

**JEA**  
**BOARD MINUTES**  
December 16, 2008

**The JEA Board Chair Cynthia Austin met with Board member Jay Fant, Jim Dickenson, Billie Tucker, CEO Service Bureau and Debra Braga, Office of General Counsel at 8:12 AM to review Board Policy Governance on Tuesday, December 16<sup>th</sup>, 2008 in the Chair's office on the 8<sup>th</sup> floor, JEA Tower, 21 West Church Street, Jacksonville, Florida.**

Mrs. Austin presented information on Board governance, including CEO compensation. The committee members had the informational notebook which contained contract facts, evaluation, highlights, 2006 contract and the salary survey. Mrs. Austin and Mr. Fant reviewed the process to date and agreed on how to proceed at the pre-board briefing and during the regular board meeting. Mrs. Tucker reviewed the information in the notebook. There was discussion on how various items affected the contract negotiations, including the current economic conditions and the results of the salary survey. The meeting adjourned at 8:30 am and members enjoyed a short break with staff.

**The JEA Board held its pre-Board briefing on Tuesday, December 16, 2008, at 9:03 AM in the Board Chair's office on the 8<sup>th</sup> floor, JEA Tower, 21 West Church Street, Jacksonville, Florida. Present were Cynthia Austin, Cathy Whatley, Ashton Hudson, Jay Fant, Jim Gilmore, Ron Townsend, Jim Dickenson, Billie Tucker, CEO Service Bureau and Debra Braga, Office of General Counsel. Mr. Hightower arrived late.**

Mrs. Austin gave an overview of the CEO compensation process and the inclusion of this process within the Board Governance policy document. She then turned the meeting over to Mr. Fant who reviewed the information contained in the notebook (included as part of the meeting file). After discussion, the following suggestions were made by the Board: length of notice of termination be changed from 120 days to between 6 months and a year, a medical examination be on an annual basis. It was also suggested to not put specific dollar amounts in the contract itself, but include the starting salary and the 4.5% increase since the Board has the authority to adjust the salary either up or down. The Board agreed that essentially the 4.5% increase would be on base salary for the core competency areas and the potential performance incentive would be on the goals which will be established by the Board. The establishment of goals for the performance incentive was discussed.

Mr. Dickenson left the meeting at 9:55 am. The Board reviewed "A Resolution authorizing a new three year contract for James A. Dickenson as Managing Director and Chief Executive Officer, and providing for an effective date." After discussion on timing, the Board indicated their concurrence to go forward today and adopt the resolution at the regular Board meeting under Committee reports.

The pre-Board meeting adjourned at 10:15 and the Board members proceeded to the regular Board meeting after a short break.

**The JEA Board met in regular session on Tuesday, December 16, 2008, in the 8<sup>th</sup> floor Board meeting room, JEA Tower, 21 West Church Street, Jacksonville, Florida, with Cynthia Austin, Cathy Whatley, Ashton Hudson, Jay Fant, Jim Gilmore, Ron Townsend and Mike Hightower present.**

The meeting was called to order at 10:25 AM by Chair Cynthia Austin.

The **Invocation** was given by Mrs. Austin.

Mrs. Austin also led the **Pledge of Allegiance**.

The **Safety Briefing** was given by Scott Kelly, Vice President Water and Wastewater Systems.

The **Agenda** was unanimously adopted as published.

On motion from Mr. Hightower and Mr. Fant's second, the Board unanimously approved **Minutes** of the regular Board Meeting held November 18, 2008.

### **Agenda Item II – Presentations & Comments**

- A. Comments from the Public** – Mr. Thomas Thomas, 5353 Arlington Expressway, addressed the Board regarding “paperless billing.”
- B. Council Liaison's Comments** – Mr. Joost made comments regarding his positive outlook for the coming year.

### **Agenda Item III - For Board Consideration**

- A. New Business**
  - 1. Liquidity Facility for JEA Variable Rate Water and Sewer System Subordinated Revenue Bonds and District Energy System Revenue Bonds – Upon motion by Mrs. Whatley and Mr. Gilmore's second, it was unanimous to approve two resolutions to authorize the Managing Director/CEO to extend the term of the liquidity facility, amend other terms in the agreement or to procure a substitute liquidity facility.
  - 2. Annual Report on JEA's JSEB Program was provided for information only.
  - 3. Consideration of PURPA Standards in 2007 Energy Act was provided for information only.
  - 4. Credit Market Conditions, Revenue Analysis and Annual Financial Projections presentation was provided for information only.
  - 5. Operations Report – November 2008 – was received for information only.
  - 6. Monthly Financial Statements – November 2008 – was received for information only.
  - 7. Other New Business - none
- B. Old Business** – none

### **Agenda Item IV – Reports & Comments**

**Added to Agenda:** Upon motion by Mr. Fant and Mrs. Whatley's second, “A Resolution authorizing a new three year contract for James A. Dickenson as Managing Director and Chief Executive Officer, and providing for an effective date.” was unanimously approved.

- A. Finance & Audit Committee**
  - 1. Minutes from December 9, 2008 meeting
  - 2. JEA Finance Plan/Calendar for FY 2009 – was received for information only

3. Resolution Authorizing the Issuance of Additional SJRPP New Money and Refunding Debt – Upon motion by Mr. Gilmore and Mr. Hightower's second, it was unanimously approved.
4. Delegated Authority for Budget Transfers – Upon motion by Mr. Hightower and Mr. Fant's second, it was unanimously approved to limit the Managing Director/CEO's delegated authority for budget transfers to \$5.0 million per transfer and delegate the authority to approve budget transfers exceeding \$5.0 million in the event of an emergency.
5. FY 09 Internal Audit Summary – was received for information only.
6. Enterprise Risk Management Summary – was received for information only.
7. Ethics Quarterly Report – was received for information only.
8. Liquidity Discussion – was received for information only.
9. Ernst & Young 2008 Audit Results – was received for information only.
10. Committee met with Director Internal Audit
11. Committee met with Ernst & Young

**B. Managing Director's Report – Jim Dickenson**

1. Mr. Dickenson wished everyone a Merry Christmas.

**C. Chair's Report – Cynthia Austin**

1. Chair Austin thanked all for their well wishes, flowers, cards and thoughts of kindness during her recent illness.

**Agenda Item V - Closing Considerations**

- A. Announcements - none

*With no further business claiming the attention of the Board, the meeting was adjourned at 11:09 AM and the Board moved to the 17<sup>th</sup> floor for its post-Board briefing and lunch.*

**The JEA Board held its post-Board briefing on Tuesday, December 16, 2008, at 11:20 AM in the conference room on the 17<sup>th</sup> Floor, 21 West Church Street, Jacksonville, Florida. Present were Cynthia Austin, Cathy Whatley, Ashton Hudson, Jay Fant, Jim Gilmore, Jim Dickenson, Paul McElroy, James Chansler, Greg Perrine, Athena Mann, Randy Boswell, Ted Hobson, Mike Brost, Jon Eckenbach, Susan Hughes, Marlene Murphy-Roach, Billie Tucker, CEO Service Bureau and Debra Braga, Office of General Counsel (OGC).**

The following items were discussed:

- a. A debriefing of the rating agency trip, December 3-4, 2008, was provided by Jim Dickenson, Cynthia Austin and Cathy Whatley indicating that the rating agencies were interested in our public relations, plans for public improvement on the slightly stressed water side of the business, and how we are moving forward with liquidity and risk management. The ratings are expected to come out when we get our new money issue in January, 2009.

- b. The Board is invited to the JCCI, the City's Finance Study Committee, to make a presentation on January 6, 2009, at 12:00 noon.
- c. The Board has scheduled a workshop around the end of January, 2009, to continue to decide what are the most important issues moving forward; i.e., 2009 Annual Calendar and Critical Issues.
- d. Future Electric Generation Needs:
  - i. Greenland Energy Center—deferred by Councilman Graham
  - ii. SJRPP—FPL sellback suspension
  - iii. Nuclear Energy—contract signed and we believe we have all of our generation need for the next decade.
  - iv. Renewable Energy—need to determine upper and lower threshold based on the mandates.
- e. Mr. Dickenson gave the Board members the final Feasibility Study for City Fees that was jointly conducted by JEA and the City in August, 2008.
- f. The Board congratulated Jim Dickenson for agreeing to lead JEA for three more years.

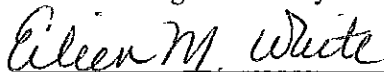
*With no action taken and no further business claiming the attention of the Board, the meeting was declared adjourned at 12:40PM.*

APPROVED BY:

  
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SECRETARY

DATE: 2-17-09

Board meeting recorded by:

  
\_\_\_\_\_  
Eileen M. White

JEA Process Support Associate (PSA)