

1 Introduced by the Council President at the request of JEA:
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4 **ORDINANCE 2023-724-E**

5 AN ORDINANCE APPROVING THE ISSUANCE AND SALE BY
6 JEA OF ITS ELECTRIC SYSTEM REVENUE BONDS AND/OR
7 ITS ELECTRIC SYSTEM SUBORDINATED REVENUE BONDS,
8 ITS BULK POWER SUPPLY SYSTEM REVENUE BONDS
9 AND/OR ITS POWER PARK ISSUE THREE BONDS, IN AN
10 AGGREGATE AMOUNT NOT TO EXCEED \$1,900,000,000,
11 FOR THE PURPOSE OF FINANCING THE ACQUISITION
12 AND/OR CONSTRUCTION OF ADDITIONS, EXTENSIONS AND
13 IMPROVEMENTS TO THE ELECTRIC SYSTEM OF JEA OR
14 FOR PURPOSES AUTHORIZED UNDER THE BULK POWER
15 SUPPLY BOND RESOLUTION OR THE SECOND POWER PARK
16 BOND RESOLUTION, OR OF REFUNDING ELECTRIC SYSTEM
17 REVENUE BONDS, ELECTRIC SYSTEM SUBORDINATED
18 REVENUE BONDS, BULK POWER SUPPLY SYSTEM REVENUE
19 BONDS AND/OR POWER PARK ISSUE THREE BONDS;
20 APPROVING THE ISSUANCE AND SALE BY JEA OF ITS
21 WATER AND SEWER SYSTEM REVENUE BONDS AND/OR ITS
22 WATER AND SEWER SYSTEM SUBORDINATED REVENUE
23 BONDS, IN AN AGGREGATE AMOUNT NOT TO EXCEED
24 \$2,500,000,000, FOR THE PURPOSE OF FINANCING THE
25 ACQUISITION AND/OR CONSTRUCTION OF ADDITIONS,
26 EXTENSIONS AND IMPROVEMENTS TO THE WATER AND
27 SEWER SYSTEM OF JEA OR OF REFUNDING WATER AND
28 SEWER SYSTEM REVENUE BONDS AND/OR WATER AND
29 SEWER SYSTEM SUBORDINATED REVENUE BONDS;
30 APPROVING THE ISSUANCE AND SALE BY JEA OF ITS
31 DISTRICT ENERGY SYSTEM REVENUE BONDS IN AN

1 AGGREGATE AMOUNT NOT TO EXCEED \$150,000,000, FOR
2 THE PURPOSE OF FINANCING THE ACQUISITION AND/OR
3 CONSTRUCTION OF ADDITIONS, EXTENSIONS AND
4 IMPROVEMENTS TO THE DISTRICT ENERGY SYSTEM OF
5 JEA OR OF REFUNDING DISTRICT ENERGY SYSTEM
6 REVENUE BONDS; ENTERING INTO CERTAIN COVENANTS
7 WITH JEA AND THE HOLDERS OF SUCH DEBT; PROVIDING
8 THAT THE DEBT INSTRUMENTS AUTHORIZED HEREBY ARE
9 LIMITED OBLIGATIONS OF JEA; PROVIDING AN
10 EFFECTIVE DATE.

11
12 **WHEREAS,** Section 21.04(i) of Article 21 of Chapter 92-341,
13 Laws of Florida, as amended, being the Charter of the City of
14 Jacksonville (the "Charter"), authorizes JEA to issue revenue bonds
15 or revenue certificates for the purpose of financing or refinancing
16 JEA's utilities systems, including without limitation the financing
17 of any one or more enlargements, expansions, developments,
18 replacements, acquisitions or modernizations of the utilities
19 systems, any expenses of the utilities systems, any reserves deemed
20 necessary or desirable by JEA and any other purpose not otherwise
21 prohibited by law, and retiring any bond, note or revenue certificate
22 issued under said Article 21, and for any combination of one or more
23 such purposes in any single issue of revenue bonds or revenue
24 certificates; and

25 **WHEREAS,** Section 21.04(i) of the Charter provides that the
26 total aggregate amount of bonds or revenue certificates that may be
27 issued by JEA shall be within the limits prescribed by ordinance of
28 the Council of the City of Jacksonville (the "City"); and

29 **WHEREAS,** JEA issues its Electric System Revenue Bonds pursuant
30 to a resolution adopted by JEA on March 30, 1982, as amended (the
31 "Electric System Senior Lien Bond Resolution"); its Electric System

1 Subordinated Revenue Bonds pursuant to a resolution adopted by JEA
2 on August 16, 1988, as amended and restated on January 18, 2000, and
3 as thereafter amended (the "Electric System Subordinated Lien Bond
4 Resolution"); its Bulk Power Supply System Revenue Bonds pursuant to
5 a restated and amended resolution adopted by JEA on November 18,
6 2008, as thereafter amended (the "Bulk Power Supply System Bond
7 Resolution"); its Power Park Issue Three Bonds pursuant to a
8 resolution adopted by JEA on February 20, 2007, as thereafter amended
9 (the "Second Power Park Bond Resolution"); its Water and Sewer System
10 Revenue Bonds pursuant to a resolution adopted by JEA on February 18,
11 1997, as amended and restated on March 18, 1997 and as thereafter
12 amended (the "Water and Sewer System Senior Lien Bond Resolution");
13 its Water and Sewer Subordinated Revenue Bonds pursuant to a
14 resolution adopted by JEA on May 15, 2003, as thereafter amended (the
15 "Water and Sewer System Subordinated Lien Bond Resolution"); and its
16 District Energy System Revenue Bonds pursuant to a resolution adopted
17 by JEA on June 15, 2004 (the "District Energy System Bond Resolution")
18 (the Electric System Senior Lien Bond Resolution, the Electric System
19 Subordinated Lien Bond Resolution, the Bulk Power Supply System Bond
20 Resolution, the Second Power Park Bond Resolution, the Water and
21 Sewer System Senior Lien Bond Resolution, the Water and Sewer System
22 Subordinated Lien Bond Resolution, and the District Energy System
23 Bond Resolution are hereinafter collectively and singularly referred
24 to as the "Bond Resolution" as applicable); and

25 **WHEREAS,** on September 26, 2023 the JEA Board approved submittal
26 of this request to the City Council for approval of the not to exceed
27 limits set forth herein for each of: (1) the Electric System Revenue
28 Bonds, the Electric System Subordinated Revenue Bonds, the Bulk Power
29 Supply System Revenue Bonds, and the Power Park Issue Three Bonds,
30 (2) the Water and Sewer System Revenue Bonds and Water and Sewer
31 System Subordinated Revenue Bonds, and (3) the District Energy System

1 Revenue Bonds, and a copy of the JEA Board Resolution No. 2023-40 is
2 attached hereto as **Exhibit 1** and incorporated herein by this
3 reference; now therefore

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

5 **Section 1. Approval.** The Council of the City of
6 Jacksonville does hereby approve the issuance and sale by JEA, in
7 accordance with Section 21.04 of Article 21 of the Charter, of (a)
8 Electric System Revenue Bonds, Electric System Subordinated Revenue
9 Bonds, Bulk Power Supply System Revenue Bonds, and Power Park Issue
10 Three Bonds in an aggregate amount not to exceed \$1,900,000,000; (b)
11 Water and Sewer System Revenue Bonds and Water and Sewer System
12 Subordinated Revenue Bonds in an aggregate amount not to exceed
13 \$2,500,000,000; and (c) District Energy System Revenue Bonds in an
14 aggregate amount not to exceed \$150,000,000. Such not to exceed
15 amounts set forth above are for the purposes set forth in Section
16 21.04(i) of Article 21 of the Charter, thus approving bonds to provide
17 funds for both new money and the refunding of existing debt. The not
18 to exceed amounts set forth above shall be inclusive of existing
19 bonds currently outstanding under each of the applicable Bond
20 Resolutions and inclusive of funded draws made under credit
21 facilities.

22 **Section 2. Covenants.** So long as any of the debt of JEA
23 authorized herein shall be outstanding and unpaid, or until
24 provision for payment of such debt shall be made in accordance with
25 the terms thereof, the City of Jacksonville covenants with JEA and
26 with the holders of any and all of said debt that the City will not
27 exercise any present or future power, pursuant to law, to appropriate
28 revenues of JEA's Electric System, Bulk Power Supply System, Water
29 and Sewer System or District Energy System, as applicable, for the
30 uses and purposes of the City in such a manner as to impair or affect
31 the covenants and obligations of JEA under the applicable resolutions

1 authorizing such debt and any such power of the City is hereby
2 subordinated and made inferior to said covenants and obligations of
3 JEA to and for the benefit of any and all of the holders of said
4 debt.

5 **Section 3. Bonds are Limited Obligations of JEA.** None of
6 the bonds approved pursuant to Section 1 of this Ordinance nor the
7 interest thereon shall be or constitute general obligations or
8 indebtedness of JEA, the City, the State of Florida or any other
9 agency or political subdivision thereof as "bonds" within the meaning
10 of Article VII, Section 12 of the Constitution of Florida, but shall
11 be payable solely from and secured by the amounts and in the manner
12 as provided in the applicable Bond Resolutions. No owner or holder
13 of any such bond or subordinated indebtedness shall ever have the
14 right to compel the exercise of any ad valorem taxing power to pay
15 such bonds, subordinated indebtedness, bond anticipation notes or the
16 other indebtedness or the Operation and Maintenance Expenses (as
17 defined in the applicable Bond Resolutions) or be entitled to payment
18 of such bond or subordinated indebtedness from any moneys of JEA, the
19 City, the State of Florida or any other agency or political
20 subdivision thereof, except from the amounts and in the manner as
21 provided in said Bond Resolutions. Such bonds and subordinated
22 indebtedness shall not constitute a lien upon the System (as defined
23 in the applicable Bond Resolutions) or any other property owned by
24 JEA, or any property owned by the City, the State of Florida or any
25 other agency or political subdivision thereof, or any property
26 situated within the area of operation of JEA, but shall constitute a
27 lien only upon and shall be payable solely from the amounts and in
28 the manner as provided in said Bond Resolutions.

29 **Section 4. Effective Date.** This Ordinance shall become
30 effective upon signature by the Mayor or upon becoming effective
31 without the Mayor's signature.

1 Form Approved:

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3 /s/ Mary E. Staffopoulos

4 Office of General Counsel

5 Legislation Prepared By: Greenberg Traurig, P.A.

6 GC-#1592058-v4-JEA_Debt_Ceiling.docx