department or division which oversees city employees in regard to personnel matters. JEA, at its expense, shall provide accidental death benefits for all employees engaged in hazardous duty as determined by JEA, in the amount of \$50,000 payable to the beneficiary named by the employee, or as otherwise provided, in the event said employee dies as a result of an accident occurring to any employee in the course of his/her employment. Nothing contained in this section 21.08 shall be construed to supersede or repeal any provision of section 12 of Chapter 80-513, Laws of Florida, as amended.

(Laws of Fla., Ch. 78-538, § 1; Laws of Fla., Ch. 80-515, § 1; Ord. 84-1307-754, § 25; Ord. 87-203-345, § 1; Laws of Fla., Ch. 92-341, § 1; Ord. 97-12-E, § 2; Ord. 98-253-E, § 1; Ord. 2011-732-E; Ord. 2015-764-E, § 3)

Editor's note— Ordinance 2007-839-E, § 18, authorized updated department/division names pursuant to reorganization.

Section 21.09. - Awards of contracts.

- (a) JEA shall not be subject to the provisions of Chapter 126, Ordinance Code of the City of Jacksonville, as the same may be amended from time to time, however, JEA in entering into any contracts relating to the construction, reconstruction, repair, operation or maintenance of the utilities system or the purchase of supplies, equipment, machinery and materials for the utilities system or the contracting or otherwise purchasing for any advisory, professional or any other services may establish such rules, regulations or procedures as it may deem desirable or necessary in connection therewith. In the absence of such specific authority, rules, regulations or procedures, JEA shall follow the provisions of Chapter 126 of the Ordinance Code of the City of Jacksonville, as the same may be amended from time to time. JEA shall have the right to reject any and all bids, in whole or in part, in the best interests of JEA. Nothing in this chapter shall be construed to limit the power of JEA to construct, repair, or improve the utilities system, or any part thereof, or any addition, betterment or extension thereto, directly by the officers, agents, and employees of JEA, or otherwise by contract. JEA is authorized to implement and to take all actions necessary to administer a purchasing and procurement program directed to Minority Business Enterprises including, but not limited to, prime contractors, subcontractors, consultants, subconsultants, and suppliers. Any such Minority Business Enterprise program shall be implemented by JEA to remedy discrimination or the present effects of past discrimination, if any, suffered by Minority Business Enterprises in the business community in the area served by JEA. For purposes of this chapter, the term "Minority Business Enterprise" shall be defined by JEA and shall include, at a minimum, those business entities that are legitimately owned, operated and controlled by persons who have been shown to have been discriminated against or who suffer from the present effects of past discriminations, if any, in the business community in the area served by JEA. Such program shall be used to redress and remedy discrimination or the present effects of past discrimination, if any, as may be determined by JEA, and which are shown to have been suffered by Minority Business Enterprises, in the business community in the area served by JEA.
- (b) No member of JEA or officer or employee thereof shall either directly or indirectly be a party to, or be in any manner interested in, any contract or agreement with JEA for any matter, cause or thing whatsoever in which such member shall have a financial interest or by reason whereof any liability or indebtedness shall in any way be created against JEA. If any contract or agreement shall be made in violation of the provisions of this section the same shall be null and void and no action shall be maintained thereon against JEA.

(Laws of Fla., Ch. 78-538, § 1; Laws of Fla., Ch. 80-515, § 1; Ord. 80-113-169, § 1; Ord. 81-921-490, § 2; Ord. 84-1307-754, § 25; Ord. 84-229-307, § 1; Ord. 86-1475-875, § 1; Ord. 88-989-705, § 1; Ord. 91-678-447, § 1; Laws of Fla., Ch. 92-341, § 1; Ord. 93-82-1385, § 1; Ord. 97-12-E, § 2; Ord. 98-253-E, § 1)