

1 Introduced by Council Member Boylan and Co-sponsored by Council
2 Members Bowman, DeFoor, Dennis, Ferraro, Priestly Jackson, Salem,
3 Pittman, Morgan, Hazouri, Newby, Diamond, Gaffney, Freeman, Becton,
4 Carrico, and White and Substituted by the Transportation, Energy &
5 Utilities Committee:

6
7 **ORDINANCE 2020-419-E**

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

28
29 **BE IT ORDAINED** by the Council of the City of Jacksonville:

30 **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6 which is attached hereto as **Exhibit 1**, are hereby repealed in their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

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

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

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

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

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

1 the utilities systems operated by JEA as provided in section
2 21.04(v) herein.

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

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

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

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

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

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

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

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

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

1 council at any time with or without cause, but a removal must
2 be approved by a two-thirds vote of the council.

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

22 (c) Officers; meetings; quorum; governing documents. The governing
23 body of JEA shall elect a chairperson, vice-chairperson and
24 secretary of JEA and may elect one or more assistant
25 secretaries of JEA, each of whom shall serve for one year or
26 until such officer's successor is chosen. JEA may meet at such
27 times and places designated by the governing body of JEA and
28 shall hold regular meetings as necessary. Generally, JEA shall
29 meet once a month, but in no event less than eight (8) times a
30 year. Special meetings may be held upon the call of the

1 chairperson or any three (3) members. JEA meetings shall be
2 subject to section 286.011 (Florida Open Meetings Laws),
3 Florida Statutes, as amended. A majority of the membership
4 shall constitute a quorum for the purpose of meeting and
5 transacting business. Each member shall have one vote. The
6 governing body of JEA shall adopt governing documents,
7 including, but not limited to, bylaws, a board policy manual,
8 and such other rules and regulations not inconsistent with
9 this article, the charter or general law. Unless otherwise
10 provided herein, the governing body of JEA shall annually
11 review and update its governing documents. JEA's bylaws,
12 board policy manual, and other governing documents, including
13 any amendments thereto, shall be posted on JEA's website in a
14 conspicuous manner for the public to view.

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

22 (e) *Transparency in meetings.* JEA should hold its meetings in the
23 most open and transparent manner practicable for the benefit
24 of the public and citizens of the City of Jacksonville. JEA
25 shall adopt procedural rules regarding the publication of
26 meeting agendas, meeting materials, meeting minutes, and
27 public participation during all meetings, including regular,
28 special and committee meetings, where action by the governing
29 body of JEA or committee is contemplated. To the greatest
30 extent feasible, JEA is encouraged to adhere to best practices

1 and recommendations regarding openness and transparency
2 contained in the latest published edition of Florida's
3 Government-In-the Sunshine Law Manual prepared by the Office
4 of the Attorney General. At a minimum, such procedural rules
5 should require JEA to (i) publish an agenda and any meeting
6 materials for its regular, special and committee meetings in a
7 conspicuous manner on JEA's official website; (ii) promptly
8 post meeting minutes generally within 72 hours after each
9 meeting; and (iii) provide the timeframe for when an agenda
10 and any meeting materials must be made available to the public
11 in advance of such meetings. Such procedural rules should also
12 require JEA to deliver copies of its meeting agendas,
13 including regular, special and committee meeting agendas, and
14 any meeting materials related thereto, to the council auditor
15 in substantially the same timeframe and content as provided to
16 members. Nothing in this subsection shall prohibit JEA from
17 amending previously published meeting agendas and meeting
18 materials in accordance with its bylaws, board policy manual,
19 or other applicable governing documents.

20 **Sec. 21.04. - Powers.**

21 JEA shall have the following powers, in addition to powers
22 otherwise conferred:

- 23 (a) To construct, own, acquire, establish, improve, extend,
24 enlarge, reconstruct, reequip, maintain, repair, finance,
25 manage, operate, and promote the utilities systems.
- 26 (b) To acquire for the use of the utilities systems by grant,
27 purchase, gift, devise, condemnation by eminent domain
28 proceedings, exchange, lease or in any other manner, all
29 property, real or personal, or any estate or interest therein,
30 including without limitation, property used:

- 1 (1) In connection with the generation, transmission and
2 distribution of electric power and energy~~;~~;
- 3 (2) In connection with the collection, storage, treatment,
4 processing, disposal, transmission and distribution of
5 water and wastewater including, but not limited to, raw
6 water, potable water, non-potable water, chilled water and
7 reused water; however, JEA shall have no power or
8 authority for the function of stormwater runoff and
9 drainage management~~;~~;
- 10 (3) In connection with the production, procurement,
11 extraction, manufacture, transmission, transportation,
12 distribution, and storage of natural gas~~;~~; and
- 13 (4) In connection with the production of steam, the mining,
14 extraction, development, production, manufacture,
15 procurement, transportation, handling, storage, processing
16 or reprocessing of fuel of any kind, to likewise acquire
17 any facility or rights with respect to the supply of
18 water, any rights with respect to minerals, including but
19 not limited to coal, petroleum coke, natural gas and oil
20 and bio-mass facilities for the processing of by-products
21 derived from the operation of the utilities systems~~;~~; solid
22 waste disposal and environmental protection facilities,
23 communication and computer facilities, and any other
24 property, equipment, facilities or property rights
25 whatsoever determined by JEA to be necessary or convenient
26 in connection with the operation, promotion, financing,
27 construction, management, improvement, extension,
28 enlargement, reconstruction, re-equipment, maintenance,
29 repair, decommissioning or disposal of the utilities
30 systems~~;~~; or any part thereof, and to sell, lease or

1 otherwise transfer, with or without consideration, any
2 such property when in JEA's discretion it is no longer
3 needed or useful, or such sale, lease or transfer
4 otherwise is in the best interest of JEA, all upon such
5 terms and conditions as JEA shall by resolution fix and
6 determine.

7 The right of eminent domain conferred herein shall be
8 exercised by JEA in the manner provided by law. If JEA leases
9 any real property to another agency, firm, corporation,
10 entity, or individual, it shall cause a memorandum of said
11 lease or leases to be recorded in the official records with
12 the clerk of the circuit court ~~as a matter of public record.~~
13 where the property is located. For any real property that
14 exceeds either an assessed value or just market value of
15 \$50,000 as determined by the property appraiser of the county
16 where the real property is located, JEA shall not sell such
17 real property for less than the appraised value as ~~recorded by~~
18 ~~the property appraiser for Duval County~~ certified by an MAI
19 certified appraiser, unless approved by the council. ~~If there~~
20 ~~is no recorded appraised value, then JEA shall request the~~
21 ~~property appraiser for Duval County to provide an appraisal~~
22 ~~prior to the sale of the real property.~~

23 Regarding any real property interests acquired or disposed of
24 by JEA pursuant to this subsection, the governing body of JEA
25 shall approve real estate rules and procedures and any
26 amendments thereto governing the reporting, acquisition, sale,
27 purchase, lease, license, transfer, and disposition of real
28 property. Such real estate rules and procedures shall not be
29 inconsistent with this article, including, but not limited to,
30 the express prohibitions set forth in section 21.11 herein.

1 The governing body of JEA shall review its real estate rules
2 and procedures no less than biennially. The governing body of
3 JEA shall not delegate its approval authority of such real
4 estate rules and procedures, including any amendments thereto,
5 to the managing director or any other officer, employee or
6 agent of JEA. JEA shall post such real estate rules and
7 procedures, including any amendments thereto, on JEA's website
8 in a conspicuous manner for the public to view.

9 * * *

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

14 * * *

15 (g) To sue and be sued, implead and be impleaded, complain and
16 defend in all courts, to adopt and use a corporate seal, to
17 apply for, hold and own patents and copyrights, to sell or
18 license patents, copyrights, patented or copyrighted materials
19 to other public or private entities. Prices or fees for such
20 sales or licensing may be based upon market considerations.
21 JEA may designate how proceeds from such sales or licensing
22 shall be used. Prices or fees for the sale of copyrighted data
23 processing software, as defined in section ~~119.083~~ 119.011,
24 Florida Statutes, shall be established pursuant to section
25 ~~119.083~~ 119.084, Florida Statutes, as amended.

26 * * *

27 (n) To enter into joint project agreements as provided by part II
28 of chapter 361, Florida Statutes, as amended, for the purpose
29 of implementing a project, as such term is defined in Part II
30 of Chapter 361, Florida Statutes. A copy of all such joint

1 project agreements shall be filed with the council, the
2 council auditor, and the mayor at least thirty days prior to
3 the effective date of the agreement. Anything in this
4 provision to the contrary notwithstanding, (i) any joint
5 project agreement that involves a transfer of ~~any~~ the electric
6 system, function or operation that ~~comprises more than ten~~
7 ~~percent of the total of the utilities system by sale, lease or~~
8 ~~otherwise to any other utility, public or private,~~ is subject
9 to the requirements and limitations of section 21.11 herein or
10 (ii) any joint project agreement that involves the issuance of
11 debt not previously authorized by ~~s.~~ section 21.04(i)(2)
12 herein, shall require prior approval of the council.

13 (o) To enter into agreements with one or more other electric
14 utilities, public or private, and related contracts with
15 respect to joint electric power projects as provided in
16 section 2 of ~~chapter~~ Chapter 80-513, Laws of Florida, as
17 amended. The provisions of said ~~chapter~~ Chapter 80-513 shall
18 govern and control JEA in all respects in the carrying out of
19 a joint electric power project authorized thereunder
20 notwithstanding any provision of the charter or of the
21 Ordinance Code of the City of Jacksonville which may be in
22 conflict therewith.

23 (p) ~~To transfer, sell, finance, lease or otherwise provide~~
24 ~~services or products, or by-products, developed or used by JEA~~
25 ~~incident to the exercise of the powers conferred by this~~
26 ~~article, including but not limited to, energy performance~~
27 ~~contracting, water, sewer and natural gas (and any other~~
28 ~~utility service hereafter provided by JEA) contracting, power~~
29 ~~marketing services, the testing and maintenance of customer-~~
30 ~~owned facilities such as transformers, capacitors, lighting,~~

1 ~~HVAC systems, water cooling and heating systems, energy~~
2 ~~management systems, etc.; the temporary leasing of JEA~~
3 ~~facilities such as oil storage tanks; the supply of steam or~~
4 ~~other thermal energy; the provision of specially conditioned~~
5 ~~power on the premises of customers and the provision of~~
6 ~~services or products to build, transfer, lease, finance,~~
7 ~~operate or sell cogeneration facilities, small power~~
8 ~~production facilities, specially conditioned power, energy~~
9 ~~conservation, energy efficiency and dispersed generation to~~
10 ~~other electric utilities both within and without the state or~~
11 ~~to any wholesale or retail customers of JEA, upon such terms~~
12 ~~and conditions as JEA shall by resolution fix and determine;~~
13 ~~and to transfer, sell, finance, lease or otherwise provide~~
14 ~~services, products or by-products developed or used by JEA~~
15 ~~incident to the exercise of the powers conferred by this~~
16 ~~article, in the delivery of water, wastewater and natural gas~~
17 ~~services, including but not limited to the financing, testing,~~
18 ~~maintenance and operation of customer owned facilities used in~~
19 ~~water, wastewater and natural gas functions; provided,~~
20 ~~however, that JEA will not enter into any activity pursuant to~~
21 ~~this section in addition to those activities listed herein~~
22 ~~without first providing written notice of such activities to~~
23 ~~the council auditor no less than 30 days before the~~
24 ~~commencement of such activity. Nothing in this article shall~~
25 ~~authorize or be construed to authorize JEA to transfer any~~
26 ~~function or operation which comprises more than ten percent of~~
27 ~~the total of the utilities system by sale, lease or otherwise~~
28 ~~to any other utility, public or private without approval of~~
29 ~~the council; provided, however, that no approval by the~~
30 ~~council shall become effective without subsequent referendum~~

1 ~~approval of the terms and conditions of the sale. So long as~~
2 ~~there are outstanding any of the city's "Capital Project~~
3 ~~Revenue Bonds" as originally authorized pursuant to Ordinance~~
4 ~~97-1054-E, the council may approve only such transfer which~~
5 ~~does not materially adversely affect future receipts of JEA~~
6 ~~contributions as defined therein. To provide, supply,~~
7 ~~transfer, sell, finance, or lease services, products, by-~~
8 ~~products, and activities developed or used by JEA incident to~~
9 ~~the exercise of the powers conferred by this article in the~~
10 ~~delivery of the utilities systems in the following manner:~~

11 (1) JEA governing body approval. The governing body of JEA
12 shall approve in advance all services, products, by-
13 products or activities developed or used by JEA in
14 accordance with this subsection (p) at a duly noticed
15 meeting. The governing body of JEA shall not delegate its
16 approval authority under this subsection to the managing
17 director or any other officer, employee or agent of JEA.

18 (2) Permitted services, products, by-products and activities.
19 The services, products, by-products and activities
20 expressly permitted to be developed or used by JEA
21 pursuant to this subsection (p) shall include providing,
22 supplying, transferring, selling, financing or leasing the
23 following: (i) energy performance contracting; (ii) water,
24 sewer and natural gas (and any other utility service
25 hereafter provided by JEA) contracting; (iii) power
26 marketing services; (iv) testing and maintenance of
27 customer-owned facilities such as transformers,
28 capacitors, lighting, HVAC systems, water cooling and
29 heating systems, energy management systems, etc.; (v)
30 temporary leasing of JEA facilities such as oil storage

1 tanks; (vi) steam or other thermal energy services and
2 contracting; (vii) services regarding specially
3 conditioned power on the premises of customers; (viii)
4 services or products to build, transfer, lease, finance,
5 operate or sell cogeneration facilities, small power
6 production facilities, specially conditioned power, energy
7 conservation, energy efficiency and dispersed generation
8 to other electric utilities both within and without the
9 state or to any wholesale or retail customers of JEA, upon
10 such terms and conditions as JEA shall by resolution fix
11 and determine; and (ix) financing, testing, maintenance
12 and operation of customer owned facilities used in water,
13 wastewater and natural gas functions.

14 (3) Required notice of additional services or products not
15 expressly listed in subsection (p)(2) above. JEA may
16 provide "additional services or products" not listed in
17 subsection (p)(2) above. However, JEA shall not provide,
18 supply, transfer, sell, finance or lease any additional
19 service, product, by-product or activity not expressly
20 listed in subsection (p)(2)(i)-(ix) above ("additional
21 service or product") to any person or entity under this
22 subsection without first providing written notice as
23 provided herein of such additional service or product to
24 the council auditor no less than 60 days prior to such
25 date that the governing body of JEA is scheduled to
26 approve such additional service or product in accordance
27 with subsection (p)(1). JEA's required written notice to
28 the council auditor shall include the following
29 information regarding such additional service or product:
30 (i) an express reference in the notice that the notice is

1 being provided pursuant to this subsection; (ii) a
2 detailed description of the additional service or product;
3 (iii) a copy of any applicable business plans; (iv) a
4 copy of any proposed contracts or contract forms; (v) a
5 financial analysis, including projected revenues and
6 expenses; and (vi) any other information developed by JEA
7 or third parties regarding the additional service or
8 product. Any action by JEA to provide, supply, transfer,
9 sell, finance or lease an additional service or product
10 pursuant to this subsection shall be void without the
11 required prior approval of the governing body of JEA and
12 prior notice to the council auditor as provided herein.
13 JEA shall provide the mayor and council with a notice
14 containing the information in items (i) and (ii) above
15 regarding such additional service or product concurrent
16 with the required council auditor notice provided herein.

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

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

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

29 (1) Upon approval of the governing body of JEA, ~~to~~ collect
30 from customers and ratepayers monthly or one-time

1 voluntary contributions to be deposited into an elderly
2 and/or handicapped or low-income customer emergency trust
3 fund administered by JEA. The proceeds of such trust fund
4 may be expended periodically by JEA for the purpose of
5 providing financial assistance to elderly and/or
6 handicapped or otherwise needy low-income residents living
7 within the service area of JEA for the payment of their
8 utilities needs. The method of administration of such
9 trust fund, including the collection and distribution
10 thereof, shall be as provided by ordinance of the council.
11 The results of such giving program shall be reported
12 annually each July 1st to the council.

13 (2) Upon ~~the unanimous~~ approval of the ~~Board~~ governing body of
14 JEA, ~~and a two-thirds vote of the City Council~~, to collect
15 monthly or one-time voluntary contributions from customers
16 and ratepayers, for a charitable, scholastic, or public
17 service community giving program. Contributions from any
18 such program shall be passed through to an appropriate
19 non-profit entity for administration and distribution and
20 shall not be administered by JEA. The results of such
21 giving program shall be reported annually each July 1st to
22 the ~~Council~~ council.

23 (3) Upon approval of the ~~Board~~ governing body of JEA, to
24 collect monthly or one-time voluntary contributions from
25 customers, ratepayers or other contributors for other
26 customer assistance programs directly related to services
27 or utilities provided by JEA. ~~The results of such giving~~
28 ~~program(s) shall be reported annually each July 1st to the~~
29 ~~Council~~. Contributions from any such program shall be
30 passed through to an appropriate non-profit entity for

1 administration and distribution and shall not be
2 administered by JEA. The results of any such giving
3 program shall be reported annually each July 1st to the
4 council.

5 * * *

- 6 (s) Except as otherwise prohibited herein, to ~~to~~ delegate any act
7 authorized pursuant to this article to any officer, employee
8 or agent of JEA as it may deem necessary or desirable for the
9 prudent management of JEA.

10 * * *

- 11 (v) If JEA determines that it is necessary or appropriate for it
12 to provide, operate or maintain any other utility system or
13 function other than electric, water wastewater and natural
14 gas, JEA shall by resolution identify such additional utility
15 system or systems or function or functions and indicate its
16 desire to provide such utility service or services or function
17 or functions to the council. Sixty days prior to JEA filing
18 the JEA resolution via legislation with the council, JEA shall
19 provide written notice to the council auditor regarding the
20 additional utility system, function, or utility service that
21 JEA desires to provide, operate and maintain. Such notice to
22 the council auditor shall include the following information
23 regarding such additional utility system, function, or
24 utility service: (i) an express reference in the notice that
25 the notice is being provided pursuant to this subsection; (ii)
26 a detailed description of the additional utility system,
27 function or utility service; (iii) a copy of any applicable
28 business plans; (iv) a copy of any proposed contracts or
29 contract forms; (v) a financial analysis, including projected
30 revenues and expenses; and (vi) any other information

1 developed by JEA or third parties regarding the additional
2 utility system, function, or utility service. The JEA
3 resolution to be provided to council via legislation for
4 adoption and approval by the council shall address relative
5 real property tax treatment of JEA providing, operating or
6 maintaining the additional utility system and shall include
7 the information listed in (i)-(vi) above. Upon the adoption
8 and approval of this resolution by JEA and the council, voting
9 as separate entities, JEA, with respect to the specified
10 system or systems, shall be vested with all powers set forth
11 herein or in general law that would, but for the provisions of
12 this article, apply to such specified utility system or
13 systems.

14 * * *

15 (x) To coordinate carefully with the Department of Public Works of
16 the City of Jacksonville, ~~and~~ the Jacksonville Transportation
17 Authority, and other independent agencies, the planning and
18 execution of engineering and construction projects involving
19 underground work and streets and highways to seek to minimize
20 the total cost of such projects and to reduce disruption to
21 the citizens of the city to the maximum extent possible.

22 (y) To expend JEA funds up to ~~one and one-half (1.5)~~ one (1%)
23 percent of the prior year's gross revenues to promote the
24 efficient use of JEA's services through public education
25 including exhibits, conferences, displays, tours and other
26 events customary to the utilities industry and also to
27 publicize, advertise and promote the ~~objects~~ objectives of
28 this article and to promote the objectives of JEA all in the
29 manner set forth by resolution of JEA. Accordingly, JEA may
30 expend its funds to make known to the users, potential users

1 and public in general the advantages, facilities, resources,
2 products, attractions and attributes of the services provided
3 by JEA and to further create a favorable climate of opinion
4 concerning the activities and projects authorized and
5 indicated by this article. JEA may also, to the extent
6 permitted by the laws of the State of Florida, expend funds in
7 cooperative efforts to and with other agencies, both public
8 and private, in accomplishing the purposes enumerated and
9 indicated by this article; and in furtherance thereof. JEA may
10 also authorize reasonable expenditures for any and all of the
11 purposes herein enumerated, including but not limited to,
12 ~~meals, hospitality and entertainment of persons~~ reasonable
13 food and beverage expenditures in the interest of promoting
14 and engendering good will toward the activities and projects
15 herein authorized. Whenever an expenditure of funds for any of
16 the foregoing purposes is made by a member or employee of JEA,
17 JEA may reimburse such member or employee therefor, but only
18 after such expenditures have been duly authorized by JEA or
19 its managing director if so delegated to do so. JEA will
20 provide a list of proposed promotional expenditures ~~each~~ for
21 the current fiscal year to the council auditors on or before
22 December 31st of each fiscal year. The spending limitation on
23 promotional expenditures set forth in this subsection shall
24 not apply to a newly approved utility system, function or
25 utility service under subsection (v) herein and newly approved
26 additional services or products under subsection (p) herein.
27 For purposes of this subsection "newly approved" shall mean
28 within seven years of the approval date by council for matters
29 subject to the provisions of subsection (v) or by the
30 governing body of JEA for matters subject to the provisions of

1 subsection (p), as applicable. All funds expended by JEA as
2 reimbursement for travel expenses shall be subject to Chapter
3 106, Part 7, of the Ordinance Code of the City of
4 Jacksonville, as amended. JEA shall not exercise any powers
5 pursuant to this subsection to promote the privatization,
6 sale, transfer or reorganization of JEA as expressly
7 prohibited in section 21.11 herein or otherwise in this
8 article or the charter.

9 * * *

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

17 * * *

18 (ff) Subject to the prior approval of the governing body of JEA,
19 to:

20 (1) Transfer to an entity by sale, lease, assignment or
21 other disposition of up to, but not more than, the net
22 capital assets calculation (as defined in Section 21.11)
23 of an included system, or the management, function, or
24 operation of any portion of an included system which
25 comprises more than the net capital assets calculation
26 of such included system;

27 (2) Explore, investigate or consummate a reorganization of
28 JEA, or JEA's governance structure in a manner that
29 would affect JEA's ownership or management control of up
30 to, but not more than, the net capital assets

1 calculation (as defined in Section 21.11) of an included
2 system;

3 (3) Sell, lease, assign or otherwise transfer less than .01
4 or one percent (1%) of the service territory (as
5 calculated in Section 21.11(d)) of a JEA included system
6 to any entity; and

7 (4) Sell, lease, assign or otherwise transfer less than .01
8 or one percent (1%) of JEA's electric, water, or
9 wastewater, customer accounts (as calculated in Section
10 21.11(d)) based on the latest available JEA monthly
11 financial statements.

12 For purposes of this subsection and as applicable, terms and
13 phrases used in this subsection shall have the meaning
14 ascribed to them in section 21.11 herein. This subsection
15 (ff) is subject to the limitations and prohibitions on
16 privatization, sale, reorganization, and service territory
17 transfers set forth in Section 21.11

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

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

9 * * *

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

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

13 * * *

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

28 * * *

29 ~~(j) JEA shall employ and fix the compensation of the managing~~
30 ~~director, who shall manage the affairs of the utilities system~~

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

29 * * *

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

13 **Sec. 21.08. - Employees generally; managing director; employment**
14 **contract restrictions.**

15 (a) Generally. All employees of the utilities systems shall be
16 employees of JEA and shall be subject to Articles 16 and 17 of
17 the charter unless otherwise provided by the council, which
18 shall be and continue to be the legislative body as provided
19 in section 447.203(10), Florida Statutes, as amended. JEA
20 shall be fully responsible for the administration and
21 operation of all utility services as set out in this article
22 and in order to meet its administrative and operational
23 responsibilities, JEA shall have full and independent
24 authority to hire, transfer, promote, discipline, terminate
25 and evaluate employees engaged to provide any and all of the
26 utilities services for which it is responsible and
27 accordingly, consistent with the provisions of Article 17 of
28 the charter, JEA may establish employment policies relating to
29 hiring, promotion, discipline and termination, and other terms
30 and conditions of employment, and enter into negotiations with

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

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

1 and have at least five years executive experience within the
2 utilities industry. The managing director shall have a
3 fiduciary duty of loyalty, fidelity, and allegiance to act at
4 all times in the best interests of JEA and will act in a
5 manner consistent with the responsibilities of this article
6 and other policies, rules and regulations governing the
7 conduct of JEA employees. The managing director's employment
8 agreement, if any, shall be subject to the provisions of
9 subsection (d) below.

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

28 (d) *Employment contract restrictions.* JEA may have an employment
29 contract with the managing director only. The managing
30 director's employment contract shall be approved by the

1 governing body of JEA. Nothing in this subsection, or in any
2 employment agreement entered into pursuant to this subsection,
3 may be construed as a guarantee of employment for the managing
4 director at any time, or for any length of time. At a
5 minimum, the managing director's employment contract shall
6 satisfy the following requirements:

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

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

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

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

21 (5) JEA shall not be required to pay for or provide legal
22 counsel to the managing director beyond the legal counsel
23 required of the Office of General Counsel pursuant to the
24 charter or general law;

25 (6) The contract shall contain a provision that the managing
26 director serves at the pleasure of the governing body of
27 JEA and may be terminated without cause at any time, and
28 such provision may provide for not more than 30 days
29 advance notice to the managing director of such
30 termination without cause;

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

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

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

13 Any managing director employment contract entered into by JEA
14 that does not satisfy the minimum requirements above shall be
15 null and void.

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

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

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

1 31st of each fiscal year regarding the disbursements related to
2 the bonus program. JEA shall post such written report on
3 JEA's website in a conspicuous manner for the public to view.

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

5 (a) Applicability. Unless otherwise provided herein, this
6 section shall apply to contracts entered into by JEA
7 pursuant to this article.

8 (b) Procurement generally.

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

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

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

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

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

1 bidders, respondents and vendors) from participating in
2 solicitations. JEA shall have the right to reject any and
3 all bids, proposals, or replies, in whole or in part, in the
4 best interests of JEA.

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

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

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

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

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

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

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

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

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

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

1 article.

2 (c) Contracts Generally.

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

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

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

1 pursuant to this article that such vendor or contractor
2 shall comply with all applicable federal, state and local
3 laws, rules and regulations as the same exist or as may be
4 amended from time to time.

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

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

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

5 * * *

6 **Sec. 21.11 - Privatization, sale, reorganization, service**
7 **territory transfers prohibited.**

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

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

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

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

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

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

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

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

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

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

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

19 (d) Prohibited service territory transfers. Any sale, lease,
20 assignment or other transfer of the service territory of a JEA
21 included system to any entity that will result in a total net
22 loss of .01 or 1% or more of the service territory or any
23 sale, lease, assignment, or transfer to any entity that will
24 result in a total net loss of .01 or 1% or more of JEA's
25 electric, water, or wastewater, customer accounts based on the
26 latest available JEA monthly financial statements shall
27 require council approval in advance. JEA shall not enter into
28 any agreement, contract, memorandum of understanding, letter
29 of intent or other arrangement that would exceed the .01 or 1%

1 or more threshold without obtaining council approval in
2 advance.

3 (e) *Interlocal Agreements with St. Johns and Nassau Counties.*

4 Nothing in this section shall prevent JEA from complying with
5 the terms and conditions of the interlocal agreements with St.
6 Johns County and Nassau County executed by the parties prior
7 to January 1, 2020, which include, but are not limited to, an
8 option to purchase the assets and service territory of JEA
9 within the respective counties without council or referendum
10 approval.

11 **Sec. 21.12. - Public engagement.**

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

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

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

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29 **Section 3. Codification Instructions.** The Codifier and
30 the Office of General Counsel are authorized and directed to make

