

By Representatives Fuller, Dennis, Arnall, Crady, Thrasher
and Wise

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A bill to be entitled
An act relating to the City of Jacksonville and
the Jacksonville Electric Authority; amending
chapter 80-513, Laws of Florida, as amended, to
change the name of Jacksonville Electric
Authority to JEA; correcting references to
other laws; repealing superfluous provisions;
providing an effective date.

WHEREAS, by exercise of home rule authority in
Ordinance 98-253-E, the Council of the City of Jacksonville
amended Article 21 of Chapter 92-341, Laws of Florida, as
amended, to change, among other things, the name of
Jacksonville Electric Authority to JEA, and

WHEREAS, similar amendments should be made to Chapter
80-513, Laws of Florida, as amended by Chapter 82-312, Laws of
Florida, for purposes of consistency and conformity, NOW,
THEREFORE,

Be It Enacted by the Legislature of the State of Florida:

Section 1. Section 1 of chapter 80-513, Laws of
Florida, as amended by chapter 82-312, Laws of Florida, is
amended to read:

Section 1. JEA ~~The Jacksonville Electric Authority,~~
City of Jacksonville, Duval County, Florida (~~hereinafter~~
~~referred to as "Authority"~~) is hereby authorized to acquire,
build, construct, erect, extend, enlarge, lease, improve,
furnish, equip, own and operate as a separate bulk power
supply utility or system, electric generating plants and
transmission lines and interconnections and substations for

1 the generation, transmission and exchanging of electric power
2 and energy both within and without the boundaries of the
3 consolidated City of Jacksonville and within and without the
4 state (hereinafter called "system" or "project") for the
5 purposes of providing wholesale or retail energy or power to
6 customers within Duval County or counties adjacent thereto.
7 Nothing herein shall prohibit the JEA Authority from~~(i)~~
8 selling power and energy from a project to a joint participant
9 in such project or to any electric utility located within or
10 without the state pursuant to a coordination or interchange
11 agreement with such utility or~~(ii)~~providing transmission
12 service to, or entering into coordination or interchange
13 agreements with, any electric utility located within or
14 without the state. JEA ~~The Authority~~ may establish one or
15 more such separate systems or projects.

16 Section 2. Subsection (b) of section 2 of chapter
17 80-513, Laws of Florida, as amended by chapter 82-312, Laws of
18 Florida, is amended to read:

19 Section 2. JEA ~~The Authority~~:

20 (b) May contract for a period not exceeding 40 ~~forty~~
21 ~~(40)~~years for:

22 (i) The purchase by take-or-pay contracts, or
23 otherwise, of capacity or energy, or both, in any quantity
24 from any project owned or operated directly or indirectly
25 under lease, by any person, trust, or corporation, including
26 contracts or other arrangements between or among the existing
27 electric system of JEA ~~the Authority~~ and one or more separate
28 systems of JEA ~~the Authority~~ for the allocation to said
29 existing electric system and/or any one or more of such
30 systems of the output, capacity, energy or services of
31 projects of JEA ~~the Authority~~, and for the allocation of JEA's

1 ~~the Authority's~~ costs related to such projects, on a
2 take-or-pay basis or otherwise;

3 (ii) The sale of capacity or energy, or both, in any
4 quantity from any project in which JEA ~~the Authority~~ has an
5 ownership or leasehold interest;

6 Section 3. Section 3 of chapter 80-513, Laws of
7 Florida, as amended by chapter 82-312, Laws of Florida, is
8 amended to read:

9 Section 3. (a) JEA ~~The Authority~~ is authorized, by
10 resolution, to issue revenue bonds from time to time
11 (hereinafter referred to as "bonds") to pay all or part of the
12 cost of any project as above described or for the purpose of
13 refunding bonds issued for such purpose. Such bonds may be in
14 such denomination or denominations, may bear interest at such
15 rate or rates as are currently established by s. 215.84,
16 Florida Statutes, or according to said section as it may from
17 time to time be amended, and shall mature at such time or
18 times not exceeding 40 ~~forty (40)~~ years from their date or
19 dates, all as may be determined by JEA ~~the Authority~~. The
20 bonds may be made redeemable before maturity, at the option of
21 JEA ~~the Authority~~, at such price or prices and under such
22 terms and conditions as may be fixed by JEA ~~the Authority~~
23 prior to their issuance. JEA ~~The Authority~~ shall determine
24 the form of bonds, including any interest coupons to be
25 attached thereto, the manner of execution of the bonds, and
26 the place or places of payment of principal and interest,
27 which may be at any bank or trust company within or without
28 the State of Florida. The resolution authorizing the issuance
29 of the bonds shall contain such provisions relating to the use
30 of the proceeds from the sale of the bonds and for the
31 protection and security of holders of the bonds, including

1 their rights and remedies, and the rights, powers, privileges,
2 duties, and obligations of JEA ~~the Authority~~ with respect to
3 the same, as shall be determined by JEA ~~the Authority~~. In case
4 any officer whose signature or facsimile of whose signature
5 shall appear on any bonds or coupons shall cease to be such
6 officer before the delivery of such bonds, such signature or
7 such facsimile shall nevertheless be valid and sufficient for
8 all purposes the same as if he had remained in office until
9 such delivery. All bonds issued under the provisions of this
10 act shall be and are hereby declared to have all the qualities
11 and incidents of negotiable instruments under the laws of the
12 State of Florida. The bonds may be issued in coupon or in
13 fully registered form, or both, as JEA ~~the Authority~~ may
14 determine, and provisions may be made for the registration of
15 any coupon bonds as to principal alone and also as to both
16 principal and interest and for the reconversion into coupon
17 bonds of any bonds registered as to both principal and
18 interest. The bonds shall be sold at public or private sale at
19 such price or prices as JEA ~~the Authority~~ shall determine to
20 be in its best interest; provided, however, that the issuance
21 of such bonds shall be subject to the limitations or
22 conditions contained in s. 215.84, Florida Statutes, and
23 provided, further, that any price less than 100 percent of par
24 value shall be subject to s. 215.84, Florida Statutes, but in
25 no event shall any such bonds be sold at less than 95 percent
26 of par value.

27 (b) When bonds have been authorized by resolution of
28 JEA ~~the Authority~~, bond anticipation notes may be authorized
29 and issued from time to time, to temporarily finance the
30 costs, or any part thereof, of the project for which the bonds
31 are to be issued, in anticipation of the issuance of said

1 bonds. Such bond anticipation notes (hereinafter called
2 "notes") which shall include bond anticipation notes which may
3 be issued as part of a tax exempt commercial paper program, or
4 other short-term note financing program, shall be authorized
5 by a resolution of JEA ~~the Authority~~ which resolution shall
6 fix the maximum amount of notes to be issued, the maximum
7 interest rate such notes may bear, subject to the provisions
8 of s. 215.84, Florida Statutes, the denomination or
9 denominations thereof, the redemption provisions thereof,
10 which may include provisions for payment on demand of the
11 purchaser or purchasers, and such other details, including the
12 form of such notes, provisions for the renewal thereof and the
13 security for payment thereof as shall be determined by JEA ~~the~~
14 ~~Authority~~. Such notes shall have such qualities and incidents
15 of negotiable instruments and shall be executed in the manner
16 provided herein for the bonds and shall be payable from the
17 proceeds of said bonds unless sooner paid from the revenues of
18 the project for which they are issued. Each such note,
19 including any renewals thereof, shall mature not later than 5
20 ~~five~~ (5) years from the initial date of issuance of such note
21 authorized by such resolution. When authorized by resolution
22 such notes, including renewals, may be sold by officers of JEA
23 ~~the Authority~~ at public or private sale and delivered by such
24 officers to the purchaser or purchasers thereof within the
25 limitations and restrictions contained in such resolution.

26 Section 4. Section 4 of chapter 80-513, Laws of
27 Florida, is amended to read:

28 Section 4. The principal of and interest on the bonds
29 issued under this act may be payable from the revenues derived
30 from the operation of the system, and from other funds legally
31 available for such purpose; provided, however, that neither

1 the bonds issued under this act, nor the interest thereon,
2 shall have any lien upon any property of or in the City of
3 Jacksonville or any property of JEA ~~the Authority~~ except the
4 revenues and other legally available funds, if any, pledged
5 for the payment thereof.

6 Section 5. Section 6 of chapter 80-513, Laws of
7 Florida, is amended to read:

8 Section 6. The cost of the project may be deemed to
9 also include (but not be limited to), the cost of acquisition
10 or lease of sites, rights-of-way, legal, engineering, fiscal,
11 architectural fees, and fees of any other experts or
12 consultants employed by JEA ~~the Authority~~, engineering,
13 architectural, or environmental studies, surveys, plans, and
14 designs for the system; applications, licenses, permits, and
15 approvals required by governmental agencies, interest during
16 construction and for some reasonable period thereafter;
17 prepaid facilities charges, repayment of loans, notes, and
18 advances; provisions for debt service and other reserves; bond
19 discount; the expense of the issuance, authorization, and sale
20 of said bonds including advertisement, notices, and
21 proceedings in connection therewith; and such other expenses
22 as are necessary, incidental or appurtenant to the purposes
23 authorized hereunder. JEA ~~The authority~~ shall make payment to
24 any taxing unit other than Duval County in which it locates an
25 electric generating plant. The payment shall be in the amount
26 agreed to by JEA ~~the authority~~ and the taxing unit or in the
27 absence of such an agreement in an amount equal to the ad
28 valorem taxes which would be paid to the taxing unit on the
29 plant by a private utility. JEA ~~The authority~~ shall also be
30 subject to all county ordinances and regulations which would
31 apply to a private utility.

1 Section 6. Section 8 of chapter 80-513, Laws of
2 Florida, as amended by chapter 82-312, Laws of Florida, is
3 amended to read:

4 Section 8. Bonds shall be issued under the provisions
5 of this act only upon approval by two-thirds of the membership
6 of the Council of the City of Jacksonville (hereinafter
7 referred to as "council") except that no such approval shall
8 be required for the issuance of bonds to complete the payment
9 of the cost of a project for which bonds have previously been
10 issued with such approval of the council, to pay the cost of
11 capital improvements to such a project or to refund bonds
12 issued for such a project; and any agreements or contracts
13 entered into by JEA ~~the Authority~~ under section 2(a) of this
14 act shall be subject to the prior consent and approval by
15 two-thirds of the membership of the council except that no
16 such approval shall be required for the amendment of any such
17 agreement or contract. Notwithstanding the foregoing, JEA ~~the~~
18 ~~Authority~~ may not execute any material amendment to such an
19 agreement or contract until it shall have been submitted to
20 the council and the mayor for their consideration; the council
21 and the mayor may consider the proposed material amendment for
22 a period of up to 30 ~~thirty (30)~~ days and may forward their
23 comments, if any, to JEA ~~the Authority~~ and JEA ~~the Authority~~
24 may not formally execute such a proposed amendment until after
25 this 30-day ~~thirty (30) day~~ period shall have expired. Should
26 both the mayor and the council desire to waive this 30-day
27 ~~thirty (30) day~~ requirement with regard to any particular
28 amendment after having received it, then they may communicate
29 this desire to waive comment in writing to JEA ~~the Authority~~
30 which may proceed to execute the amendment so long as such
31 waiver has been received from both the mayor and the council.

1 Any such agreement or contract approved by two-thirds of the
2 membership of the council shall constitute a contract which
3 shall not be impaired by subsequent legislative action of the
4 council.

5 Section 7. Section 9 of chapter 80-513, Laws of
6 Florida, is amended to read:

7 Section 9. This act shall not be deemed to repeal or
8 supersede any other law or laws, including part I, chapter 163
9 and part II, chapter 361, Chapter 163, Part I and 361, Part
10 ~~II~~, Florida Statutes, but shall be supplemental and additional
11 authority to JEA ~~the Authority~~ to carry out and perform the
12 powers provided by this act, and shall be liberally
13 constructed to effect the purposes thereof. For the purposes
14 of this act, JEA ~~the Authority~~ shall be deemed to be a public
15 agency within the meaning of chapter 163, part I, Florida
16 Statutes.

17 Section 8. Section 10 of chapter 80-513, Laws of
18 Florida, as amended by chapter 82-312, Laws of Florida, is
19 amended to read:

20 Section 10. The provisions of this act are intended to
21 implement the provisions of s. 10, Article VII of the State
22 Constitution and in establishing a joint electric supply
23 project pursuant to this act, JEA ~~the Authority~~ may give, lend
24 or use its credit to aid any joint participant in such project
25 but the City of Jacksonville may not give, lend, or use its
26 taxing power, or its full faith and credit, to aid any joint
27 participant in such project. Any bonds issued pursuant to the
28 provisions of this act, and the interest thereon, shall be
29 exempt from any and all taxation by the State of Florida, any
30 law to the contrary notwithstanding; provided, however, that
31 any interest income or profits on debt obligations issued

1 hereunder shall not be exempt from the tax imposed by chapter
2 220, Florida Statutes. The private interest portion of any
3 such joint project shall be subject to all taxation in
4 accordance with its proportionate interest in such project.

5 Section 9. Section 11 of chapter 80-513, Laws of
6 Florida, as amended by chapter 82-312, Laws of Florida, is
7 amended to read:

8 Section 11. The auditor of the Council of the City of
9 Jacksonville shall conduct an annual audit of the fiscal
10 operations of each separate system of JEA ~~the Authority~~;
11 provided, however, that notwithstanding anything contained in
12 the chapter 67-1320, Laws of Florida, as amended, being the
13 Charter of the City of Jacksonville (the "Charter") or the
14 Ordinance Code of the City of Jacksonville to the contrary, no
15 audit by the auditor of the council shall be required with
16 respect to any system consisting of JEA's ~~the Authority's~~
17 interest in any joint electric power project for which an
18 annual audit by an independent auditor is required by the
19 terms of an agreement entered into under section 2(a) of this
20 act. However, an audit may be performed by the council auditor
21 and if performed, the audit may examine all accounting
22 systems, accounts and other records of financial transactions
23 of the joint electric power project which are maintained by
24 JEA ~~the Authority~~, or which are maintained by any committee
25 referred to in section 13 of chapter 80-513, Laws of Florida,
26 as created by this act. Notwithstanding anything contained or
27 implied in this act, the Charter or the Ordinance Code of the
28 City of Jacksonville to the contrary, no audit by the auditor
29 of the council shall be conducted with respect to any
30 accounting systems, accounts, or other records separately
31 maintained by any other participant in such a project, nor

1 shall such an audit extend to the interests of any other
2 participant in such a project, except to the extent any
3 agreement entered into pursuant to section 2 of this act
4 expressly provides for audits by the council auditor. The
5 auditor shall submit a printed and public report on such audit
6 to the Council of the City of Jacksonville.

7 Section 10. Subsections (1), (2), and (4) of section
8 12 of chapter 80-513, Laws of Florida, as created by section 8
9 of chapter 82-312, Laws of Florida, are amended to read:

10 Section 12. In order to enable JEA ~~the Authority~~ to
11 implement and accomplish any joint electric power project with
12 respect to which JEA ~~the Authority~~ has entered into an
13 agreement under section 2(a) of this act, JEA ~~the Authority~~
14 shall have the following powers, in addition to powers
15 otherwise conferred:

16 (1) To employ personnel whose duties shall relate
17 exclusively to any such joint electric power project. Such
18 employees shall not be employees of the City of Jacksonville,
19 or members of the Civil Service System of the City of
20 Jacksonville, nor shall they participate in the pension fund
21 of the city notwithstanding any provision of the Charter or
22 the Ordinance Code of the City of Jacksonville to the
23 contrary. JEA ~~The Authority~~ may fix and pay to such employees
24 such compensation and provide to them such other employee
25 rights and benefits as it shall determine. In addition, JEA
26 ~~the Authority~~ may allocate to the joint electric power project
27 the services of any of its other employees, whether appointed
28 or within the Civil Service System of the City, from time to
29 time on a temporary basis in order to provide necessary
30 support or assistance to the joint electric power project.
31 Such temporary assignment of any civil service employee to a

1 project shall not exceed 60 ~~sixty (60)~~ consecutive days in
2 duration. In the event that an employee of JEA ~~the Authority~~
3 who is a member of the classified civil service system of the
4 city and is participating in the 1937 Employees' Pension Fund
5 of the city shall become a full-time employee of any such
6 joint electric power project after the effective date of this
7 act, then such employee shall no longer be a member of the
8 city civil service system and shall relinquish all rights and
9 privileges inuring to employees within said system and shall
10 thereafter be entitled only to those benefits as shall be
11 afforded other full-time employees of the joint electric power
12 project. However, any employee who shall leave the city civil
13 service system in order to become an employee of such a
14 project prior to January 1, 1990, may, at his or her option,
15 continue as a member of the 1937 Employees' Pension Fund and
16 upon continuation shall make the required employee
17 contribution thereto and the matching contribution which had
18 theretofore been paid into this fund by JEA ~~the Authority~~ on
19 behalf of such employee shall thereafter be assumed and paid
20 by the project. No person who is receiving time service
21 pension payments from any pension fund of the city may become
22 an employee of a joint electric power project and continue to
23 receive payments from the fund during such period of
24 employment. However, should any such person whose pension
25 benefits have been so terminated cease his employment with the
26 joint electric power project, he shall immediately become
27 qualified for and be entitled to receive those benefits he had
28 previously been entitled to.

29 (2) To establish or approve, and to implement,
30 policies and procedures providing for the letting of contracts
31 for the procurement and disposal of property, work,

1 professional and nonprofessional services, products, supplies,
2 equipment, and materials of any nature needed for the
3 financing, construction, and operation of any such joint
4 electric power project. Such policies and procedures shall
5 govern exclusively JEA's ~~the Authority's~~ contracting and
6 procurement and disposal practices in connection with the
7 joint electric power project notwithstanding any provision of
8 the Charter or the Ordinance Code of the City of Jacksonville
9 to the contrary.

10 (4) To provide for the establishment and revision of
11 construction and operating budgets for such joint electric
12 power project. JEA ~~The Authority~~ shall not be required to
13 submit to the council for approval any budgets relating to the
14 joint electric power project. All such budgets shall become
15 effective without approval of the council notwithstanding any
16 provision of the Charter or the Ordinance Code of the City of
17 Jacksonville to the contrary.

18 Section 11. Paragraph (1) of subsection (a) and
19 subsection (b) of section 13 of chapter 80-513, Laws of
20 Florida, as created by section 9 of chapter 82-312, Laws of
21 Florida, are amended to read:

22 Section 13. (a) In order to enable JEA ~~the Authority~~
23 and any other electric utility or group of electric utilities
24 which enter into an agreement for a joint electric power
25 project under section 2(a) to coordinate their joint
26 activities with respect to the construction and operation of
27 such joint electric power project in an efficient manner, JEA
28 ~~the Authority~~ shall have the following powers, in addition to
29 the powers otherwise conferred:

30 (1) Subject to the provisions and limitations
31 contained in subsection (b), to provide in the agreement for

1 the management of the construction and operation of the joint
2 electric power project by one or more committees composed of
3 representatives of parties to the agreement, and to designate
4 one or more representatives of JEA ~~the Authority~~ to serve on
5 any such committee.

6 (b) JEA ~~The Authority~~ may delegate to any committees
7 referred to in subsection (a), or to any party to the
8 agreement designated as agent in accordance with subsection
9 (a), or to any officer or employee of JEA ~~the Authority~~, the
10 responsibility and authority to undertake activities in
11 furtherance of the construction and operation of the joint
12 electric power project to such extent as JEA ~~the Authority~~, in
13 its discretion, may deem proper and appropriate or to such
14 extent as shall be provided in the agreement; provided,
15 however, that, to the extent such activities involve
16 discretionary authority, any such committee, or agent or
17 officer or employee of JEA ~~the Authority~~, shall be authorized
18 to undertake such activities only in accordance with policies
19 and procedures approved by JEA ~~the Authority~~ and in a manner
20 consistent with prudent utility practice.

21 Section 12. Section 14 of chapter 80-513, Laws of
22 Florida, as created by section 10 of chapter 82-312, Laws of
23 Florida, is amended to read:

24 Section 14. The financing, construction, and operation
25 of any joint electric power project undertaken pursuant to
26 this act shall be governed and controlled exclusively by the
27 provisions of this act, the terms of the agreement with
28 respect to such joint electric power project entered into by
29 JEA ~~the Authority~~ pursuant to section 2(a) and the provisions
30 of the resolution or resolutions of JEA ~~the Authority~~ securing
31 the bonds issued by JEA ~~the Authority~~ to finance its share of

1 the cost of the project. No provision of the Charter or the
2 Ordinance Code of the City of Jacksonville shall apply to or
3 impose any requirement on JEA ~~the Authority~~ relative to the
4 financing, construction, ownership, and operation of, or use
5 or application of the revenues derived by JEA ~~the Authority~~
6 from, any joint electric supply project authorized pursuant to
7 this act, including, but not limited to, sections 5.07 ~~5.06~~,
8 5.10, 5.11, 14.01 ~~15.03~~, 14.02 ~~15.04~~, ~~15.05~~, 21.04(1)
9 ~~30.04(10)~~, 21.07(c) ~~30.07(3)~~, 21.07(d) ~~30.07(4)~~, 21.07(e)
10 ~~30.07(5)~~, 21.09 ~~30.09~~ and Articles 18 and 19 of the Charter
11 and Chapter 126 ~~130~~ of the Ordinance Code. The council shall
12 enact no law the provisions of which would conflict with, or
13 impair the rights of any party to, such agreement or would
14 conflict with any such bond resolution or impair the rights of
15 the holders of such bonds.

16 Section 13. Section 15 of chapter 80-513, Laws of
17 Florida, as created by section 11 of chapter 82-312, Laws of
18 Florida, is amended to read:

19 Section 15. The council shall enact no law which in
20 any manner would limit or impair JEA ~~the Authority~~ in the
21 exercise of the powers granted to it by this act. Any
22 provision of the Charter or the Ordinance Code of the City of
23 Jacksonville, or of any special act relating to the City of
24 Jacksonville or JEA ~~the Authority~~, which is in conflict with
25 the provisions of this act is hereby superseded by the
26 provisions of this act, and is hereby repealed, but only to
27 the extent of such conflict.

28 Section 14. Section 16 of chapter 80-513, Laws of
29 Florida, as created by section 12 of chapter 82-312, Laws of
30 Florida, is amended to read:

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1 Section 16. The council is hereby directed to, and it
2 shall, make the annual appropriations necessary for JEA ~~the~~
3 ~~Authority~~ to fulfill its contractual obligations to make any
4 and all payments required by the terms of any agreement
5 entered into pursuant to section 2 of this act or by the
6 provisions of any resolution of JEA ~~the Authority~~ securing
7 bonds issued to finance its share of the cost of any project
8 authorized by this act, but the council shall not be required
9 to make such appropriations from the general fund or any other
10 funds or moneys of the City of Jacksonville other than
11 revenues and other available funds of JEA ~~the Authority~~.

12 Section 15. Section 17 of chapter 80-513, Laws of
13 Florida, as created by section 13 of chapter 82-312, Laws of
14 Florida, is repealed.

15 Section 16. Section 18 of chapter 80-513, Laws of
16 Florida, as created by section 14 of chapter 82-312, Laws of
17 Florida, is renumbered as section 17.

18 Section 17. Sections 19 and 20 of chapter 80-513, Laws
19 of Florida, renumbered by section 7 of chapter 82-312, Laws of
20 Florida, are renumbered as sections 18 and 19, respectively.

21 Section 18. This act shall take effect upon becoming a
22 law.

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