

**Council Member Gay – Proposed Amendments to 2024-436  
(Peoples Gas Franchise Agreement)**

1. Revise the Franchise Agreement to require Peoples Gas to comply with the City’s “Local Business Participation” requirement.
2. Revise the Franchise Agreement to require Peoples Gas to provide a community notification to all property owners adjacent to where work will take place within the right-of-way which notification shall consist of the following:
  - a. Notification shall be made in the form of mailed notices, door hangers and signage at the project location.
  - b. Notification information shall include the project name, TECO/Peoples Gas contact information and the project manager’s contact information.
  - c. Notification shall also include information regarding the length of the project, hours during which work will be performed, and the permit information for the project.
3. Revise the Franchise Agreement to require Peoples Gas to retain a third-party inspection and oversight firm approved by the City’s Planning and Development Department for all projects performed in the rights-of-way that impact more than one residential property owner or any commercial or industrial business.

## **Proposed Amendments:**

### **Section 3: Term**

Except as provided in Section 15, the franchise hereby granted shall be for a period of ten (10) years from the Effective Date of this Agreement; provided, however, that the franchise will renew for two (2) successive ten (10) year terms upon review and approval by the City Council not less than 180 days prior to the expiration of the then current term. If either party elects not to renew the franchise, with or without cause, then the franchise shall expire upon the conclusion of the then-current term.

### **Section 6: Use of Streets**

The Distribution System shall be erected, placed, or laid in such manner as will, consistent with necessity, least interfere with other public uses of the Rights-of-way, and said Right-of-way shall not be unnecessarily obstructed. Except in an emergency situation, before the Company makes any excavation or disturbs the surface of any of the Rights-of-way, it shall make application for a permit to the appropriate City authority. City shall issue or, if applicable, deny permits within ten (10) business days of application by Company. In consideration of the franchise fees contemplated in this Agreement, City shall not charge Company any fees for the issuance of such permits. Company shall, with due diligence and dispatch, place such Right-of-way in as good a condition as before such excavation or disturbance was made; provided, however, that should Company fail within ten (10) days of its receipt of written notice from City to restore such Right-of-way, then City may undertake such restoration (other than any restoration work on the Distribution System) and charge the reasonable cost thereof to Company.

To the extent consistent with Florida law, Company hereby agrees to abide by all the rules, regulations, and ordinances which City has passed or might pass in the future in the exercise of its police power; provided, however, with the exception of changes to the City's Ordinance Code related to permitting requirements, the City shall not pass any ordinance or regulation pertaining to this Agreement that results in a material change to the rights or obligations of Company under this Agreement.

Company shall use commercially reasonable efforts to coordinate with the City on matters impacting Company's facilities and Company's use of Rights-of-way, including but not limited to City projects, third-party projects, facility abandonment, and emergency response.

### **Section 10: Franchise Fee**

Subject to Section 11 below, within thirty (30) days after the close of the first full billing month following the Effective Date of this Agreement and each month thereafter during the term of this Agreement, Company and its successors or assigns shall pay to the City or its successors a sum of money equal to six percent (6%) of the Company's Gross Revenue, less any adjustments for uncollectable accounts, from the sale of Natural Gas to Customers within the corporate limits of the City. The franchise fee payment shall be deemed paid on time if post-marked within thirty (30) days

of the close of the preceding billing month. That portion of any payment remaining unpaid when due shall draw interest from the due date, and until payment, at the rate of 18% per annum.

### **Section 11: Franchise Parity**

If during the term of this Agreement, City, by franchise agreement or ordinance, allows other gas providers, gas consumers, or gas transporters (including, without limitation, JEA) (collectively the "Alternate Gas Providers"), the right, privilege, or franchise to construct, maintain, operate, or use gas facilities in, under, upon, over, or across City's present or future streets, alleys, bridges, easements, or other public rights of way for the purpose of supplying or delivering Natural Gas to customers located within the corporate limits of City or receiving such gas from a person other than Company within such corporate limits, and imposes a franchise compensation obligation or an equivalent on such Alternate Gas Provider for any customer or class of customers that is less than or greater than that imposed with respect to the same Customer or class of Customers under this Agreement, the franchise compensation rate and/or base to which such rate is applied with respect to the same class of customers shall be reduced or increased as applicable under this Agreement so that the franchise compensation paid hereunder for such Customer class equals the franchise compensation payable by such Alternate Gas Provider under this Agreement or an ordinance applicable to it when compared on a dollars-per-term basis; provided, however, that if the fee due under Section 10 is reduced pursuant to the foregoing clause and the fee due the Alternate Gas Provider is subsequently raised, then the fee due under Section 10 shall, upon six (6) months' notice to Company, be raised an equivalent extent using the same manner of calculation used to reduce the fee; provided, further, that in no event shall the fee as raised exceed the fee that was due under Section 10 before the reduction. In the event that City determines not to impose any franchise compensation by agreement, ordinance, or otherwise on any such Alternate Gas Provider, Company's obligation to pay a franchise fee under this Agreement with respect to revenues derived from the provision of service by Company to the comparable class of customers served by such Alternate Gas Provider thereafter shall be extinguished.

In the event Company enters into a franchise agreement with another Florida municipality or government that contains substantially similar terms and conditions as this franchise and that provides for a franchise fee rate in excess of that provided for in this Agreement, Company shall notify City and then the City may, at its option, demand that the franchise fee payable hereunder be adjusted so as to be consistent with the franchise fee rate extended to such Florida municipality or government entity, such increase in the franchise fee rate shall apply prospectively beginning with the next monthly franchise fee payment following Company's receipt of a written notice from the City exercising its right to increase the franchise fee rate as provided herein.

### **Section 12: Accounts and Records**

Company shall maintain accounting, maintenance, and construction records as prescribed by the FPSC. Company shall establish and maintain appropriate accounts and records in such detail that revenues within the corporate limits of the City are consistently declared separately from all other revenues, and such records shall be maintained within the State of Florida. Upon request by

City, including the Council Auditor's Office, or its designated representative, and in the sole case of the designated representative, the execution of a confidentiality agreement reasonably satisfactory to Company, Company shall make available said records within thirty (30) days to City for the determination of the accuracy of the Gross Revenues upon which Company's franchise fee is based. Company shall maintain its billing records only for the period of time required by the FPSC, and any examination conducted after such period shall be confined to the billing records then available.

In the event the audit of Company's books determines Company made underpayment during the term of this Agreement, Company shall pay interest at the rate of 10% per annum on the amount underpaid or not paid calculated from the date the amount was due to the date it was finally paid. The reasonable cost of the audit, not to exceed \$20,000, will be borne by the Company if, as a result of the audit, the parties mutually agree, or a court of competent jurisdiction rules, that the Company has underpaid the franchise fees owed in an amount equal to or exceeding five percent (5%) of the franchise fees actually paid for the specific period in question.

#### **Section 18: Governing Law/Venue; Waiver**

The rights, obligations, and remedies of the parties as specified under this Agreement shall be interpreted and governed in all aspects by the laws of the State of Florida. It is the parties' intent that this Agreement supersede, and otherwise be excepted from, Chapter 711 of the Ordinance Code, and the City hereby waives the application of Chapter 711 to the Company and its use of the City rights-of-way. Without limiting the foregoing, the parties specifically agree that the City shall have no right under Section 711.321 of the Ordinance Code or otherwise (except as set forth in Section 11 above) to increase the franchise fee due hereunder. Should any provision of this Agreement be determined by the courts to be illegal or in conflict with any law of the State of Florida, the validity of the remaining provisions shall not be impaired. Venue for litigation of this Agreement shall be in courts of competent jurisdiction located in Jacksonville, Duval County, Florida.



**From:** JEA <[projectoutreach@jea.com](mailto:projectoutreach@jea.com)>

**Sent:** Friday, August 30, 2024 2:10:09 PM

**To:** Gay, Mike - City Council Office <[MGay@coj.net](mailto:MGay@coj.net)>

**Subject:** JEA Contractor Working in Your Area

**EXTERNAL EMAIL:** This email originated from a non-COJ email address. Do not click any links or open any attachments unless you trust the sender and know the content is safe.

Contractors working for JEA (Insituform Technologies & Vortex) will be repairing the sewer main and multiple manholes behind the businesses on Industry Drive and Camden Road.

[View this email online.](#)



## Camden Road Sewer Manhole Rehabilitation Project

A contractor working for JEA (Insituform Technologies & Vortex) will soon be rehabilitating the sanitary sewer main and multiple manholes located in the utility easement behind the businesses on Industry Drive and Camden Road.

These pipes and manholes have reached the end of their useful service lives and need to be proactively replaced to increase the reliability of the sewer system and to prevent future sewer manhole failures. Failures to sewer manholes can potentially cause major sewer back-ups, environmental harm and roadway issues.

This project will be completed using a trenchless lining technology that allows for the rehabilitation of the existing sewer lines and manholes with minimal disruption to the community.

This technology also reduces the amount of time it would take to complete a similar project using traditional construction methods. Visit <https://youtu.be/EkVTnfUpMjA> to watch a video about the process.

**Anticipated Start Date: September 3, 2024\***

**Estimated Completion Date: December 2024\***

\*Dates are highly subject to change.

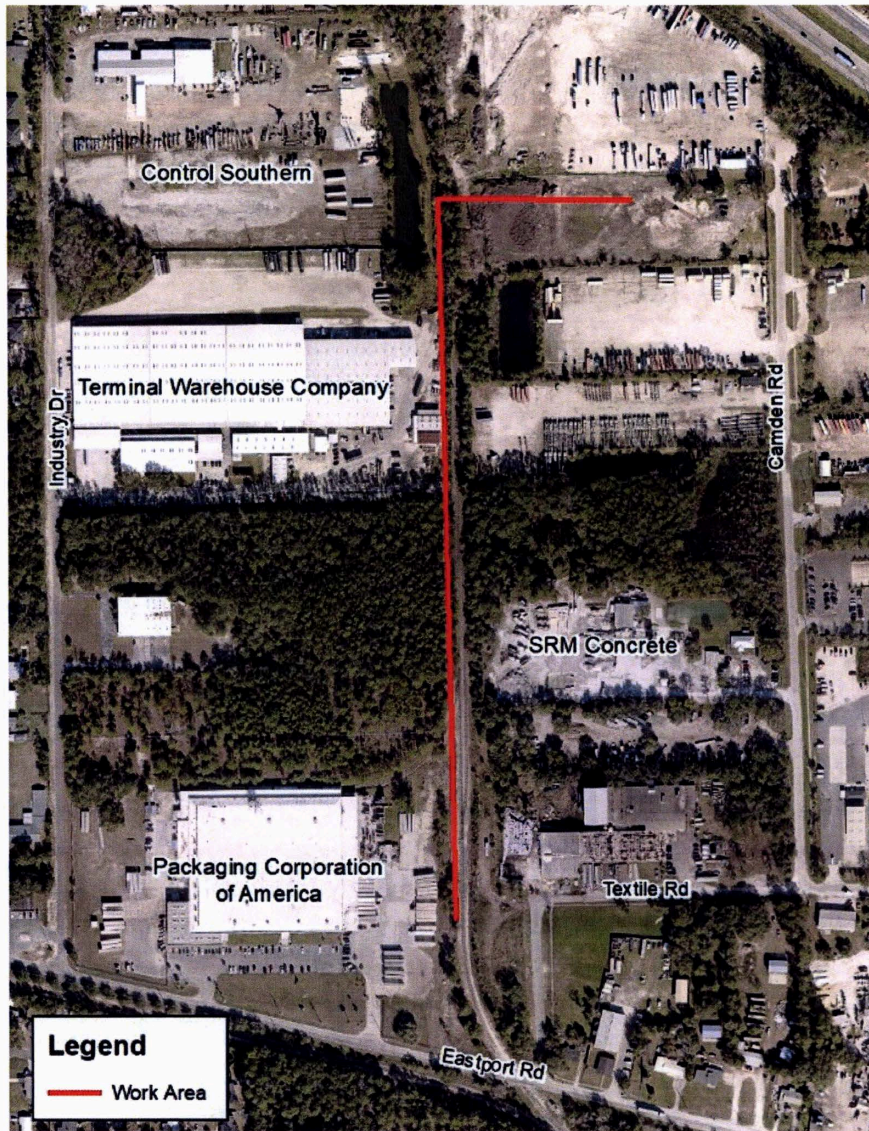
Construction will take place within the City of Jacksonville's rights-of-way, roads and easements, primarily in the areas behind businesses on Camden Drive and Industry Drive.

During this time, residents and businesses can expect increased construction-related traffic and noise. Additionally, JEA contractors will need to access the sewer line through multiple businesses in the area due to its specific location.

Please observe all construction signs, detours and general directions provided by the crews working on-site. This construction will not affect your normal water, sewer or electric service.

If you have any questions or concerns, please contact JEA Project Outreach at (904) 665-7500 or [projectoutreach@jea.com](mailto:projectoutreach@jea.com).

[Learn More About the Project](#)



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UPDATE ALERT PREFERENCES

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**ORDINANCE 2024-635**  
**COUNCIL MEMBER MILLER – PROPOSED AMENDMENTS**

1. Recitals –
  - a. On page 3, lines 1-6 – amend recital to state:
    - i. **"WHEREAS, following the implementation of the Jacksonville Journey and substantial funding of crime reduction programs and accountability for administering those programs, there was a significant reduction in violent crime rate from 2011 through 2016 until funding for the Jacksonville Journey programs was reduced or eliminated and administrative budget cuts caused elimination of 147 police officer positions and 92 community service officer positions from the Jacksonville Sheriff's Office; and"**
2. Section 85.102 (Legislative findings and declaration) –
  - a. On page 4, lines 25-30 – amend (3) to state:
    - i. **"Following the implementation of Jacksonville Journey and substantial funding of crime reduction programs, ~~and accountability for administration of those programs, and use of intelligence-led and community-based policing,~~ the City of Jacksonville brought homicide and overall violent crime in Jacksonville to a 40-year low in experienced a significant reduction in the violent crime rate from 2011 through 2016 until funding for the Jacksonville Journey was reduced substantially and administrative budget cuts caused elimination of 147 police officer positions and 92 community service officer positions from the Jacksonville Sheriff's Office; and"**
3. Section 85.105 (Membership, organization, and meetings) –
  - a. On page 6, lines 10-11 – amend subsection (a) to provide that 6 members will be appointed by Mayor and confirmed by Council and 5 members will be appointed by the Council President and confirmed by Council.
  - b. On page 6, line 22 – amend subsection (a) to add "law enforcement" to list of areas of experience for board members.
  - c. On page 6, line 31 through page 7, line 1 – amend subsection (c) to provide that board members may be removed by the Mayor or City Council (whomever appointed that seat).
  - d. On page 7, lines 9-11 – amend subsection (e)(1) to provide the Mayor shall appoint the first board Chair from among the initial board membership which appointment shall be approved/confirmed by the City Council.
4. Section 85.103 (Jacksonville Journey Forward established) –
  - a. General comment – throughout the legislation it states that the Jacksonville Journey board will be "independent". However, the language on page 5, lines 17-19 states the board "shall exist as a board within the executive branch of the consolidated government" which seems to conflict with statements regarding its independence. The bill should be clarified to reflect the intent.
5. Section 85.107 (Jacksonville Journey Forward Powers) –
  - a. On page 10, lines 23-27 – amend subsection (a)(iii) to state:
    - i. **"iii. Make recommendations to align**~~Align~~ **all City agencies, programs, and resources affecting crime reduction and foster an integrative, collaborative, and innovative county and community-wide solution based approach to reducing contributing factors of crime in Duval County;"**



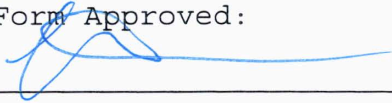
**CM AMARO AMENDMENT # 1**  
**NCSPHS AMENDMENT 2024-0635**

Council Member Amaro offers the following amendment to File 2024-635:

- Adds (i) the Superintendent of Duval County Public Schools and (ii) the Chief Judge of the 4<sup>th</sup> Circuit (along with Sheriff and State Attorney) as officials who may recommend board members to the Mayor for consideration on Jacksonville Journey Forward board ("JJF")
- Removes requirement that Grants and Contract Compliance Division of Finance Department present grant opportunities for review to JJF that concern crime reduction and public safety programs
- Removes requirements that Parks director, or designee, present Parks department grants of contracts that may affect factors contributing to crime reduction
- Removes requirement (i) that Board of Library Trustees coordinate with JJF and incorporate JJF approved terms in library contracts or programs affecting crime reduction of public safety and (ii) Library director present to JJF for review and recommendation any library contracts or programs that may affect crime reduction or public safety prior to commencing such contracts or programs.
- Makes change to Article 17 of the Charter to extend civil service system to employees of JJF excluding executive director or professional employees.



Form Approved:



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Office of General Counsel

Legislation Prepared By: Harry M. Wilson, IV

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