

1 Introduced by the Council President Freeman at the request of the  
2 Mayor and Co-Introduced by Council Vice President Salem:

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5 **ORDINANCE 2022-874-E**

6 AN ORDINANCE MAKING CERTAIN FINDINGS AND  
7 AUTHORIZING THE BORROWING AND APPROPRIATION FROM  
8 THE CITY'S COMMERCIAL PAPER FACILITY IN THE UP  
9 TO, MAXIMUM AMOUNT OF \$17,500,000, TO PROVIDE:  
10 (1) A \$12,500,000, TEN YEAR TERM, 3.5% INTEREST  
11 LOAN ("LOAN"); AND (2) A \$5,000,000 REVOLVING  
12 LINE OF CREDIT, AS INITIATED BY B.T. 23-027;  
13 PROVIDING FOR CARRYOVER OF FUNDS TO FISCAL YEAR  
14 2025/2026; AUTHORIZING A \$10,000,000 GRANT  
15 ("GRANT"), SUBJECT TO FUTURE APPROPRIATION, IN  
16 EACH CASE TO THE JACKSONVILLE PORT AUTHORITY  
17 ("JAXPORT") TO SUPPORT THE RAISING OF THE FULTON  
18 CUT CROSSING ELECTRIC TRANSMISSION LINES, TO  
19 INCREASE THE NUMBER AND CAPACITY OF VESSELS ABLE  
20 TO CALL ON JAXPORT PORTS; AMENDING 2022-504-E,  
21 THE FY 2022-2023 BUDGET ORDINANCE, TO REPLACE  
22 THE SECOND REVISED SCHEDULE B4 IN ORDER TO  
23 AUTHORIZE THE BORROWING AND/OR THE ISSUANCE OF  
24 DEBT FOR THE "RAISING OF POWERLINES" AND "JPA  
25 OBLIGATION - FULTON CUT POWERLINES" PROJECTS;  
26 AUTHORIZING THE CITY TO ENTER INTO AN AGREEMENT  
27 WITH THE JAXPORT TO PROVIDE THE LOAN AND GRANT  
28 AS FURTHER DETAILED THEREIN; INVOKING THE  
29 EXCEPTION OF 126.107(G) (EXEMPTIONS), CHAPTER  
30 126 (PROCUREMENT CODE), *ORDINANCE CODE*, TO  
31 DIRECT CONTRACT WITH JAXPORT; REQUESTING THAT  
32 THE FINANCE AND ADMINISTRATION DEPARTMENT

1 ADMINISTER THE AGREEMENT AUTHORIZED HEREIN;  
2 PROVIDING AN EFFECTIVE DATE.  
3

4 **WHEREAS**, the JEA, pursuant to an agreement entered into between  
5 JEA and the Jacksonville Port Authority ("JAXPORT"), at no expense  
6 to JEA, has agreed to raise the Fulton Cut Powerlines that cross the  
7 St. Johns River to increase the number and capacity of vessels able  
8 to call on JAXPORT's ports (the "Project"); and

9 **WHEREAS**, the Project is estimated to have an aggregate cost of  
10 \$45,000,000, inclusive of contingency amounts, over a four-year  
11 period; and

12 **WHEREAS**, JAXPORT has secured a multiyear commitment from FDOT  
13 in the amount of \$22,500,000 (the "FDOT Grant Funds") for the Project,  
14 which funds are reimbursed to JAXPORT on a reimbursement, pro rata  
15 basis for work performed; and

16 **WHEREAS**, the Project will provide significant economic benefits  
17 to the City and its residents by providing increased economic activity  
18 and high salary jobs in the City of Jacksonville and thus constitutes  
19 a valid governmental undertaking of the City; and

20 **WHEREAS**, JAXPORT has requested and the City has agreed to provide  
21 a \$12,500,000 loan ("Loan") and a \$10,000,000 grant ("Grant") to be  
22 used exclusively to partially fund the Project on a pro rata basis  
23 with the FDOT Grant Funds; the City Grant funds are subject to a  
24 future appropriation by Council, with any costs in excess thereof the  
25 responsibility of JAXPORT; and

26 **WHEREAS**, the City is also willing to provide JAXPORT a \$5,000,000  
27 line of credit ("Revolving Line of Credit") with an interest rate  
28 equal to the City's commercial paper facility to ensure the Project  
29 is funded in a timely manner, which will be repaid to the City on a  
30 periodic basis as work on the Project proceeds and JAXPORT is  
31 reimbursed for the costs thereof, with JAXPORT repaying the entirety  
32 of such funds within 90 days of completion of the Project, if not

1 sooner repaid; and

2       **WHEREAS**, the Project is in the public interest and the financial  
3 assistance contemplated herein take into account and give  
4 consideration to the long-term public interests and public interest  
5 benefits to be achieved by the City; and

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

7       **Section 1. Findings.** It is hereby ascertained, determined,  
8 found and declared as follows:

9       (a) The recitals set forth herein are true and correct.

10       (b) The Project will promote and further the public and  
11 municipal purposes of the City.

12       (c) Enhancement of the City's tax base and revenues, are  
13 matters of State and City policy and State and City concern in order  
14 that the State and its counties and municipalities, including the  
15 City, shall not continue to be endangered by unemployment,  
16 underemployment, economic recession, poverty, crime and disease, and  
17 consume an excessive proportion of the State and City revenues because  
18 of the extra services required for police, fire, accident, health  
19 care, elderly care, charity care, hospitalization, public housing and  
20 housing assistance, and other forms of public protection, services  
21 and facilities.

22       (d) The provision of the City's assistance as identified in  
23 the Agreement is necessary and appropriate to make the Project  
24 feasible; and the City's assistance is reasonable and not excessive,  
25 taking into account the extent of the public benefits expected to be  
26 derived from the Project, and taking into account all other forms of  
27 assistance available.

28       (e) JEA and its contractors, on behalf of JAXPORT, are  
29 qualified to carry out and complete the construction and equipping  
30 of the Project.

31       (f) The authorizations provided by this Ordinance are for  
32 public uses and purposes for which the City may use its powers as a

1 county, municipality and as a political subdivision of the State of  
2 Florida and may expend public funds, and the necessity in the public  
3 interest for the provisions herein enacted is hereby declared as a  
4 matter of legislative determination.

5 (g) This Resolution is adopted pursuant to the provisions of  
6 Chapters 163, 166 and 125, Florida Statutes, as amended, the City's  
7 Charter, and other applicable provisions of law.

8 **Section 2. Appropriation.** For the 2022-2023 fiscal year,  
9 within the City's budget, there are hereby appropriated the indicated  
10 sum(s) from the account(s) listed in subsection (a) to the account(s)  
11 listed in subsection (b): (B.T. 23-027, attached hereto as **Exhibit 1**  
12 and incorporated herein by this reference):

13 (a) Appropriated from:

14 See B.T. 23-027 \$17,500,000

15 (b) Appropriated to:

16 See B.T. 23-027 \$17,500,000

17 (c) **Explanation of Appropriation**

18 The funding above appropriates up to \$17,500,000 from the  
19 City's Commercial Paper Facility to provide a \$12,500,000  
20 loan and \$5,000,000 revolving line of credit to the  
21 Jacksonville Port Authority ("JPA") to partially fund the  
22 raising of the Fulton Cut Crossing Electric Transmission  
23 lines project.

24 **Section 3. Purpose.** The purpose of the appropriation in  
25 Section 2 is to appropriate funding for a ten-year term loan in the  
26 maximum amount of \$12,500,000, and authorize a \$5,000,000 revolving  
27 line of credit, in each case to be used by JPA as matching funds for  
28 the FDOT Grant Funds to fund the raising of the Fulton Cut Crossing  
29 electric transmission lines project.

30 **Section 4. Carryover.** The funds appropriated in this  
31 Ordinance shall not lapse but shall carryover to fiscal year 2025-

1 2026.

2           **Section 5. Amending 2022-504-E, the FY 2022-2023 Budget**  
3 **Ordinance, to replace the Second Revised Schedule B4 to allow funding**  
4 **for the Fulton Cut Powerline Raising project.** 2022-504-E, the FY  
5 2022-2023 Budget Ordinance, is hereby amended to replace the Second  
6 Revised Schedule B4, entitled "FY 22-23 Debt Management Fund Detail,"  
7 in order to allow for the funding by the City of the Fulton Cut  
8 Powerline Raising project as authorized herein. The Third Revised  
9 Schedule B4 is attached hereto as **Exhibit 2.**

10           **Section 6. Authorizing the Borrowing and Appropriation of**  
11 **Funds from the City's Commercial Paper Program.** The City is hereby  
12 authorized to borrow under its Commercial Paper Program and/or issue  
13 fixed-rate debt in the maximum amount of up to \$17,500,000 and such  
14 funds are hereby appropriated to fund a portion of the Project,  
15 consistent with the Agreement, defined below. The authorization set  
16 forth in this Section is subject to the requirements and prerequisites  
17 of the Commercial Paper Program and/or bond programs.

18           **Section 7. Authorizing the City to enter into an agreement**  
19 **with the Jacksonville Port Authority.** The City is hereby authorized  
20 to negotiate and enter into an Agreement with the Jacksonville Port  
21 Authority ("Agreement") substantially in accordance with the term  
22 sheet attached hereto as **Exhibit 3**, for the purposes of providing the  
23 Loan, Grant and Revolving Line of Credit to partially fund the Project  
24 in conjunction with FDOT.

25           **Section 8. Invoking the exception to Section 126.107(g),**  
26 **Ordinance Code.** The City is hereby authorized to enter into the  
27 Agreement with the Jacksonville Port Authority for the purposes  
28 described in Section 3. Pursuant to Section 126.107(g) (Exemptions),  
29 Part 1 (General Regulations), Chapter 126 (Procurement Code),  
30 *Ordinance Code*, such procurement is exempted from competitive  
31 solicitation because the supplies or services are to be provided by  
32 those specifically prescribed within authorizing legislation that

1 appropriates the same. With the exception of the foregoing, all other  
2 provisions of Chapter 126, *Ordinance Code*, shall remain in full force  
3 and effect.

4 **Section 9. Oversight Department.** The Finance and  
5 Administration Department shall provide oversight for the Agreement  
6 authorized herein.

7 **Section 10. Effective Date.** This Ordinance shall become  
8 effective upon signature by the Mayor or upon becoming effective  
9 without the Mayor's signature.

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11 Form Approved:

12  
13 /s/ John Sawyer

14 Office of General Counsel

15 Legislation prepared by: John Sawyer

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