

1 Introduced by Council Member Boylan and Co-sponsored by Council
2 Members Bowman, DeFoor, Dennis, Ferraro, Priestly Jackson, Salem
3 Wilson, Pittman, Morgan, Hazouri, Newby, Diamond, Freeman, R.
4 Gaffney, Becton and White:

5
6 **ORDINANCE 2020-419**

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

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

31 **Section 1. Repealing Sections 21.03 (Composition;**

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6 which is attached hereto as **Exhibit 1**, are hereby repealed in their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

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

11 **CHARTER AND RELATED LAWS**

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

13 * * *

14 **ARTICLE 21. JEA**

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

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

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

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

18 **Sec. 21.02. - Definitions.**

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

21 (a) The term "utilities systems" means the electric utility system
22 and the water and sewer utility system now operated by JEA
23 which shall include, except where inconsistent with Chapter
24 80-513, Laws of Florida, as amended, or where the context
25 otherwise requires, any "system" or "project" authorized
26 pursuant to the provisions of Chapter 80-513, Laws of Florida,
27 as amended and any natural gas utility system to be operated
28 in the future by JEA together with any other additional
29 utility systems as may be hereafter designated as a part of
30 the utilities systems operated by JEA as provided in section
31 21.04(v) herein.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

13 **Sec. 21.04. - Powers.**

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

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

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

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

26 (2) In connection with the collection, storage, treatment,
27 processing, disposal, transmission and distribution of
28 water and wastewater including, but not limited to, raw
29 water, potable water, non-potable water, chilled water and
30 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.

29 * * *

30 (e) To enter into contracts with any person or entity, public or
31 private, deemed necessary or desirable by JEA in connection

1 with carrying out its powers and duties, except as otherwise
2 prohibited in this article or the charter.

3 * * *

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

15 * * *

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

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

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

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

28 (1) JEA governing body approval. The governing body of JEA
29 shall approve in advance all services, products, by-
30 products or activities developed or used by JEA in
31 accordance with this subsection (p) at a duly noticed

1 meeting. The governing body of JEA shall not delegate its
2 approval authority under this subsection to the managing
3 director or any other officer, employee or agent of JEA.

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

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

30 (3) Required notice of additional services or products not
31 expressly listed in subsection (p)(2) above. JEA may

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

1 (4) Annual report. JEA shall provide a comprehensive annual
2 written report to the mayor, council, and council auditor
3 regarding all services, products, or by-products developed
4 or used by JEA pursuant to this subsection (p).

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

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

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

25 (2) Upon ~~the unanimous~~ approval of the ~~Board~~ governing body of
26 JEA, and a two-thirds vote of the City Council, to collect
27 monthly or one-time voluntary contributions from customers
28 and ratepayers, for a charitable, scholastic, or public
29 service community giving program. Contributions from any
30 such program shall be passed through to an appropriate
31 non-profit entity for administration and distribution and

1 shall not be administered by JEA. The results of such
2 giving program shall be reported annually each July 1st to
3 the ~~Council~~ council.

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

16 * * *

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

21 * * *

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

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

24 * * *

25 (x) To coordinate carefully with the Department of Public Works of
26 the City of Jacksonville, ~~and~~ the Jacksonville Transportation
27 Authority, and other independent agencies, the planning and
28 execution of engineering and construction projects involving
29 underground work and streets and highways to seek to minimize
30 the total cost of such projects and to reduce disruption to
31 the citizens of the city to the maximum extent possible.

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

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

15 * * *

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

23 * * *

24 (ff) Subject to the prior approval of the governing body of JEA,
25 to:

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

1 of such included system;

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

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

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

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

18 **Sec. 21.05. - Construction.**

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

1 to JEA in this section shall be strictly construed in relation to
2 the relevant and applicable express power granted to JEA in this
3 article. The fact that this article specifically states that JEA
4 possesses a certain power does not mean that JEA must exercise such
5 power unless this article specifically so requires. JEA's power to
6 levy special assessments shall not be deemed to be the power to
7 levy taxes.

8 * * *

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

10 JEA shall have fiscal and budgetary functions, subject to the
11 limitations herein expressed:

12 * * *

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

27 * * *

28 ~~(j) JEA shall employ and fix the compensation of the managing~~
29 ~~director, who shall manage the affairs of the utilities system~~
30 ~~under the supervision of JEA. The entire working time of such~~
31 ~~managing director shall be devoted to the performance of the~~

1 ~~duties of such office and the managing director shall have no~~
2 ~~outside employment or business. The managing director shall be~~
3 ~~a graduate of an accredited college or university, or have at~~
4 ~~least ten years' managerial experience in a consumer-oriented~~
5 ~~industry or comparable enterprise. JEA may appoint and fix the~~
6 ~~compensation of 48 staff assistants to the managing director,~~
7 ~~to serve at the pleasure of JEA. JEA shall employ and fix the~~
8 ~~compensation of the department heads, deputy directors of~~
9 ~~departments, division chiefs and assistant division chiefs of~~
10 ~~the utilities system. JEA may adopt position titles different~~
11 ~~from those recited herein, consistent with utility industry~~
12 ~~practice. The managing director, department heads, deputy~~
13 ~~directors of departments, staff assistants, division chiefs~~
14 ~~and assistant division chiefs shall not be included within the~~
15 ~~civil service system of the city. JEA may employ such~~
16 ~~certified public accountants, consultants and other employees~~
17 ~~for special purposes, not within the civil service system, as~~
18 ~~it may require, and fix and pay their compensation. Whenever~~
19 ~~used in this s. 21.07(i), "compensation" shall mean both~~
20 ~~salary and benefits, exclusive of city pension benefits. All~~
21 ~~personnel appointed by JEA pursuant to this s. 21.07(i) shall~~
22 ~~participate in the City of Jacksonville pension plan in the~~
23 ~~same manner as other employees of JEA who participate in such~~
24 ~~plan. However JEA shall have the option to establish an~~
25 ~~employee deferred compensation program separate from the~~
26 ~~city's employee deferred compensation program Reserved.~~

27 * * *

28 (m) When JEA is in receipt of a request for information from the
29 council auditor pursuant to the authority of the council
30 auditor under Section 5.10 of the charter, it shall, within
31 two business days of receipt of the request, 1) acknowledge

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

9 **Sec. 21.08. - Employees generally; managing director; employment**
10 **contract restrictions.**

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

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

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

1 manner consistent with the responsibilities of this article
2 and other policies, rules and regulations governing the
3 conduct of JEA employees. The managing director's employment
4 agreement, if any, shall be subject to the provisions of
5 subsection (d) below.

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

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

1 satisfy the following requirements:

- 2 (1) The contract term, including any renewal term, shall not
3 exceed five (5) years;
- 4 (2) The amount of severance pay, if any, shall not exceed the
5 amounts allowed under Florida law and shall not be
6 permitted if the managing director is terminated for
7 cause or terminated for misconduct, as defined in section
8 443.036(29), Florida Statutes, as amended;
- 9 (3) The contract shall not contain a mandatory consulting,
10 separation and transition, or similar agreement that is
11 operative due to the managing director's termination
12 without cause under the contract;
- 13 (4) JEA shall not be required to release, indemnify or hold
14 harmless the managing director against any claims except
15 as otherwise permitted by law;
- 16 (5) JEA shall not be required to pay for or provide legal
17 counsel to the managing director beyond the legal counsel
18 required of the Office of General Counsel pursuant to the
19 charter or general law;
- 20 (6) The contract shall contain a provision that the managing
21 director serves at the pleasure of the governing body of
22 JEA and may be terminated without cause at any time, and
23 such provision may provide for not more than 30 days
24 advance notice to the managing director of such
25 termination without cause;
- 26 (7) The contract may contain a provision for termination of
27 the managing director for cause, provided that "cause"
28 shall be defined consistent with the definition of cause
29 as contained in Rule 9.05(a) of the Civil Service and
30 Personnel Rules and Regulations of the City of
31 Jacksonville;

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

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

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

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

26 (f) Employee Bonus Program. JEA may implement or adopt an employee
27 bonus plan or program ("bonus program") for JEA employees
28 pursuant to section 215.425(3), Florida Statutes, as amended,
29 subject to the prior approval of the governing body of JEA.
30 The governing body of JEA shall approve such bonus program
31 annually for each fiscal year, and if a bonus program is

1 implemented in any fiscal year without first obtaining the
2 approval of the governing body of JEA, such program shall be
3 void. The governing body of JEA shall not delegate its
4 approval authority regarding a bonus program under this
5 subsection to the managing director or any other officer,
6 employee or agent of JEA. Such bonus program must comply with
7 section 215.425(3), Florida Statutes, as amended, the charter,
8 and other applicable laws. The governing body of the JEA
9 shall establish rules, procedures, and standards regarding
10 such bonus program. Additionally, JEA shall include a budget
11 line item and specific detailed plan regarding such bonus
12 program as an exhibit to its annual budget submission to
13 council. JEA shall also provide the council auditor with an
14 annual end of fiscal year report regarding the disbursements
15 related the bonus program.

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

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

20 (b) Procurement generally.

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

30 (2) Procedures; governing body approval. JEA shall not be
31 required to follow the City's procurement procedures. JEA

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

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

1 based on the required criteria and standards as set forth in
2 applicable federal and state laws.

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

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

27 (6) Transparency in procurement governing documents. The
28 procurement code and any procurement policies, operating
29 procedures, rules, directives, standards, and other
30 procurement governing documents, including any amendments

1 thereto, shall be posted on JEA's website in a conspicuous
2 manner for the public to view.

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

10 (i) The number of contract awards for the reporting
11 fiscal year;

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

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

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

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

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

8 (c) Contracts Generally.

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

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

29 (3) Audit. JEA shall require a person or entity providing
30 contractual services (e.g., construction services,
31 professional design services, or other contractual services)

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

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

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

1 shall in any way be created against JEA. If any contract or
2 agreement shall be made in violation of the provisions of
3 this section the same shall be null and void and no action
4 shall be maintained thereon against JEA.

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

9 * * *

10 **Sec. 21.11 - Privatization, sale, reorganization, service**
11 **territory transfers prohibited.**

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

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

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

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

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

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

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

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

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

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

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

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

1 Nothing in this section shall prevent JEA from complying with
2 the terms and conditions of interlocal agreements with St.
3 Johns County and Nassau County which include, but are not
4 limited to, an option to purchase the assets and service
5 territory of JEA within the respective counties without
6 council or referendum approval.

7 **Sec. 21.12. - Public engagement.**

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

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

22 * * *

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

24 * * *

25 **Section 3. Proviso language regarding 2020-100-E.** Section
26 21.03(a) herein includes language which requires voter approval of
27 Ordinance 2020-100-E. The referendum will be voted upon on November
28 3, 2020. Should the language not be approved by the voters, the
29 language for 21.03(a) shall read as follows:

30 **CHARTER AND RELATED LAWS**

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

1 * * *

2 **ARTICLE 21. JEA**

3 * * *

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

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

1 * * *

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

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

9
10 Form Approved:

11
12 /s/Lawsikia J. Hodges

13 Office of General Counsel

14 Legislation Prepared By: Lawsikia J. Hodges

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