

**LEADING EDGE MARKETING CONSULTANT
ELECTRIC UTILITY RATE SPECIALIST & STATISTICAL DATA ANALYST**

Colonial Point Condominiums
5201 Atlantic Boulevard Suite 119
Jacksonville, Florida 32207-2461

February 19, 2014

Jacksonville Retirement Reform Task Force
Chairman - William Scheu

Police & Fire Pension Fund
Executive Director - Administrator - John Keane

Sell the JEA Electric Service to Florida Power & Light (FPL) and the Water and Sewer Services to United Water (UW) of Hackensack, New Jersey.

JEA Annual Electric Revenue is about \$1,500,000,000. JEA Annual Water & Sewer Revenue is about \$400,000,000

The JEA would become the City Utilities Department (CUD) and would contract with FPL and UW.

They would then be a reseller of these two services at FPL and UW current rates to all JEA Customers.

FPL 25% lower Electric Rates would save \$375,000,000. This \$375,000,000 would be provided to the Police & Fire Pension Fund each year for three years or more to cover the current underfunding. I don't know the UW Rates or the savings.

Keep in mind that FPL and UW would then provide Property Ad Valorem Tax Revenue.

The CUD would be housed in the existing JEA Building and operations would continue as normal. JEA personnel pay scales and retirement benefits would remain unchanged.

The CUD would be billed using FPL and UW current rates. The CUD would act as a reseller at the current FPL and UW Rates.

Keep in mind that FPL and UW would also provide additional Property Ad Valorem Tax Revenue and the JEA provides nothing.

Before 1969, the City produced these services and the net revenues provided City Operating Revenue. The rates could be changed by the City Council based on the Proposed City Annual Revenue Budget. This helped keep the Property Ad Valorem Tax Rate low for Commercial Customers.

Sincerely,

Thomas J. Thomas, Jr.

Thomas J. Thomas, Jr.
President

E mail: tjthomasjr6388@att.net
Telephone: 904-314-8665

JEA File: 2014-07

Georgia Tech Class of 1949

B.S. Industrial Management

Municipal License Code: 772.325

Shell Oil - Manager, Purchasing & Stores
Drew Chemical - Manager, Purchasing & Receiving
Ryder Truck Lines - Director, Purchasing & General Services
American Coolair - Manager, Purchasing & Material Control

Self-Employed - Marketing Consultant
Roux Laboratories - Purchasing Manager
Branchemco - Materials Manager
University of N. Florida - Property Control Accountant

Cc:

Office of the Mayor City General Counsel City Chief Financial Officer City Council Members

Police and Fire Pension Fund - Executive Director-Administrator John Keane

Florida Times Union - President