

**JEA
BOARD AGENDA**

DATE: September 15, 2009

TIME: 9:30 AM

PLACE: JEA
21 West Church Street
8th Floor, Board Room

I. WELCOME

- A. Call to Order
- B. Invocation
- C. Pledge to Flag
- D. Safety Briefing – Marlene Murphy-Roach, Vice President Customer Relationships

Meeting participants are asked to turn their cell phones off.

II. PRESENTATIONS AND COMMENTS

- A. The Association for Work Process Improvement, Inc. (TAWPI) Document & Forms Automation Award – Marlene Murphy-Roach, Vice President Customer Relationships and Wayne Young, Director Meter Reading, Billing and Collections
- B. Community Collaboration – Susan Hughes, Chief Human Resources Officer and Carol Higley, Manager Corporate Workforce Planning
- C. Comments from the Public
- D. Council Liaison's Comments – Stephen Joost

III. FOR BOARD CONSIDERATION

- A. Consent Agenda (all items approved by a single motion)
 - 1. Adoption of Agenda – action required
 - 2. Approval of the August 18, 2009, meeting minutes – action required

3. Resolution Requesting Appointment of a Civil Service Board Member – (Susan Hughes) – action required
 4. 668 Transmission Line Damage Lawsuit – (James Chansler) – action required
 5. JEA Fiscal Year 2010 Debt Financings Relating to Electric System, Water and Sewer System, SJRPP and Bulk Power Supply System – (Helen Kehrt) – action required
 6. Monthly Operations Report – information only
 7. Monthly Financial Update – information only
- B. Strategic Discussions/Action
1. Renewable Generation Interconnection Agreement – (Athena Mann) – action required
 2. The Health of the St. Johns River: Protecting a Valuable Community Asset and Managing our Waste -Working Both in Tandem – (Jim Dickenson & Staff) – Presentation, information only, 60 minutes
- C. Other New Business – none
- D. Old Business – none

IV. REPORTS

- A. Committee – None
- B. Managing Director's Report
- C. Chair's Report

V. CLOSING CONSIDERATIONS

- A. Announcements
- B. Adjournment

A. If you have a disability that requires reasonable accommodations to participate in the above meeting, please call **665-7550** by **8:30 AM** the day before the meeting and we will provide reasonable assistance for you.

B. If a person decides to appeal any decision made by the JEA Board with respect to any matter considered at this meeting, that person will need a record of the proceedings, and, for such purpose needs to ensure that verbatim record of the proceedings is made, which record includes the evidence and testimony upon which the appeal is to be based.

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9-15-09



Building Community
AGENDA ITEM SUMMARY

August 31, 2009



SUBJECT: RESOLUTION REQUESTING APPOINTMENT OF A CIVIL SERVICE BOARD MEMBER

Purpose	Circle of Excellence Impact
<input type="checkbox"/> Information Only	<input type="checkbox"/> Financial Performance
<input checked="" type="checkbox"/> Action Required	<input type="checkbox"/> Customer Experience
<input type="checkbox"/> Advice/Direction	<input checked="" type="checkbox"/> Organizational Effectiveness Business Alignment
	<input type="checkbox"/> Community Responsibility

Issue: The amended Charter of the City of Jacksonville requires JEA to appoint two members to the Civil Service Board positions allocated to JEA. One of these two seats is currently vacant due to a resignation, thereby providing an opportunity for the JEA Board to nominate an individual to the vacant seat.

Significance: It is very important that JEA's appointments to the Civil Service Board understand and support JEA's best interests.

Who/what is affected: The nine member Civil Service Board hears cases of appeal (grievances) brought forward by Civil Service employees regarding disciplinary actions, hiring and promotional issues, layoffs, and other matters pertaining to the City of Jacksonville's Civil Service and Personnel Rules and Regulations.

Background: Y. Elaine Tisdale is being recommended for the JEA Board consideration due to her considerable Human Resource and business experience. Elaine is agreeable to serving in this voluntary, uncompensated position.

Background Examples: JEA has made two (2) previous appointments to the Civil Service Board - Norm Reimer currently chairs the Civil Service Board and Bill Cutts, who recently resigned due to increased demands from his current employer.

Cost to company/community: There is no cost to JEA.

Recommended course of action: Take actions to appoint Y. Elaine Tisdale to the Civil Service Board and request City Council confirmation of this appointment.

Why? The appointment is in the best interests of JEA as Ms. Tisdale has many years of Human Resource and business experience that will provide the expertise needed for this assignment.

Recommended Board action: That the JEA Board approve the attached Resolution, prepared by Office of General Counsel, appointing Y. Elaine Tisdale to the Civil Service Board of the City of Jacksonville for a first term to expire June 30, 2012 and request City Council confirmation of this appointment.

Submitted by: Bill Hegeman
BH

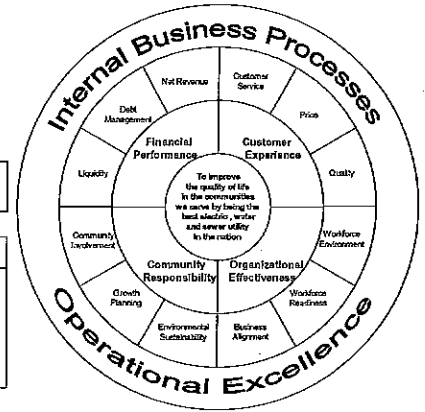
III-A-4
9-15-09



Building Community

AGENDA ITEM SUMMARY

September 1, 2009



SUBJECT: 668 TRANSMISSION LINE DAMAGE LAWSUIT

Purpose	Circle of Excellence Impact
<input type="checkbox"/> Information Only <input checked="" type="checkbox"/> Action Required <input type="checkbox"/> Advice/Direction	<input checked="" type="checkbox"/> Financial Performance Liquidity <input type="checkbox"/> Customer Experience <input type="checkbox"/> Organizational Effectiveness <input type="checkbox"/> Community Responsibility

Issue: In May 2008, a contractor working for a developer hit and damaged one of JEA's underground transmission lines. A lawsuit has been filed, and mediation is planned.

Significance: JEA's efforts to recover costs and expenses associated with the damage.

Who/what is affected: JEA Finance, OGC, outside counsel, the other parties to the lawsuit.

Background: Following the incident, JEA and its contractors worked to contain and mitigate the problem. Later, a JEA contractor was hired to replace the damaged portion of the line. A lawsuit was filed against the other parties responsible for the damage in November 2008.

Background Examples: N/A

Cost to company/community: Damage estimated at \$4.5M, plus attorney's fees.

Recommended course of action: That JEA continue to pursue the lawsuit, seeking to recover damages from the responsible parties. If mediation is not successful, the case will move forward in federal court.

Why? Recovery of damages in best interest of JEA and its stakeholders.

Recommended Board action: That the Board grant the Managing Director/CEO, or his designee, full authority to negotiate a final settlement.

Submitted by: Mike Brost

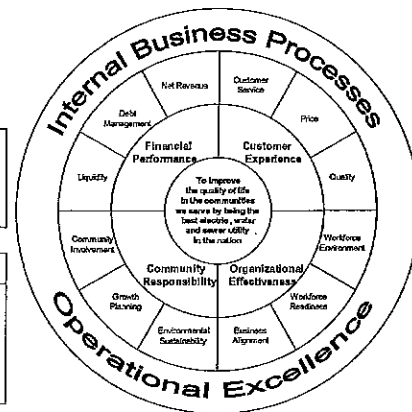
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9-15-09



Building Community

AGENDA ITEM SUMMARY

September 1, 2009



SUBJECT: JEA FISCAL YEAR 2010 DEBT FINANCINGS RELATING TO ELECTRIC SYSTEM, WATER AND SEWER SYSTEM, SJRPP AND BULK POWER SUPPLY SYSTEM

Purpose	Circle of Excellence Impact
<input type="checkbox"/> Information Only	<input checked="" type="checkbox"/> Financial Performance
<input checked="" type="checkbox"/> Action Required	<input type="checkbox"/> Customer Experience
<input type="checkbox"/> Advice/Direction	<input type="checkbox"/> Organizational Effectiveness
	<input type="checkbox"/> Community Responsibility

Issue: Bond resolutions for all fixed rate bond issues for FY2010 must be approved by the Board. (All resolutions are attached)

Significance: High. Addresses available funding for our FY2010 capital projects and potential refunding opportunities.

Who/what is affected: The new process makes better use of Board time and provides greater flexibility in meeting the fluctuating demands of the financial markets.

Background: In order to facilitate the bond issuance process, staff has been under discussion with the Board and the Finance and Audit Committee for a new debt financing process in which the Board delegates parameters to the Managing Director/CEO within which to price future fixed rate bond issues and staff reports back to the Board with the results. On August 10, 2009, the Finance and Audit Committee approved the new delegation process including the delegation parameters consistent with the FY2010 Budget (Attachment A) and the new role of the Process Support Associates "Certification" roles for financing documents, contracts and officer signatures (Attachment B). At the August 18, 2009 Board meeting, the Board approved the actions taken by the Finance and Audit Committee.

Background Examples: In the new process, the Board approves all resolutions for FY2010 at one time rather than approving each resolution separately throughout the year.

Cost to company/community: Increased demand on JEA's cash liquidity if such capital projects had to be funded with JEA internal funds as opposed to bond proceeds and increased cost to JEA if refundings do not occur for economic savings or for the variable rate debt due to no replacement for liquidity providers.

Recommended course of action: Approve bond financing documents for bond issues to be priced for FY2010.

Why? To meet FY2010 capital expenditure funding needs and reduce debt service costs by refunding JEA's outstanding bonds.

Recommended Board action: Approve the attached resolutions for bond issues for Fiscal Year 2010.

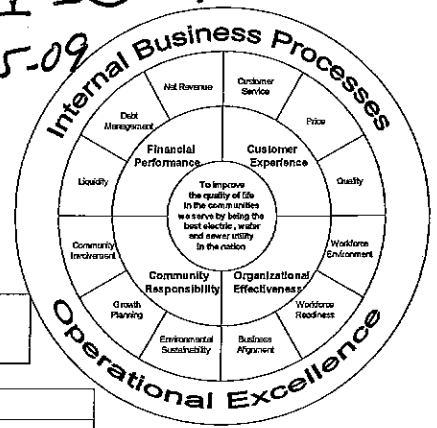
Submitted by: Pl Tao Hsu



Building Community

AGENDA ITEM SUMMARY

TII-B-1
9-15-09



September 2, 2009

SUBJECT: RENEWABLE GENERATION INTERCONNECTION AGREEMENT

Purpose	Circle of Excellence Impact
<input type="checkbox"/> Information Only	<input type="checkbox"/> Financial Performance
<input checked="" type="checkbox"/> Action Required	<input checked="" type="checkbox"/> Customer Experience Quality
<input type="checkbox"/> Advice/Direction	<input type="checkbox"/> Organizational Effectiveness
	<input type="checkbox"/> Community Responsibility

Issue: JEA Renewable Generation Interconnection Agreement must be filed with the Public Service Commission.

Significance: High. To meet regulatory requirement.

Who/what is affected: Customers who own Renewable Generation and desire to connect to JEA's distribution system.

Background: Pursuant to the Statute, JEA's Net Metering Policy ("Policy") and JEA's Renewable Generation Interconnection Agreement ("Agreement") were developed to allow customer-owned renewable generation up to 100 kW.

Background Examples:

Cost to company/community:

Recommended course of action: The Board authorize Staff to file JEA's Renewable Generation Interconnection Agreement with the PSC as part of our electric tariff.

Why? PSC rules require filing of such Agreements.

Recommended Board action: The Board authorize Staff to file JEA's Renewable Generation Interconnection Agreement with the PSC as part of our electric tariff.

Submitted by: BJR/NCR *BJR*

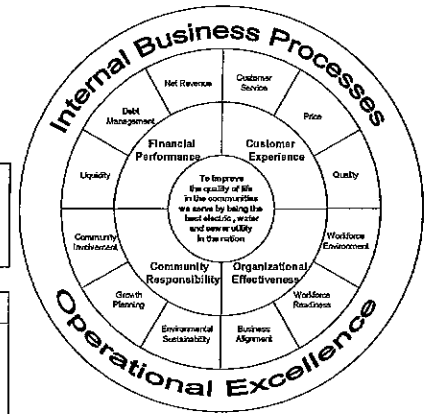
III - B-2
9-15-09



Building Community

AGENDA ITEM SUMMARY

September 1, 2009



SUBJECT: THE HEALTH OF THE ST JOHNS RIVER: PROTECTING A VALUABLE COMMUNITY ASSET AND MANAGING OUR WASTE - WORKING BOTH IN TANDEM

Purpose	Circle of Excellence Impact	
<input checked="" type="checkbox"/> Information Only	<input checked="" type="checkbox"/> Financial Performance	Debt Management
<input type="checkbox"/> Action Required	<input checked="" type="checkbox"/> Customer Experience	Price
<input type="checkbox"/> Advice/Direction	<input type="checkbox"/> Organizational Effectiveness	
	<input checked="" type="checkbox"/> Community Responsibility	Environmental Sustainability

Issue: JEA has made continuous improvements over the last 12 years in protecting the health of the St Johns River but a more restrictive regulatory framework appears to be on the horizon.

Significance: This regulatory framework could have a profound (costly) impact on JEA and ultimately our customers.

Who/what is affected: JEA could see additional restrictions on the discharge of treated wastewater which, if implemented, could ultimately affect the cost to our customers.

Background: The United States Environmental Protection Agency has proposed additional restrictions on the level of nutrients that can be discharged from wastewater treatment facilities. JEA operates 15 wastewater treatment facilities which could be impacted if the regulations are implemented.

Background Examples: N/A

Cost to company/community: Costs are not yet determined but will increase significantly if the regulations are placed into effect.

Recommended course of action: For the staff to continue strong active engagement with the regulatory agencies in conjunction with other impacted utilities to ensure that any new regulation is based on good science.

Why? When the regulatory framework is adopted, JEA will be mandated to comply at tremendous cost.

Recommended Board action: No action required at this time. Staff will highlight improvements made to the wastewater system over the past several years and present and discuss the impacts of additional regulation on our current and future business.

Submitted by: SK