

1 The Transportation, Energy and Utilities Committee offers the
2 following Substitute to File No. 2020-419:

3
4 Introduced by Council Member Boylan and Co-sponsored by Council
5 Members Bowman, DeFoor, Dennis, Ferraro, Priestly Jackson, Salem,
6 Wilson, Pittman, Dennis, Morgan, Hazouri, Newby, Diamond, Gaffney
7 and Carrico:

8
9 **ORDINANCE 2020-419**

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

30
31 **BE IT ORDAINED** by the Council of the City of Jacksonville:

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7 which is attached hereto as **Exhibit 1**, are hereby repealed in their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

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

12 **CHARTER AND RELATED LAWS**

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

14 * * *

15 **ARTICLE 21. JEA**

16 **Sec. 21.01. - JEA created and continued; audits.**

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

1 respect to electric, water, sewer, natural gas and such other
2 ~~utilities~~ utility system which are now, in the future could
3 be, or could have been but for this article, exercised by the
4 City of Jacksonville. JEA created and established by this
5 article is the same Jacksonville Electric Authority previously
6 created and established by ~~chapter~~ Chapter 67-1569, Laws of
7 Florida, as amended, (including as added to Chapter 67-1320,
8 Laws of Florida by Chapter 78-538, Laws of Florida and, as
9 amended and readopted by Chapters 80-515, and 92-341, Laws of
10 Florida) and, except as otherwise provided or authorized by
11 this article, JEA shall continue to function under this
12 article the same as it previously functioned under ~~chapter~~
13 Chapter 67-1569, Laws of Florida, as amended (including as
14 added to Chapter 67-1320, Laws of Florida by Chapter 78-538,
15 Laws of Florida and, as amended and readopted by Chapters 80-
16 515 and 92-341, Laws of Florida).

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

19 **Sec. 21.02. - Definitions.**

20 In the interpretation of this article, unless the context
21 otherwise requires:

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

1 21.04(v) herein.

2 (b) The term "member" means a member of JEA an individual
3 confirmed by the council to serve on the governing body of JEA
4 pursuant to this article.

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

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

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

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

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

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

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

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

30 (b) *Compensation; applicable laws.* Members shall not be entitled
31 to pension or other retirement benefits on account of service

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

18 (c) *Officers; meetings; quorum; governing documents.* The governing
19 body of JEA shall elect a chairperson, vice-chairperson and
20 secretary of JEA and may elect one or more assistant
21 secretaries of JEA, each of whom shall serve for one year or
22 until such officer's successor is chosen. JEA may meet at such
23 times and places designated by the governing body of JEA and
24 shall hold regular meetings as necessary. Generally, JEA shall
25 meet once a month, but in no event less than eight (8) times a
26 year. Special meetings may be held upon the call of the
27 chairperson or any three (3) members. JEA meetings shall be
28 subject to section 286.011 (Florida Open Meetings Laws),
29 Florida Statutes, as amended. A majority of the membership
30 shall constitute a quorum for the purpose of meeting and
31 transacting business. Each member shall have one vote. The

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

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

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

1 conspicuous manner on JEA's official website; (ii) promptly
2 post meeting minutes generally within 72 hours after each
3 meeting; and (iii) provide the timeframe for when an agenda
4 and any meeting materials must be made available to the public
5 in advance of such meetings. Such procedural rules should also
6 require JEA to deliver copies of its meeting agendas,
7 including regular, special and committee meeting agendas, and
8 any meeting materials related thereto, to the council auditor
9 in substantially the same timeframe and content as provided to
10 members. Nothing in this subsection shall prohibit JEA from
11 amending previously published meeting agendas and meeting
12 materials in accordance with its bylaws, board policy manual,
13 or other applicable governing documents.

14 **Sec. 21.04. - Powers.**

15 JEA shall have the following powers, in addition to powers
16 otherwise conferred:

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

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

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

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

1 authority for the function of stormwater runoff and
2 drainage management-;

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

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

30 The right of eminent domain conferred herein shall be
31 exercised by JEA in the manner provided by law. If JEA leases

1 any real property to another agency, firm, corporation,
2 entity, or individual, it shall cause a memorandum of said
3 lease or leases to be recorded in the official records with
4 the clerk of the circuit court ~~as a matter of public record.~~
5 where the property is located. For any real property that
6 exceeds either an assessed value or just market value of
7 \$50,000 as determined by the property appraiser of the county
8 where the real property is located, JEA shall not sell such
9 real property for less than the appraised value as ~~recorded by~~
10 ~~the property appraiser for Duval County~~ certified by an MAI
11 certified appraiser, unless approved by the council. ~~If there~~
12 ~~is no recorded appraised value,~~ then JEA shall request the
13 ~~property appraiser for Duval County to provide an appraisal~~
14 ~~prior to the sale of the real property.~~

15 Regarding any real property interests acquired or disposed of
16 by JEA pursuant to this subsection, the governing body of JEA
17 shall approve real estate rules and procedures and any
18 amendments thereto governing the reporting, acquisition, sale,
19 purchase, lease, license, transfer, and disposition of real
20 property. Such real estate rules and procedures shall not be
21 inconsistent with this article, including, but not limited to,
22 the express prohibitions set forth in section 21.11 herein.
23 The governing body of JEA shall review its real estate rules
24 and procedures no less than biennially. The governing body of
25 JEA shall not delegate its approval authority of such real
26 estate rules and procedures, including any amendments thereto,
27 to the managing director or any other officer, employee or
28 agent of JEA. JEA shall post such real estate rules and
29 procedures, including any amendments thereto, on JEA's website
30 in a conspicuous manner for the public to view.

31 * * *

1 (e) To enter into contracts with any person or entity, public or
2 private, deemed necessary or desirable by JEA in connection
3 with carrying out its powers and duties, except as otherwise
4 prohibited in this article or the charter.

5 * * *

6 (g) To sue and be sued, implead and be impleaded, complain and
7 defend in all courts, to adopt and use a corporate seal, to
8 apply for, hold and own patents and copyrights, to sell or
9 license patents, copyrights, patented or copyrighted materials
10 to other public or private entities. Prices or fees for such
11 sales or licensing may be based upon market considerations.
12 JEA may designate how proceeds from such sales or licensing
13 shall be used. Prices or fees for the sale of copyrighted data
14 processing software, as defined in section ~~119.083~~ 119.011,
15 Florida Statutes, shall be established pursuant to section
16 ~~119.083~~ 119.084, Florida Statutes, as amended.

17 * * *

18 (n) To enter into joint project agreements as provided by part II
19 of chapter 361, Florida Statutes, as amended, for the purpose
20 of implementing a project, as such term is defined in Part II
21 of Chapter 361, Florida Statutes. A copy of all such joint
22 project agreements shall be filed with the council, the
23 council auditor, and the mayor at least thirty days prior to
24 the effective date of the agreement. Anything in this
25 provision to the contrary notwithstanding, (i) any joint
26 project agreement that involves a transfer of ~~any~~ the electric
27 system, function or operation that ~~comprises more than ten~~
28 ~~percent of the total of the utilities system by sale, lease or~~
29 ~~otherwise to any other utility, public or private,~~ is subject
30 to the requirements and limitations of section 21.11 herein or
31 (ii) any joint project agreement that involves the issuance of

1 debt not previously authorized by ~~s.~~ section 21.04(i)(2)
2 herein, shall require prior approval of the council.

3 (o) To enter into agreements with one or more other electric
4 utilities, public or private, and related contracts with
5 respect to joint electric power projects as provided in
6 section 2 of ~~chapter~~ Chapter 80-513, Laws of Florida, as
7 amended. The provisions of said ~~chapter~~ Chapter 80-513 shall
8 govern and control JEA in all respects in the carrying out of
9 a joint electric power project authorized thereunder
10 notwithstanding any provision of the charter or of the
11 Ordinance Code of the City of Jacksonville which may be in
12 conflict therewith.

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

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

1 products or activities developed or used by JEA in
2 accordance with this subsection (p) at a duly noticed
3 meeting. The governing body of JEA shall not delegate its
4 approval authority under this subsection to the managing
5 director or any other officer, employee or agent of JEA.

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

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

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

1 regarding such additional service or product concurrent
2 with the required council auditor notice provided herein.

3 (4) Annual report. JEA shall provide a comprehensive annual
4 written report to the mayor, council, and council auditor
5 regarding all services, products, or by-products developed
6 or used by JEA pursuant to this subsection (p). JEA shall
7 post such written report on JEA's website in a conspicuous
8 manner for the public to view.

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

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

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

29 (2) Upon ~~the unanimous~~ approval of the ~~Board~~ governing body of
30 JEA, and a ~~two-thirds~~ vote of the ~~City Council~~, to collect
31 monthly or one-time voluntary contributions from customers

1 and ratepayers, for a charitable, scholastic, or public
2 service community giving program. Contributions from any
3 such program shall be passed through to an appropriate
4 non-profit entity for administration and distribution and
5 shall not be administered by JEA. The results of such
6 giving program shall be reported annually each July 1st to
7 the ~~Council~~ council.

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

20 * * *

21 (s) Except as otherwise prohibited herein, to ~~To~~ delegate any act
22 authorized pursuant to this article to any officer, employee
23 or agent of JEA as it may deem necessary or desirable for the
24 prudent management of JEA.

25 * * *

26 (v) If JEA determines that it is necessary or appropriate for it
27 to provide, operate or maintain any other utility system or
28 function other than electric, water wastewater and natural
29 gas, JEA shall by resolution identify such additional utility
30 system or systems or function or functions and indicate its
31 desire to provide such utility service or services or function

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

28 * * *

29 (x) To coordinate carefully with the Department of Public Works of
30 the City of Jacksonville, ~~and~~ the Jacksonville Transportation
31 Authority, and other independent agencies, the planning and

1 execution of engineering and construction projects involving
2 underground work and streets and highways to seek to minimize
3 the total cost of such projects and to reduce disruption to
4 the citizens of the city to the maximum extent possible.

5 (y) To expend JEA funds up to ~~one and one-half (1.5)~~ one (1%)
6 percent of the prior year's gross revenues to promote the
7 efficient use of JEA's services through public education
8 including exhibits, conferences, displays, tours and other
9 events customary to the utilities industry and also to
10 publicize, advertise and promote the ~~objects~~ objectives of
11 this article and to promote the objectives of JEA all in the
12 manner set forth by resolution of JEA. Accordingly, JEA may
13 expend its funds to make known to the users, potential users
14 and public in general the advantages, facilities, resources,
15 products, attractions and attributes of the services provided
16 by JEA and to further create a favorable climate of opinion
17 concerning the activities and projects authorized and
18 indicated by this article. JEA may also, to the extent
19 permitted by the laws of the State of Florida, expend funds in
20 cooperative efforts to and with other agencies, both public
21 and private, in accomplishing the purposes enumerated and
22 indicated by this article; and in furtherance thereof. JEA may
23 also authorize reasonable expenditures for any and all of the
24 purposes herein enumerated, including but not limited to,
25 ~~meals, hospitality and entertainment of persons~~ reasonable
26 food and beverage expenditures in the interest of promoting
27 and engendering good will toward the activities and projects
28 herein authorized. Whenever an expenditure of funds for any of
29 the foregoing purposes is made by a member or employee of JEA,
30 JEA may reimburse such member or employee therefor, but only
31 after such expenditures have been duly authorized by JEA or

1 its managing director if so delegated to do so. JEA will
2 provide a list of proposed promotional expenditures ~~each~~ for
3 the current fiscal year to the council auditors on or before
4 December 31st of each fiscal year. The spending limitation on
5 promotional expenditures set forth in this subsection shall
6 not apply to a newly approved utility system, function or
7 utility service under subsection (v) herein and newly approved
8 additional services or products under subsection (p) herein.
9 For purposes of this subsection "newly approved" shall mean
10 within seven years of the approval date by council for matters
11 subject to the provisions of subsection (v) or by the
12 governing body of JEA for matters subject to the provisions of
13 subsection (p), as applicable. All funds expended by JEA as
14 reimbursement for travel expenses shall be subject to Chapter
15 106, Part 7, of the Ordinance Code of the City of
16 Jacksonville, as amended. JEA shall not exercise any powers
17 pursuant to this subsection to promote the privatization,
18 sale, transfer or reorganization of JEA as expressly
19 prohibited in section 21.11 herein or otherwise in this
20 article or the charter.

21 * * *

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

29 * * *

30 (ff) Subject to the prior approval of the governing body of JEA,
31 to:

- 1 (1) Transfer to an entity by sale, lease, assignment or
2 other disposition of up to, but not more than, the net
3 capital assets calculation (as defined in Section 21.11)
4 of an included system, or the management, function, or
5 operation of any portion of an included system which
6 comprises more than the net capital assets calculation
7 of such included system;
- 8 (2) Explore, investigate or consummate a reorganization of
9 JEA, or JEA's governance structure in a manner that
10 would affect JEA's ownership or management control of up
11 to, but not more than, the net capital assets
12 calculation (as defined in Section 21.11) of an included
13 system;
- 14 (3) Sell, lease, assign or otherwise transfer less than .01
15 or one percent (1%) of the service territory (as
16 calculated in Section 21.11(d)) of a JEA included system
17 to any entity; and
- 18 (4) Sell, lease, assign or otherwise transfer less than .01
19 or one percent (1%) of JEA's electric, water, or
20 wastewater, customer accounts (as calculated in Section
21 21.11(d)) based on the latest available JEA monthly
22 financial statements.

23 For purposes of this subsection and as applicable, terms and
24 phrases used in this subsection shall have the meaning
25 ascribed to them in section 21.11 herein. This subsection
26 (ff) is subject to the limitations and prohibitions on
27 privatization, sale, reorganization, and service territory
28 transfers set forth in Section 21.11

29 **Sec. 21.05. - Construction.**

30 ~~The powers of JEA shall be construed liberally in favor of JEA.~~
31 ~~No listing of powers included in this article is intended to be~~

1 ~~exclusive or restrictive and the specific mention of, or failure to~~
2 ~~mention, particular powers in this article shall not be construed~~
3 ~~as limiting in any way the general powers of JEA as stated in~~
4 ~~Section 21.04. It is the intent of this article to grant to JEA~~
5 ~~full power and right to exercise all authority necessary for the~~
6 ~~effective operation and conduct of JEA. It is further intended that~~
7 ~~JEA should~~ In addition to the express powers granted in this
8 article, JEA shall have all implied powers necessary or incidental
9 to carrying out the expressed powers and the expressed purposes for
10 which JEA is created. The express powers granted to JEA in this
11 article shall be strictly construed, and the implied powers granted
12 to JEA in this section shall be strictly construed in relation to
13 the relevant and applicable express power granted to JEA in this
14 article. The fact that this article specifically states that JEA
15 possesses a certain power does not mean that JEA must exercise such
16 power unless this article specifically so requires. JEA's power to
17 levy special assessments shall not be deemed to be the power to
18 levy taxes.

19 * * *

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

21 JEA shall have fiscal and budgetary functions, subject to the
22 limitations herein expressed:

23 * * *

24 (h) JEA shall not be required to utilize the personnel, motor
25 pool, purchasing, communication or information systems
26 services of the city. By mutual agreement of JEA and the city
27 such services may be provided from one party to the other but
28 only on a cost-accounted basis. JEA shall be required to use
29 the legal services of the city on a cost-accounted basis
30 except in those cases when the chief legal officer of the city
31 determines that the city legal staff cannot or should not

1 provide legal services in the required legal area. JEA shall
2 appropriate the funds necessary to meet the obligations for
3 outside legal services as determined by the ~~chief legal~~
4 ~~officer~~ general counsel of the city. ~~Such chief legal officer~~
5 The general counsel shall consult with JEA before he or she
6 selects outside counsel.

7 * * *

8 (j) ~~JEA shall employ and fix the compensation of the managing~~
9 ~~director, who shall manage the affairs of the utilities system~~
10 ~~under the supervision of JEA. The entire working time of such~~
11 ~~managing director shall be devoted to the performance of the~~
12 ~~duties of such office and the managing director shall have no~~
13 ~~outside employment or business. The managing director shall be~~
14 ~~a graduate of an accredited college or university, or have at~~
15 ~~least ten years' managerial experience in a consumer-oriented~~
16 ~~industry or comparable enterprise. JEA may appoint and fix the~~
17 ~~compensation of 48 staff assistants to the managing director,~~
18 ~~to serve at the pleasure of JEA. JEA shall employ and fix the~~
19 ~~compensation of the department heads, deputy directors of~~
20 ~~departments, division chiefs and assistant division chiefs of~~
21 ~~the utilities system. JEA may adopt position titles different~~
22 ~~from those recited herein, consistent with utility industry~~
23 ~~practice. The managing director, department heads, deputy~~
24 ~~directors of departments, staff assistants, division chiefs~~
25 ~~and assistant division chiefs shall not be included within the~~
26 ~~civil service system of the city. JEA may employ such~~
27 ~~certified public accountants, consultants and other employees~~
28 ~~for special purposes, not within the civil service system, as~~
29 ~~it may require, and fix and pay their compensation. Whenever~~
30 ~~used in this s. 21.07(i), "compensation" shall mean both~~
31 ~~salary and benefits, exclusive of city pension benefits. All~~

1 ~~personnel appointed by JEA pursuant to this s. 21.07(i) shall~~
2 ~~participate in the City of Jacksonville pension plan in the~~
3 ~~same manner as other employees of JEA who participate in such~~
4 ~~plan. However JEA shall have the option to establish an~~
5 ~~employee deferred compensation program separate from the~~
6 ~~city's employee deferred compensation program~~ Reserved.

7 * * *

8 (m) When JEA is in receipt of a request for information from the
9 council auditor pursuant to the authority of the council
10 auditor under Section 5.10 of the charter, it shall, within
11 two business days of receipt of the request, 1) acknowledge
12 receipt of the request by electronic mail to the council
13 auditor, and 2) submit to the council auditor an estimated
14 timeframe for which the information requested will be
15 available to the council auditor for review. If the
16 information requested by the council auditor is not within the
17 purview of JEA or JEA is unsure of the request or unfamiliar
18 with the information that is requested, it should provide such
19 explanation in its response to the council auditor.

20 **Sec. 21.08. - Employees generally; managing director; employment**
21 **contract restrictions.**

22 (a) Generally. All employees of the utilities systems shall be
23 employees of JEA and shall be subject to Articles 16 and 17 of
24 the charter unless otherwise provided by the council, which
25 shall be and continue to be the legislative body as provided
26 in section 447.203(10), Florida Statutes, as amended. JEA
27 shall be fully responsible for the administration and
28 operation of all utility services as set out in this article
29 and in order to meet its administrative and operational
30 responsibilities, JEA shall have full and independent
31 authority to hire, transfer, promote, discipline, terminate

1 and evaluate employees engaged to provide any and all of the
2 utilities services for which it is responsible and
3 accordingly, consistent with the provisions of Article 17 of
4 the charter, JEA may establish employment policies relating to
5 hiring, promotion, discipline and termination, and other terms
6 and conditions of employment, and enter into negotiations with
7 employee organizations with respect to wages, hours and terms
8 and conditions of employment and take such other employment
9 related action as needed to assure effective and efficient
10 administration and operation of the utilities systems. In
11 order to effectively implement the foregoing, JEA shall
12 perform all functions with regard to its own employees that
13 are performed by the City department or division which
14 oversees city employees in regard to personnel matters. JEA,
15 at its expense, shall provide accidental death benefits for
16 all employees engaged in hazardous duty as determined by JEA,
17 in the amount of \$50,000 payable to the beneficiary named by
18 the employee, or as otherwise provided, in the event said
19 employee dies as a result of an accident occurring to any
20 employee in the course of his/her employment. Nothing
21 contained in this section shall be construed to supersede or
22 repeal any provision of section 12 of Chapter 80-513, Laws of
23 Florida, as amended.

24 (b) *Managing Director.* The governing body of JEA shall employ and
25 fix the compensation of the managing director, who shall serve
26 at the pleasure of the governing body of JEA. The managing
27 director shall manage the affairs of the utilities systems
28 under the supervision of the governing body of JEA. The entire
29 working time of such managing director shall be devoted to the
30 performance of the duties of such office and the managing
31 director shall have no outside employment. Subject to the

1 approval of the governing body of JEA, the managing director
2 may engage in or have unrelated business interests so long as
3 such business interests do not interfere with the managing
4 director's duties as provided herein. The managing director
5 shall be a graduate of an accredited college or university,
6 and have at least five years executive experience within the
7 utilities industry. The managing director shall have a
8 fiduciary duty of loyalty, fidelity, and allegiance to act at
9 all times in the best interests of JEA and will act in a
10 manner consistent with the responsibilities of this article
11 and other policies, rules and regulations governing the
12 conduct of JEA employees. The managing director's employment
13 agreement, if any, shall be subject to the provisions of
14 subsection (d) below.

15 (c) *Other Employees.* The governing body of JEA may appoint and fix
16 the compensation of staff assistants to the managing director,
17 to serve at the pleasure of the governing body of JEA. JEA
18 shall employ and fix the compensation of the department heads,
19 deputy directors of departments, division chiefs and assistant
20 division chiefs of the utilities systems. JEA may adopt
21 position titles different from those recited herein,
22 consistent with utility industry practice. The managing
23 director, department heads, deputy directors of departments,
24 staff assistants, division chiefs and assistant division
25 chiefs shall not be included within the civil service system
26 of the city. The managing director may employ such certified
27 public accountants, consultants and other employees for
28 special purposes, not within the civil service system, as it
29 may require, and fix and pay their compensation. Whenever used
30 in this section 21.08, "compensation" shall mean both salary
31 and benefits, exclusive of any city retirement benefits

1 pursuant to Article 16 of the charter.

2 (d) Employment contract restrictions. JEA may have an employment
3 contract with the managing director only. The managing
4 director's employment contract shall be approved by the
5 governing body of JEA. Nothing in this subsection, or in any
6 employment agreement entered into pursuant to this subsection,
7 may be construed as a guarantee of employment for the managing
8 director at any time, or for any length of time. At a
9 minimum, the managing director's employment contract shall
10 satisfy the following requirements:

11 (1) The contract term, including any renewal term, shall not
12 exceed five (5) years;

13 (2) The amount of severance pay, if any, shall not exceed the
14 amounts allowed under Florida law and shall not be
15 permitted if the managing director is terminated for
16 cause or terminated for misconduct, as defined in section
17 443.036(29), Florida Statutes, as amended;

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

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

25 (5) JEA shall not be required to pay for or provide legal
26 counsel to the managing director beyond the legal counsel
27 required of the Office of General Counsel pursuant to the
28 charter or general law;

29 (6) The contract shall contain a provision that the managing
30 director serves at the pleasure of the governing body of
31 JEA and may be terminated without cause at any time, and

1 such provision may provide for not more than 30 days
2 advance notice to the managing director of such
3 termination without cause;

4 (7) The contract may contain a provision for termination of
5 the managing director for cause, provided that "cause"
6 shall be defined consistent with the definition of cause
7 as contained in Rule 9.05(a) of the Civil Service and
8 Personnel Rules and Regulations of the City of
9 Jacksonville;

10 (8) All compensation terms shall be reasonable and customary
11 and similar to other public utilities comparable to JEA
12 when taking into account the size of JEA's territory
13 area, employee workforce, and utility systems; and

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

16 Any managing director employment contract entered into by JEA
17 that does not satisfy the minimum requirements above shall be
18 null and void.

19 (e) Pension Plan; Defined Contribution Plan; Deferred
20 Compensation Plan. All personnel appointed by JEA pursuant
21 to this section shall participate in one of the city's
22 retirement plans, as governed by the rules and requirements
23 of such retirement plans and in the same manner as other
24 JEA employees who participate in such plan. JEA is
25 authorized to maintain a separate single tax-qualified
26 defined contribution program pursuant to Section 401(a) of
27 the Internal Revenue Code of 1986, as amended, for its
28 employees that is supplemental to any city defined
29 contribution program. Additionally, JEA is authorized to
30 maintain a separate single eligible deferred compensation
31 program pursuant to Section 457(b) of the Internal Revenue

1 Code of 1986, as amended, for its employees that is
2 supplemental to any city deferred compensation
3 program. Such programs shall be approved by the governing
4 body of JEA and shall be subject to and comply with all
5 federal and state laws applicable to deferred compensation
6 and defined contribution programs for public or government
7 employees, including, but not limited to, the Internal
8 Revenue Code of 1986, as amended, section 112.215, Florida
9 Statutes, as amended, and Part VII, Chapter 112, Florida
10 Statutes. JEA shall periodically provide the council
11 auditor with a written report regarding such deferred
12 compensation and defined contribution programs. JEA shall
13 post such written report on JEA's website in a conspicuous
14 manner for the public to view.

15 (f) *Employee Bonus Program.* JEA may implement or adopt an employee
16 bonus plan or program ("bonus program") for JEA employees
17 pursuant to section 215.425(3), Florida Statutes, as amended,
18 subject to the prior approval of the governing body of JEA.
19 The governing body of JEA shall approve such bonus program
20 annually for each fiscal year, and if a bonus program is
21 implemented in any fiscal year without first obtaining the
22 approval of the governing body of JEA, such program shall be
23 void. The governing body of JEA shall not delegate its
24 approval authority regarding a bonus program under this
25 subsection to the managing director or any other officer,
26 employee or agent of JEA. Such bonus program must comply with
27 section 215.425(3), Florida Statutes, as amended, the charter,
28 and other applicable laws. The governing body of the JEA
29 shall establish rules, procedures, and standards regarding
30 such bonus program. Additionally, JEA shall include a budget
31 line item and specific detailed plan regarding such bonus

1 program as an exhibit to its annual budget submission to
2 council. JEA shall also provide the council auditor with an
3 annual end of fiscal year written report on or before December
4 31st of each fiscal year regarding the disbursements related to
5 the bonus program. JEA shall post such written report on
6 JEA's website in a conspicuous manner for the public to view.

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

8 (a) Applicability. Unless otherwise provided herein, this
9 section shall apply to contracts entered into by JEA
10 pursuant to this article.

11 (b) Procurement generally.

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

21 (2) Procedures; governing body approval. JEA shall not be
22 required to follow the City's procurement procedures. JEA
23 may establish its own procurement procedures regarding the
24 purchase of goods, supplies, equipment, and services,
25 subject to applicable state law. JEA's procurement
26 procedures, including any amendments thereto, shall be
27 reviewed and approved by the governing body of JEA. The
28 governing body of JEA may not delegate its approval of the
29 procurement procedures, including any amendments thereto, to
30 the managing director or any other officer, employee or
31 agent of JEA. In the absence of JEA established procurement

1 procedures, JEA shall follow the city's procurement
2 procedures. JEA shall adhere to its procurement procedures
3 in entering into procurement contracts, including but not
4 limited to, contracts relating to the construction,
5 reconstruction, repair, operation or maintenance of the
6 utilities systems or the purchase of supplies, equipment,
7 machinery and materials for the utilities systems or the
8 contracting or otherwise purchasing for any advisory,
9 professional or other services necessary or incidental to
10 the operation of the utilities systems.

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

25 (4) Certain solicitation specifications and standards
26 prohibited; rejection of bids, proposals, and replies. JEA
27 should not develop solicitation specifications that are so
28 narrowly tailored to an entity or entities that other
29 qualified entities (i.e., bidders, respondents and vendors)
30 are precluded from participating in such solicitation.
31 Additionally, JEA should not develop standards that limit

1 open competition and preclude qualified entities (i.e.,
2 bidders, respondents and vendors) from participating in
3 solicitations. JEA shall have the right to reject any and
4 all bids, proposals, or replies, in whole or in part, in the
5 best interests of JEA.

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

18 (6) Transparency in procurement governing documents. The
19 procurement code and any procurement policies, operating
20 procedures, rules, directives, standards, and other
21 procurement governing documents, including any amendments
22 thereto, shall be posted on JEA's website in a conspicuous
23 manner for the public to view.

24 (7) Biennial review; annual report. JEA shall biennially review
25 its procurement procedures. JEA shall also prepare and
26 deliver a written report to the council and mayor on or
27 before December 31st of each fiscal year summarizing the
28 procurement contract awards for the immediately prior fiscal
29 year. Such written report shall contain at a minimum the
30 following information:

1 (i) The number of contract awards for the reporting
2 fiscal year;

3 (ii) A detailed listing of all contract awards
4 categorized by service type (e.g., construction,
5 professional, supplies, professional design
6 services), award type (e.g., single source,
7 emergency, request for proposal, invitation to
8 negotiate, piggyback, etc.) and a brief
9 description of each contract award containing the
10 contractor name, contract amount and procurement
11 method used;

12 (iii) The number of JSEB contract awards categorized by
13 service type (e.g., construction, engineering,
14 supplies, professional), award type (e.g., single
15 source, emergency, request for proposal,
16 invitation to negotiate, piggyback, etc.), and a
17 brief description of each contract award
18 containing the JSEB contractor name, contract
19 amount and procurement method used;

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

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

25 JEA shall post such written report on JEA's website in a
26 conspicuous manner for the public to view.

27 (8) Prohibition. JEA shall not exercise any powers pursuant to
28 this section to explore, investigate or consummate a
29 privatization, sale, transfer or reorganization of JEA as
30 expressly prohibited in section 21.11 herein or this
31 article.

1 (c) Contracts Generally.

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

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

22 (3) Audit. JEA shall require a person or entity providing
23 contractual services (e.g., construction services,
24 professional design services, or other contractual services)
25 purchased by JEA to agree and be deemed to have agreed by
26 virtue of doing business under contract with JEA to be
27 subject to audit by the council auditor's office pursuant to
28 Article 5 of the charter, as applicable. Additionally, JEA
29 shall include a provision in any contract entered into
30 pursuant to this article that such vendor or contractor
31 shall comply with all applicable federal, state and local

1 laws, rules and regulations as the same exist or as may be
2 amended from time to time.

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

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

29 (d) No limitation. Unless otherwise provided herein, nothing in this
30 section shall be construed to limit the power of JEA to
31 construct, repair, or improve the utilities systems or any part

1 thereof, or any addition, betterment or extension thereto.

2 * * *

3 **Sec. 21.11 - Privatization, sale, reorganization, service**
4 **territory transfers prohibited.**

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

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

8 "net capital assets" shall mean the net capital assets based
9 on the Combining Statement of Net Position in latest available
10 JEA annual financial statements for the appropriate Enterprise
11 Fund for each included system.

12 "net capital assets calculation" shall mean the net capital
13 assets for each included system multiplied by .10 or 10%. For
14 purposes of this section, the initial net capital asset
15 calculation for each included system shall be established
16 based on the September 30, 2020, audited financial statements.
17 The net capital assets calculation shall reset every five
18 years thereafter.

19 "calculation period" shall mean the five year period after the
20 net capital assets calculation is established during which the
21 cumulative impact on the net capital assets of the sale,
22 lease, assignment, other disposition, or the assignment of the
23 management function or operation of such portion of an
24 included system, shall be recorded.

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

27 "included system" shall mean the electric system and bulk
28 power supply system, and the water and sewer utility system
29 reported on the financial statements as the water and sewer
30 Enterprise Fund, owned, operated and managed by JEA.

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

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

1 during such exploration or investigation. The terms "explore"
2 and "investigate" as used in this subsection shall include,
3 but not be limited to, exploring or investigating in
4 connection with any strategic planning process undertaken by
5 JEA or any of its consultants or advisors.

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

14 (d) Prohibited service territory transfers. Any sale, lease,
15 assignment or other transfer of the service territory of a JEA
16 included system to any entity that will result in a total net
17 loss of .01 or 1% or more of the service territory or any
18 sale, lease, assignment, or transfer to any entity that will
19 result in a total net loss of .01 or 1% or more of JEA's
20 electric, water, or wastewater, customer accounts based on the
21 latest available JEA monthly financial statements shall
22 require council approval in advance. JEA shall not enter into
23 any agreement, contract, memorandum of understanding, letter
24 of intent or other arrangement that would exceed the .01 or 1%
25 or more threshold without obtaining council approval in
26 advance.

27 (e) Interlocal Agreements with St. Johns and Nassau Counties.
28 Nothing in this section shall prevent JEA from complying with
29 the terms and conditions of the interlocal agreements with St.
30 Johns County and Nassau County executed by the parties prior

1 to January 1, 2020, which include, but are not limited to, an
2 option to purchase the assets and service territory of JEA
3 within the respective counties without council or referendum
4 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. Codification Instructions.** The Codifier and
24 the Office of General Counsel are authorized and directed to make
25 all changes set forth herein to Article 21 (JEA), Charter of the
26 City of Jacksonville consistent with this legislation.

27 **Section 4. Effective Date.** This ordinance shall become
28 effective upon signature by the Mayor or upon becoming effective
29 without the Mayor's signature.

30 Form Approved:

1 /s/ Mary E. Staffopoulos
2 Office of General Counsel
3 Legislation Prepared By: Lawsikia J. Hodges
4 GC-#1403716-v1-TEU_Article_21_(JEA)_Omnibus_Refinement_Bill_(Substitute_-_11_30_2020).docx