

## JEA sale is third rail in Jacksonville city elections

By David Bauerlein

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A year after a bruising debate over whether Jacksonville should privatize JEA, the “JEA Is Ours” signs are in storage and not a single candidate for mayor or City Council is running on a campaign that embraces selling JEA.

A recent University of North Florida poll shows no appetite among residents for putting JEA up for sale. Two-thirds of likely voters stand opposed.

But among those who turned out in force at City Hall to oppose selling JEA, anxiety remains that a renewed attempt to sell will emerge after city elections are settled this spring.

City Council member Anna Brosche, who is challenging Mayor Lenny Curry, is telling voters that if Curry gets another four-year term, he will work with the JEA board to move ahead with selling the city-owned utility.

“The topic of selling JEA is absolutely still alive and on the table,” Brosche said. “For anyone to think otherwise is misguided.”

Curry quashed discussion of selling JEA last April when he declared he wouldn’t submit privatization legislation to City Council. During his campaign for re-election, he says that stance would remain in force in a second Curry term.

“I stand by my statement from a year ago,” he said at a mayoral debate at Jacksonville University. “I will not be introducing legislation to sell JEA.”

Selling JEA gets an emphatic thumbs down from Jacksonville residents, according to a University of North Florida poll done in February.

The poll found 53 percent of likely voters strongly oppose selling “all or part” of the utility and 14 percent somewhat oppose it. Just 9 percent strongly support a sale and 8 percent somewhat support it, while 16 percent did not have a stance.

Among Democratic likely voters, 69 percent opposed a sale, and for Republicans, 65 percent voice opposition.

“This is an overwhelming opposition, and there’s no partisan differences,” said Michael Binder, faculty director of the Public Opinion Research Lab at UNF.

He said candidates haven’t been able to galvanize voters on the JEA issue, however, because opponents were able to beat back consideration of selling the utility last year. Heading into the first election Tuesday, JEA is just one of many issues on voters’ minds, he said.

“Because it’s not actively being discussed and actively being threatened, it’s not generating the single-issue voter’s attention that you might expect,” Binder said. “I might expect supporters of Anna to think that it’s an important issue, but I would also think that a lot of people voting for Curry are opposed to it [selling JEA] too, but are voting for him for other reasons.”

Among other candidates for mayors, Jimmy Hill said he opposes selling JEA and predicts the utility’s board of directors will soon bring up selling JEA.

“Every one of us understand it’s going to go on the market, probably the second this election is over with,” Hill said.

Omega Allen said she opposes selling JEA “under the current circumstances,” but she would be open to that option “if a ‘Godfather’ deal was offered and I knew beyond a shadow of a doubt” residents would get lower electric rates and cutting-edge technology for the utility system.

“I would make sure the citizens of Jacksonville knew exactly what the deal is and then let you make the decision as to what you want to do with JEA,” she said.

The seven-member JEA board, appointed by the mayor and confirmed by City Council, has some leeway to transfer a portion of JEA on its own if the sale is less than 10 percent of the utility’s assets.

effect if Duval County voters agreed to the terms and conditions in a referendum. Curry backed that legislation.

The debate that roiled City Hall a year ago began when outgoing JEA board member Tom Petway said in November 2017 that Jacksonville should ask “would the customers of JEA and the people of Jacksonville be better served in the private marketplace.”

Curry welcomed the questions raised by Petway at that time. “With his challenge to explore privatization, he has made a simple request that citizens and city leaders explore the value of their public assets and how utility customers in our city can best be served,” Curry said the same day Petway raised the prospect of privatization.

In February 2018, a consultant hired by JEA said it didn’t make financial sense in the past to sell JEA, but the market for utility sales was at a point that it might be time to look again at selling the utility.

Brosche formed a special committee that delved into the pros and cons of privatizing JEA. She touts the committee and the questions she raised as stopping the move to put JEA up for sale, and she said a report issued by the committee makes it clear why JEA should remain city-owned.

“I can tell you I won’t be starting silly conversations about selling our greatest asset,” she said.

Brosche won an endorsement from the North Florida Central Labor Council, an umbrella group for labor organizations including the International Brotherhood of Electrical Workers local that represents JEA linemen.

IBEW Local 2358 President Valerie Gutierrez said the lure of selling JEA still remains as a way for the city to reap a financial windfall by cashing in on the utility’s assets.

“I believe if Curry were re-elected, it would come back,” she said. “I don’t believe Anna Brosche would pursue it.”

Curry said he supported JEA examining the value of the utility, but “some decided to politicize it” and turn the evaluation into a debate over whether to sell the utility.

He said his focus is on JEA adapting to the changing utility market for the long haul.

“I believe they understand they have some strategic challenges and their eyes are wide open on those challenges,” he said. “I have confidence they will figure out the right strategy to make sure their employees and ratepayers are protected, and JEA continues to be the asset it has historically been for the city.”

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If the transfer exceeds 10 percent of JEA's assets, then according to the City Charter, the transaction must get approval by City Council.

Based on answers given to Times-Union questionnaires, none of the City Council candidates on the ballot Tuesday are advocating the sale of JEA. Some candidates say they are open to learning more about what a sale might entail, but no one has taken the firm position that current City Council member Matt Schellenberg did when he won election twice from a Mandarin district while saying the city should privatize the utility.

In the race to replace Schellenberg, who cannot seek re-election because of term limits, Michael Boylan said he fully supports "the exploration of such a sale but am not, as yet, convinced it would be in the best interest" of utility employees and ratepayers." Rose Conry said she does not have an position one way or the other.

Even after council approval, the final say on a sale would rest with voters. City Council amended the City Charter in November to say that if the council agreed to transfer more than 10 percent of JEA assets, that decision would only take