



OFFICE OF THE CITY COUNCIL

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Tuesday, April 4, 2023
1:00 PM

RE: Noticed Meeting RE HB 1331 Second Emergency Resolution

Location: Lynwood Roberts Room, City Hall

Attendees:

CM Howland
CM Boyland
CM DeFoor
CM Morgan
CM Carlucci

CM Clark-Murray
CM Salem
CM White
Mary Staffopoulos
Amber Lehman

Kurt Wilson
Jody Brooks
Sheri Webber
Sonia Johnson
Mary Staffopoulos

Meeting Convened: 1:02 PM

CM HOWLAND

OK, let's get started, first let's go around and have introductions starting with Councilman White.

CM WHITE

Randy White District 12.

CM CLARK-MURRAY

Good afternoon, Tyrone Clark-Murray, District 9.

CM HOWLAND

Nick Howland, At-Large, Group 3.

CM SALEM

Ron Salem, Group 2, At-Large.

CM DEFOOR

Good afternoon, Randy DeFoor, District 14.

CM CARLUCCI

And Good afternoon, Matt Carlucci, At-Large, Group 4.



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CM HOWLAND

Again, thanks for the turnout. The reason I called this meeting today is because we passed a resolution last week. The City Council passed it unanimously regarding our strong opposition to the HB 1331 bill that's working its way through the process in Tallahassee. We put together a great resolution last week expressing our concerns about home rule, JEA and its independent board providing oversight, and our concerns regarding the contribution that JEA makes every year to the city budget.

The HB 1331 initially looked like it was potentially going to subject JEA to competence by the PSC and be subject to a cap that JEA can contribute annually to the City of Jacksonville in the form that we approve, the resolution and opposition against I think that PSC regulation was gone already. However, it's still put a cap on the contribution to JEA. So, it was an excellent resolution at the time. We've seen HB 1331 go through other iterations or many rejected amendments to it, and that's neither here nor there for us because the state legislature makes state law. Still, we are concerned about Duval County and home rule and our patch, particularly the control of our wonderful municipal utility, JEA. And there are unintended consequences, I think, related to that resolution.

We saw from Representative Duggan and subsequently Representative Black in an email to all of the City Council that they understood our resolution and they appreciated the input they will follow the direction and they'll vote no on HB 1331 as we requested to do in that resolution. But that's six or seven no votes of the Duval Delegation of 120 votes in the House of Representatives and in the State, so it's not going to potentially will not achieve the ends that we want to achieve, which is that JEA is not only not under PSC regulation, but also there's no cap to the contribution and that continues to be as it always has been negotiation and understanding between the city and the Jacksonville taxpayers and ratepayers which are also technically the shareholders of JEA and JEA management itself.

So, I spoke with several members of the Representatives; the House of Representatives, and the Senate of the State to provide them cover to potentially introduce an amendment to HB 1331 That would expressly exempt JEA from the bill and whatever form it is now or takes in the next several weeks. They suggested and agreed with me that perhaps the second emergency resolution that would express the Council's will to have the Duval Delegation or the state legislature introduce an amendment to exempt JEA expressly was indeed merit.



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So that is what this resolution does that we've introduced. Everybody should have a copy, and I wanted to point out a handful of things in the draft resolution: what, again, is the second emergency resolution regarding House Bill 1331 and the companion Senate Bill? But first is, what's important, is whereas on, let me see, where did we put it? Yeah, it would be page three, starting with line four, where it reads Jacksonville's contention that the restrictions outlined in House Bill 1331 and Senate 1380 do not apply to the city and JEA, absent express language to the contrary.

A reasonable person could say that this legislation is intended to include the City of Jacksonville and JEA. So, in other words, we're making sure this resolution is our interpretation that does not apply in any event, but out of an abundance of caution, we are requesting. You can see it on the next page, page three, number 11, in the express exemption for the Consolidated City of Jacksonville and JEA.

Another interesting thing is that we are now leaving two resolutions on the table, one expressing opposition to 1331. One introducing an exemption that makes 1331 palatable to us, as a City Council, we needed to indicate that should the legislature expressly exempt the City of Jacksonville, we would no longer be opposed to set legislation. You can see that language between lines 11 and 14 on page four. Then I'll read it. In contrast, it's such an amendment to House Bill 1331, and both the House approved Senate Bill 1380 Florida House. The City Council would no longer be opposed to said legislation.

So, in other words, these two resolutions don't cancel each other out. They work together; if we get the amendment, then by this resolution, we will take away our opposition to 1331. So, with that, I also do want to note that we did discuss briefly during the City Council meeting last Tuesday when we were discussing this resolution, introducing language that would have also asked the Duval Delegation to consider introducing an amendment to exempt JEA expressly.

We had that conversation briefly We ended up withdrawing it, And I believe now in retrospect we should have added that language but this new resolution, the second emergency resolution would achieve that.

With that, before we take comments from other members of the Council here and Councilman Gaffney joined us, Sir, thanks for joining us today. I did want to (indecipherable) see, oh, we also have a Councilwoman Morgan; thank you also for joining us. I did want to see if my fellow colleagues felt that would be informational.



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If we had Kurt Wilson come to talk about what is happening right now with HB 1331 and Senate Bill 1380, maybe just five minutes, Mr. Wilson, and then after that, we'll go around the table. If anyone has any comments, yes, sir. Please.

WILSON
From here?

CM HOWLAND
[Indecipherable] You can come sit up here at the table.

WILSON
Thank you, Sir. Good afternoon, everyone. Kurt Wilson, JEA, quick update So, the two Senate bills, excuse me, the two bills, Senate Bill 1380, have been temporarily postponed in their first committee stop, which is regulated industries.

It's important to note that the bill still needs to be amended, so it sits right now as a five-year placement of adjustable electric and gas utilities under the jurisdiction of the PSC. An amendment that limits House Bill 1331 has been filed but has yet to be voted on, so it has not been re-agenda. There are three committees of reference it has been assigned to in the Senate, and it has yet to be on the agenda. So, this, for all intents and purposes, stalled in the Senate.

On the House side 1331; as you said earlier, everything's correct. It was originally assigned to three committees. The second committee was removed, so the momentum is certainly in the House, and you're seeing that with our Chair, Representative Duggan. His outreach to us was at this last committee stop; the Commerce Committee, he sits on that committee.

So that's the status of the two bills; I don't have a crystal ball [indecipherable]. And one last thing is there is a bill that I just wanted to mention because somebody in the room walked in and said it was being heard that Senate Bill 1712, although it applies to water rates for water and wastewater, does not apply to COJ and JEA it's where utilities that charge surcharges on top of their normal rates.

So, for customers that are outside of the county, people can charge up to 50% or more for surcharges for different reasons. Those bills address that you have to have public hearings, things like that JEA does not set despair rates. Everything is the same in our service territory.



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The reason I mentioned the bill is there is because it is linked to HB 1331 on the Senate side and has the ability and heard in committee, which is being heard today; they can take HB 1331 amendment language and throw it on that bill that becomes the new vehicle in the Senate and the Senate committee is also telling us, that's not going to happen. So, it won't happen today doesn't mean it can't happen. Another available one accounted for, which is another reason why it could be another tool in the toolbox [indecipherable].

CM HOWLAND

Okay, Thank you, Kurt. You can stay here in case you have any more questions. But to summarize, HB1331 going through the House right now, if it goes through as, it's written now, we lose control over the contribution that JEA can make to the city, which you've seen the estimates right now 122 million, and that puts a hole in what we can in our budget in future years.

With the resolution we have passed without this one, we would likely get our Duval Delegation voting no against HB 1331. So, this resolution provides additional security for us to carve out JEA and protect our control over our municipal utility and how much we can contribute to the city budget. With that, I'll open up to anyone with questions, including first Council Vice-President Salem, or discussions, not questions.

CM SALEM

Thank you, Councilmember Howland, and thank you for calling this; it's truly important. I'll make a couple of points like many on this panel.

I've spoken to people in Tallahassee lobbyists and Representative Duggan as well, and from what I understand, carving out Jacksonville from this bill is a nonstarter-free offer. So, we must look at some other way, and your resolution touches on it. But in my opinion, we all are we're that this resolution should have two pieces: one and requesting that we be carved out, but if not carved out, we need to ask to remove any limitations on the JEA contribution to the city

And that includes not just the 122 that we're all familiar with, but some other taxes and fees that come from JEA into our budget And that total I believe is over 200 million dollars.

WILSON

\$256 million.

CM SALEM

Is it not?



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WILSON

Yes, sir, through the Chair.

CM SALEM

So, we need to be very specific and have two requests because I think the first request is a nonstarter. Still, let's include it because the author of the bill, as I understand, said I exclude JEA, and I got to exclude everybody else in the State, and the bill is, is [indecipherable].

So, I think the best thing we can do is say do not touch our contributions from JEA and the city. That way, it's a two-pronged approach and a much more effective approach, and I recommend an amendment for this bill if it does.

CM HOWLAND

Okay, Councilman Carlucci?

CM CARLUCCI

Thank you to Councilman Howland for putting this meeting together. I just wanted some clarification from the Vice President. You're saying the sponsor of the bill; who's the sponsor of which bill? Is it the one in Tallahassee or the sponsor of the original resolution?

CM SALEM

Okay, let me clarify that the member of the House, whose name I cannot recall, and this is through representative Duggan, told me the authors have told him I will not exclude a specific utility from the bill.

CM SALEM

That's why we need to have a second approach to ensure the contribution, and I'm leery of this percentage stuff because the contributions and taxes will grow. So, we need to request a blanket that the legislation will not impact our contribution from JEA.

CM HOWLAND

To summarize, if we're to keep the exemption entirely from HB1331, put in there that if the exemption is not granted, at least exempt from the contribution restrictions inherent in HB1331 as [indecipherable].



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CM SALEM

We need to contribute to that.

CM SALEM

Fees and taxes make it so it's not the \$122 million I'm looking at. Mary's not looking at me, but now she is All contributions from JEA.

STAFFAPHOULOUS

So, to clarify, the bill only seeks an exemption from the contribution part. It needs to address the remainder of House Bill 1331. So, it already gets out your second point. So, it sounds like you want to add language that exempts us from it entirely; in the alternative, it exempts us from the cap.

CM HOWLAND

Yeah.

STAFFAPHOULOUS

Okay.

CM SALEM

That is correct.

CM HOWLAND

Yes ma'am?

CM DEFOOR

First of all, thank you for that clarification.

In other words, the PSC can come back, [indecipherable] the commission, which we don't want. I'd like to hear from JEA on their position on this bill. I don't know, Jody. Do you want us to hear what your position is? Would you want us to carve this out, or would you rather us completely bed it down?

BROOKS

No, JEA's position is a policy decision for the Council. I got to the podium last Tuesday to say it took home rule out, any carve out, or any amendments. I'm sorry.



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CM HOWLAND

Jody, would you state your name?

BROOKS

Jody Brooks, Chief Administrative Officer for JEA But I also got a specialized law degree in environmental in land use law from the University of Florida, Go Gator's [indecipherable]. I've been a government lawyer for many years. In your home rule, power is your superpower. And so, when I was asked on the podium last week about what my personal opinion was, I asked that you call on your attorney who would, Jason Teal. However, he didn't come to the microphone, but my personal opinion still today is that amendment and that you need to kill the bill. This legislation takes away and erodes your home rule power, even if you have carve-outs.

That's Jody Brooks' personal opinion; JEA's opinion did what was necessary to preserve the contribution. We are good partners. We provide a lot of funding for, you know, the health, welfare, and the community. We support the idea that we want to be separate from this legislation that's going to impact the contribution JEA provides to the city. We are with you, councilman Salem, and everyone else on this Council to defeat this bill. However, whatever it takes to defeat it is what we need to be working towards, and whatever language needs to be added. Again, last Tuesday, I was told that by the same legislative lobbyists that we have that there was not going to be any ability to do a carve-out, and so while that may have been that last week, if there's some language and an amendment process that you can suggest language that will defeat it, you know, straight up but then if you can't defeat it straight up, exclude JEA in the City of Jacksonville, so we continue with our contribution and what when we give to the city, we're on board.

CM DEFOOR

Thank you for that. And if I can continue, the person who filed this is the House of Representatives, Debbie Carrera, who is in South Florida. This whole thing is supposed to be about a Gainesville utility and why someone from South Florida cares about Gainesville. We can all guess why. So, this is very concerning Because not only does it impact our home rule, but it impacts, I think it's a backdoor, and I'm saying it in the media, and I'm going to say it again, is a backdoor to force us to eventually have to sell the JEA if we cannot reap the revenues received the revenues from our utility we have over the years get you to know we've had to subsidize JEA for many years ago it was not a revenue-generating entity So, to say this is a government overreach isn't, is, you know, an -



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CM CARLUCCI
understatement.

CM DEFOOR

Thank you. They would likely do this to any other privately owned utility, right? How can they not receive profits from FP&L? Can you imagine going to FP&L saying you can't receive profits any longer? So, we have got to fight this. We should not do the carve-out; that will erode the bill. If we stand strong, it goes down. If we start carving and trying to carve ourselves up, it's going to pass, and ultimately, if it passes down the road, we're next. And that's what I think.

CM HOWLAND

Councilman Carlucci: Oh, sorry, Councilman Boylan.

CM BOYLAN

Thank you. [indecipherable] I apologize. First of all, for Ms. Brooks, I called her up last week at the podium just to confirm the conversation we had at the board meeting that morning. I didn't mean for you to, and I apologize for putting her in a difficult position. I think, I wish Brenda Priestly Jackson were here because she says it best if you take a look at whereas the top of page 3 [indecipherable] 4, this clearly does impact the home rule.

And I think we really, by offering a carve-out, are tacitly acknowledging the opportunity in the home rule intrusion with this bill. And that's why I can't support it or support the additional events to the process. Number two, the Florida Municipal Electric Association is looking as Councilmember DeFoor just said, is looking for us as entities to stand strong together in this process and by carving ourselves out as I understand they're likely as many as 16 other carve-outs, which they're not going to accept any of them [indecipherable]. I think we need to be diligent saying we stand up and we oppose this bill, we oppose it unilaterally across the board and to offer a carve-out means well; but if it were gifted, but in case we're not, you know, carve these out, I just think it's really bad practice bad policy. Again, Councilmember DeFoor's point, the rationale for doing this thing clearly is something more nefarious than perhaps we understand or know but beyond.

CM HOWLAND

Okay, let me think; I want to go to Councilman Boylan, and then we'll go to Councilman Carlucci. Oh, sorry, Councilman Bowman. You were going to say something?

CM BOWMAN

You confused me.



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CM HOWLAND

Sorry, I confused myself. I was looking at you.

CM BOWMAN

Yeah, thank you, Mr. Chair. I come with a little bit different perspective and that's why I started this discussion last week. The power of the Council is always proven to be better when we get together and talk and try to run through emergencies. That's why I don't like emergencies and I think for us as a city to try to tell the state legislatures how they need to rule 66 other counties is bad policy. And I agree with the home rule that I'm tired of the State infringing our ability to do things but basically, I like what you put together that it basically says let's kill it. If you want to kill it, please get us out.

And I like smart that's smart business to do is that we go in full blast saying we're going to die on this and then we're only looking at one option and that is to kill the bill in its entirety. I think we risk losing. I think if we go in there and go, we'd like you to kill it. But we just don't want to imply a [indecipherable] better way but get out. I like Dr. Salem's amendment, I think that states it well too, so I'm going to support it. If we'd had time last Tuesday to have a good discussion like this, I think we probably would have ended up in a different place than we did but thanks for pulling us together and [indecipherable].

CM HOWLAND

Thank you, sir. Councilman Carlucci, I think next, and then we'll go to Councilman DeFoor.

CM CARLUCCI

Thank you, Councilman Howland, And I do again thank you for putting this together so we can talk things through since our last Council meeting. I have been trying to put this into words. My instincts on this bill, and I have many years of experience working with the JEA and always seem to take their side. First of all, we need to understand the JEA we do, this is a state that is the state leader where it affects the public utility for the State of Florida; beyond that, we are a sterling example of one of the largest public utilities in the country. That's our leadership role. That's who we are.

We are darn lucky to have that [indecipherable] gonna say that JEA is a leader in public utilities. It's [indecipherable] all and all-encompassing [indecipherable] of the other utilities in our State. So that we can do a bill or an amendment to protect us.



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I don't think that is a good look in leadership for Jacksonville, and the bill that we passed last Friday, I don't know how much more we could have included JEA in that bill, but we [indecipherable] our partners in this [indecipherable] in the State. What's good for the JEA is good for all public utilities. And what is good for all public utilities, it's good for JEA, but we're the leader, and I just personally think that it weakens the position that weakens our leadership role and public utilities not only in the State but in this country to carve out everybody else except for us.

And I wish I could find a better word for this, but I'm just going to say you know, it seems a little selfish, and I don't think that's what defines our JEA. Our JEA is the farthest thing from being selfish of any company. Any utility that we have in the bill that we pass is plenty sufficient enough that it talks about the value of protecting JEA and protecting our contribution to our citizens and the other benefits of our JEA, but it also is against the bill as a whole which is we're going to protect our brothers and sisters in this State, and we might need them one day.

I thank you for the good intentions that Councilman Howland has, and I don't doubt that. I never doubted the intentions of Councilman Bowman when he made the amendment on the floor, but immediately when I heard it, I thought well, might be good. But then my instinct said [indecipherable] we're the leader here and we will drop [indecipherable] or align to the other municipalities in this State where we're the leader.

So that's kind of why I'm troubled with JEA wanting to move the other bill. I'll consider it but I think it's a mistake. I think it's a leadership mistake, I think the first bill we passed was abundantly clear that we don't want the JEA included. But we didn't go so far as to say that we don't care about anybody else. That's all I have to say about it.

CM HOWLAND

Councilmember DeFoor and then Councilmember Salem, Vice-President Salem.

CM DEFOOR 26:38

Thank you, Councilman Howland; I would like clarification if I could; Mary, Councilman Bowman said we can't. This resolution says we can't kill and let the carves out. This resolution doesn't say that. What I had heard Councilman Howland say if we do this resolution, it removes our opposition to House Bill 1331 as long as it carves us out, is that correct? Please let us know.



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STAFFAPHOULOUS

Yes, so.

CM BOYLAN

Would you like the microphone?

STAFFAPHOULOUS

Thank you, Mary Staffopoulos, with the Office of General Counsel. So, your second assessment was correct. The introducer of the proposed resolutions' intent is to carve us out from the cap. And if that occurs and it's passed at the Senate and the House, then we would be in support of the legislation as it repeals.

CM DEFOOR

See, and that's where the rubber hits the road. I am not in support.

CM HOWLAND

It doesn't say that it says we remove our opposition.

CM DEFOOR

Again, the same thing I do not support, including our opposition to the legislation. I mean, it clearly hurts us even if we're carved out; it's an erosion of our home rule, And I promise you that the next thing that will happen is JEA will be thrown in, and then from a [indecipherable] and Mary, you can help me with this, from a legal standpoint, from if that is passed. It's not challenging. Where does that put us in legally? Are we somehow negatively impacted legally if they include us later? From a home rule perspective?

STAFFAPHOULOUS

Well, I think, you know, obviously, whether they include us now or include us later, we would have, we would be making the argument, or we would challenge their intent to apply it or enforce it upon the city and JEA. And that's when all of the arguments regarding home rule with regards to consolidated government, all the things that we tried to outline and some of the whereas clauses in this resolution would come to play as far as our defense against any attempt to enforce it.

CM DEFOOR

But if it's already in place, and it hasn't been challenged on that basis, wouldn't we then be behind the eight ball, if you will, if we were to challenge it later on, that on the basis that it [somebody] should have been challenged initially.



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STAFFAPHOULOUS

I would have to let you know; it depends on the circumstances of how it gets challenged. If they attempt to include JEA and the City of Jacksonville, there has been discussion that they would include us. You'd see some staff analysis and information that was supplied with that staff analysis to support the legislation at the State.

That is their intent, and I think you would expect that there would be an immediate intent to enforce it to require that we have the cap, in which case you know all of us would come up at that time if there were some delays in the attempt to enforce it. We don't absolve ourselves of the argument because they waited to enforce it.

CM DEFOOR

Okay, but I think it weakens us.

Staffopoulos

Yes, okay.

CM DEFOOR

So, I think that because of that, to restate, we need to stay strong. I think we're going to be more successful if we stay strong than if we just carved ourselves out.

CM HOWLAND

Council Vice-President Salem.

CM SALEM

Yeah, I have a slightly different approach. My emphasis is Jacksonville. That's my interest. That's who I represent, so let me begin with that. I'm going to go back to a discussion I had with Representative Dugan Wednesday morning after the council meeting. "Ron, you are on the right track. You are going to put an exemption in there." And I got overwhelmed by your colleagues, which is absolutely correct. He has told me that you've got to give us specific things to work on. Just opposing the bill is not enough. We need options such as getting out of the cap, etc., because we're going to work on what you tell us you want us to work on. If you tell us just to oppose the bill, that's all we're going to do over here. So, including things like taking us out of the cap is essential.



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So, we get all the money from JEA, that kind of thing, and that needs to be a multi-pronged approach to give our legislators all the tools they need. I'm not in Tallahassee, so I don't know exactly how that process works, But I have great respect for many of our brothers and sisters who are over there, and that's what they're telling me to give us options so that we can get you out of this. If you send it over, I'm opposed. That's not enough. If this thing does move, the Senate does get engaged. There are a lot of other things that need to occur, but that's why I agree with Councilmember Bowman that we need to include a couple of different things that they can help us with. If we get out and other utilities are in, I'm sorry; my concern is JEA's contribution to Jacksonville, Florida.

CM HOWLAND

Councilmember White, you have the floor.

CM WHITE

Yes, I simply agree with Mr. Salem. Mr. Bowman, you need two plans of action, and I don't think it's selfish with what Salem said. He talked about \$256 million that we're ([indecipherable]). I always like to plan on a plan B in case plan A does not work; this gives us more options, and that's why it is [indecipherable].

CM HOWLAND

Mr. Boylan?

CM BOYLAN

Well, to Mr. Salem, by your own words, the interpreter of the bill is not willing to accept any amendments, and there are going to be multiple carve-outs. And if we carve out, everyone else will either carve out or try to carve out. I appreciate your point.

CM SALEM

We need to be removed from the cap. That's the that's the second important point.

CM CARLUCCI

Let Mr. Boylan finish.

CM SALEM

Okay.



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CM BOYLAN

Well, thank you. That's my point, we become ineffective if we put these conditions on in this process. Our voice is strong and clear, and make no mistake, I share the same passion everyone else here does about preserving JEA and municipal utility. Lord knows we have been working a year on making sure we carved out an Article 21 to get us there. So, it's not that I'm trying to hedge my bet in this process, but we as an entity and association as a community stand stronger together. If we speak with one voice and add carve-outs to the process, it'll lose effectiveness, and it strengthens the argument of the bill's introducer, saying they're all being self-serving in this process.

CM HOWLAND

Yeah, I think we all agree on the objective here. The objective is to retain local control of JEA. The question we're disagreeing on is the process for how we do that, and, you know, JEA is different. First of all, Jacksonville, the City of Jacksonville City chartered, you know, consolidated Duval County, that is different from most other 66 counties in the State of Florida. Second of all, we have an independent oversight board at JEA, many of the municipalities don't. And third is our size.

Councilman Carlucci pointed out that it makes us the most important municipally owned utility in the State and one of the most in the country, and so, for me, the process tells me we're asking six or seven members of the Duval County delegation to vote no, we don't know how HB 1331 is going to be amended over the next several days or even weeks, and we could lose with seven no votes against 113 yes votes. So, we're opening ourselves up to an unnecessary risk. If we don't, in my opinion, introduce or ask the Duval Delegation to consider introducing an amendment that expressly exempts JEA, and I don't think we should introduce that risk. We are all elected by Duval County voters, we represent Duval County. Our remit and jurisdiction are Duval County, not the other 66 counties, Councilwoman Clark-Murray.

CM CLARK-MURRAY

Thank you, and good afternoon to my colleague, Mr. Carlucci. You made a statement, and you know I just talked about instinct. So when I first read about this bill and not your amendment, but the original bill proposed by the House and by the Senate, I immediately thought about an

Old Testament story; it's not a story, but it's a story that because it is in the Bible, where there was an enemy to Judah, And they were telling Judah, okay, we won't come in and wage war against you, if you allow us to take out the right eye of all the men, and so, Judah they were like, considering there's well you know, that's an option.



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You know, they won't come in and kill all of us. They'll just take all the right eyes of the men. Well, during this time of course you didn't have guns, they used arrows and so they needed the right eye to fight to shoot the arrow. So, giving in with your proposed legislation is like asking the enemy to come in and pay. You're going to just [indecipherable]. We'll just let you, we just want to take your right eye, and you know everything will be okay. No, it won't be okay. Because you won't be able to fight. So, I stand firm with our first resolution that we continue to fight this with no acquiescence.

There are no carve-outs, we need to fight. Jacksonville, Duval County is important to the State. JEA is important to us. JEA is not just about City Council, JEA is not just about the JEA board, JEA is about Duval County and if we acquiesce alone, if you give the devil an inch, he'll take a mile. We don't want to give in, not at all, and so I will not support this. I will stand firm, thank you.

CM CARLUCCI
Councilmember Morgan.

CM HOWLAND
Yeah, Ms. Morgan.

CM MORGAN
Thank you so much, Councilmember Morgan, District 1, as I've listened to the options that we may have. We don't have but one option, and that is to oppose it. And the reasons have been stated very well here this afternoon, and it boils down to if they're not going to accept an amendment anyway, why would we offer such an amendment and, in essence, weaken everything?

I don't see offering any amendment because it won't be accepted. Isn't that what we've been saying that it will not be accepted? So, if it's not going to be accepted, JEA is just too important to Jacksonville, and again, when we are such a leader throughout our State, we have to lead. And yes, I am mostly concerned with JEA because this is who we are and where we stand. But by the same token, nobody else can fight like we can fight, and so we have to be the ones to stand firm and say absolutely not. Thank you.

CM HOWLAND
Councilwoman DeFoor.



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CM DEFOOR

Thank you again, Councilman. My colleagues here said it so incredibly well, and you know, the other thing is not asking our state representatives to do more than what they should do. They are elected officials from this county. All we're asking them to do is fight for us. Shame on them if they don't.

CM HOWLAND

Yep, Council Vice-President Salem.

CM SALEM

Let me make one point. Maybe I've not made it very clear in my discussions with Representative Duggan. He indicated that the bill's author was open to a carve-out on the contribution, part of it some percentage, to make sure we weren't held harmless on that portion of it. That's why I would like to see that included in the bill. I want to give our legislators as much leeway as I can to fight the bill. Our delegation can't stop the bill if it's moving, but they can hopefully massage it to keep us harmless. And they've made it very clear to me that they're looking to us for guidance on what we think they should do.

CM HOWLAND

Yup.

CM SALEM

That's been made very specific to me, so that's what I'm trying to do. I'm trying to meet their needs so they can be effective and keep this from impacting us. And my concern is that we can sit here and say we want to kill the bill and then, but it's not killed. We didn't give them the option to help us in Jacksonville, and they're asking for that.

CM HOWLAND

And they're asking for that.

CM SALEM

He's made it very clear to me that he got upset at me Wednesday morning that I did not do what I wanted to do, and I was influenced by many of my colleagues who said this bill is enough. We know more than the bill is needed. They're telling us this.



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CM HOWLAND

And I do apologize because, in the beginning, I misrepresented the amendment here. The amendment is not to exempt us entirely from HB 1331. If you look at page four, lines 18 to 24, the amendment is to request the legislature to amend House Bill 1331 and through any bill to expressly exempt the City of Jacksonville and JEA to the extent that any provisions providing for not to exceed the cap on the transfers of municipal electric, natural gas, water, wastewater revenues to municipal general fund to finance general government functions would apply to the city or JEA.

So, we are asking for an exemption to the cap there and I am open to any language that you would suggest amending the Salem Amendment to make sure it's good for you; that is what we are asking for as an amendment; an amendment to expressly exempt JEA from the cap. I do have a quick question before we continue the discussion and that is for Mr. Wilson. How have your lobbyists been arguing in Tallahassee since the beginning of this bill? Have they been arguing to oppose 1331 or amend 1331?

WILSON

So, through the chair, Kurt Wilson, JEA, since day one, let me think just back for a minute since day one; JEA has been present in Tallahassee, physically, in three communications to work on this bill [indecipherable]. So, at that point, we didn't know what the contribution impact was going to be. The Senate bill is still sitting out there as it relates to PSC jurisdiction, but the House bill fixes that. So, we had our PSC Council looking at what it would be like if we were under PSC, so we could not come to an agreement until last Monday. The reason for that is in HB 1331, they talk about transfers. We looked at it as a contribution. Is it a general fund transfer?

We spoke with the drafter of the bill and the drafter of the bill said every dime that leaves the utility and comes to the city; is included. Septic Tank phase-outs, if we wanted to sponsor a lunch, whatever that was, it comes to the city; it's included. So last Monday, we knew right away that it had a big impact on COJ, and we communicated that to the council auditor and our budget folks came to an agreement. So, at that point, our communication with our lobbyists and FMEA that Councilman Boylan mentioned is up to that point.



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It's just trying to define what the impact was and on Tuesday night through the will of the Council as a resolution killed the bill. My message Wednesday morning was just that the will of the councils was to kill the bill, with no ifs and, or buts, and no other comment. And so, I wanted to say that JEA has been a leader on this, we have taken a leadership position on this being present in Tallahassee and whatever the will of the Council is, JEA will support the will of the Council, we just didn't want to get in between different members in different positions. So, to answer your question, I'm sorry, it took me a minute to get there. Since your resolution our message has been to kill the bill before that, so I'm trying to understand what the impact is [indecipherable].

CM HOWLAND
Okay.

WILSON
Yes, sir.

CM CARLUCCI
Mr. Wilson, Mr. Stowe, and Mr. Stein were up there yesterday afternoon, Expressing specifically [indecipherable] that.

WILSON
Our CEO's message has been not to get in between the will of individual council members; the will of the Council, JEA, at this point, is to defeat the bill. That is the will of the Council until told otherwise. That is our message.

CM HOWLAND
Yes, Mr. Carlucci?

CM CARLUCCI
Okay, I want to make a comment.

(Off mic conversation)

CM CARLUCCI
I want to make a comment or two, or three or four, or however many, but I think two bills send mixed messages. We shouldn't be sending mixed messages over there. If you read that bill from beginning to end, I think your original bill makes it abundantly clear that Jacksonville wants to protect JEA without even having to say carve us out. And that passed, that bill passed unanimously.



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This bill that you proposed [indecipherable] sends a weaker message that a leader would not send out in the industry. Just take care of us, worry about the others later, and worry about us. And then, are we going to carve out everything that includes our home rule that includes? This original bill has a total and complete job, and it passed unanimously. This bill being proposed, which we are talking about today, will not get a unanimous vote, and then even further, we will be debating that on the floor.

Some members of the Duval Delegation watched the proceedings; I sent them the proceedings of the bill [Indecipherable]. And when Miss Body, I'm sorry Brooks, Jody Brooks spoke, she spoke quickly, the strength from her core what she believed to be right, and what she felt she needed, which was the bill we passed. And that's when, in my opinion, the support evaporated because we always wanted to be in step lockstep with the JEA. Now they are in a position with JEA; if they say no to this, they don't want to get in the middle of council business, and they don't want to look like they're, you know, taking sides. And I get that because that's the challenging position for the JEA to be in, but we do not need to send two bills with completely mixed messages.

Which ones are they going to look at? Well, all they have to do is look at the one that has the unanimous vote. And this builds on [indecipherable]. That's what JEA is known for, always to be known for, and to do anything additional. What's being proposed weakens our position of leadership at the JEA. The bill that passed inherently says the JEA and their contribution is informed, and by the way, it's not just for contribution; it's their employees.

They can receive money from FEMA after damages and not pass those along to the private utilities. And so, if they carve us out and everybody else falls by the wayside, we are next; they will get to us sooner or later because the precedent has been set. And then what happens is the JEA continues to be devalued to the point where we start entertaining privatization. Another Council will look down the road farther to see where it puts us; how are we going to be able to go to our companion public utilities and State to give us help because they're now all under the PSC and the organization [indecipherable] is all public utilities and will be significantly weakened.

So, we've done the right thing in passing the first bill. Some other people may disagree, or they may have their thoughts, but I'm giving you, my best. And I've been involved in a lot of JEA problems where people are trying to raise the reserves and so on. And I've always taken the JEA's position. As far as the City of Jacksonville, I believe in the City of Jacksonville, and we all have roots here in Jacksonville. Still, I know my dad's roots are very deep in this consolidated



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government, and I have good instincts about what shows strength and what shows leadership with the bill we passed last Tuesday night [Indecipherable].

CM HOWLAND

Thank you, Councilman Carlucci. Well, the clock on the wall shows we have nine minutes left. I just want to say I will continue with this emergency resolution that will be introduced on April 11th. I do hope to get passage of the emergency and the passage of the amendment Because I think this minimizes the risk that JEA contributions cap and I was elected to represent the people of Duval County, not any other of the 66 counties across the State I think this helps lessen the risk that we could have a future where a board in Tallahassee caps JEA's contribution and not governed and decided by the taxpayers in the City of Jacksonville.

So that's my take on it. It's the way to minimize risk. That's a risk that should be [indecipherable] to all of us. And with that, we have eight minutes. Anyone who wants to do the last 30 seconds around the table?

CM SALEM

Is there any way that we can get one of our state reps or state senator here for the council meeting?

CM HOWLAND

I can work on that.

CM SALEM

Or he can work with President Freeman to [indecipherable]. I know it's the middle of the week, and I don't know what the session is, but I may be able to get our JEA colleagues to help us. It would be extremely important to hear from the people on the ground. Not that you guys are not, but they have access to people that I'm sure you do not, and I sure would like to hear from them or what would be the most effective approach.

WILSON

Yes, sir. Through the Chair, we'll make a request.

CM SALEM

Okay.

CM HOWLAND

Thank you, Councilman White.



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CM WHITE

Yeah, I would like to add that we all have good intentions, [indecipherable] group, and whatever is [indecipherable], but we should table this or wait until next week. Get Wyman or some of them or all the Delegates here, But I was agreeing with Mr. Salem strictly because of this conversation with Wyman Duggan, and I have respect for wanting to do the right thing. We want to protect the whole State if we can, but if it comes down to it, we've got to protect that [indecipherable]. But until we hear from all and not just from some of the delegation, we need to table until then.

CM HOWLAND

Does anyone else say final comments before we wrap?

CM CARLUCCI

Move that we adjourn.

CM HOWLAND

All right, thanks, everyone.

Meeting Adjourned: 1:55 PM

Transcribed by <https://otter.ai> Corrected by Amber Lehman, Executive Council Assistant – At-Large, Group 3, 904-255-5185, alehman@coj.net Meeting minutes are not verbatim and are not legally binding.

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