

**JEA**  
**BOARD MINUTES**  
February 15, 2011

**The JEA Board's Nominating Committee met on Tuesday, February 15, 2011, at 8:03 AM in the Chair's office on the 8<sup>th</sup> Floor, 21 W. Church Street, Jacksonville, Florida. Present were Ron Townsend, Jay Fant, Jim Dickenson and Debra Braga from the Office of General Counsel. Committee Member Cynthia Austin participated in the meeting via teleconference.**

On motion by Mr. Fant and second by Mrs. Austin, the committee moved to recommend that the existing slate of officers remain for an additional year as allowed in the By-Laws, and that this action be voted on during the Board's regular session on this date.

**The JEA Board held its Pre-Board Briefing at 8:35 AM on Tuesday, February 15, 2011, in the Chair's office on the 8<sup>th</sup> Floor, 21 W. Church Street, Jacksonville, Florida. Present were Ron Townsend, Ashton Hudson, Jim Gilmore, Karen Bowling, Jay Fant, Mike Hightower, Jim Dickenson, Paul McElroy and Debra Braga from the Office of General Counsel. Cynthia Austin was absent and excused.**

The Pre-Board Briefing discussion consisted of the following:

1. Mr. Dickenson reviewed the agenda for today's Board Meeting and workshop.
2. Basic terms for the Nuclear Option Agreement with Duke Energy were reviewed and discussed (see file for handout). Mr. Dickenson mentioned that, from Duke's standpoint, JEA's great reputation and credit rating make us a high quality partner.
3. The St. Johns River Water Management District Consumptive Use Permit (water) status was discussed.
4. Mr. Dickenson gave attendees a copy of the *Jacksonville Business Journal* article regarding the *Energy for the Future* breakfast held February 1, 2011. He served on the panel along with Barry Moline, Executive Director of Florida Municipal Electric Association, Theodore Kury, Director of Energy Studies, University of Florida and Todd Sack, Environment and Health Section Chair, Florida Medical Association. The dialogue at the breakfast centered on renewable energy, nuclear power and carbon emission legislation.
5. Presentation ideas for future Board Meetings were discussed. It was agreed JEA's engagements with local or locally owned businesses would be presented at the March 15, 2011 meeting by Jon Eckenbach and Gregg Perrine. Mr. Townsend suggested 30 minutes for this presentation. Ms. Bowling requested a presentation on our communications goals. She's also interested in what effectiveness studies we do. Attendees also agreed to visit Greenland Energy Center after the May 17, 2011 Board meeting.
6. Incremental costs for manufacturing will be discussed in March.

***With no action taken and no further business claiming the attention of the Board, the Pre-Board Briefing was adjourned at 9:29 AM; the Board took a short break and moved to the 8<sup>th</sup> Floor Board Meeting Room for its regularly scheduled meeting.***

**The JEA Board met in regular session on Tuesday, February 15, 2011 in the 8<sup>th</sup> Floor Board Meeting Room, 21 W. Church Street, Jacksonville, Florida. Present were Ron Townsend, Ashton Hudson, Jim Gilmore, Karen Bowling, Jay Fant and Mike Hightower. Cynthia Austin was absent and excused.**

**Agenda Item I – Welcome**

The meeting was **called to order** at 9:35 AM by Chair Townsend.

The **Invocation** was given by Mr. Hudson.

The **Pledge of Allegiance** was led by Ms. Bowling.

The **Safety Briefing** was given by Robyn Watson, Director Oracle Project and Donald Burch, Director Real Estate Services.

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

- A. International Quality and Productivity Center (IQPC) Award** – Bruce Dugan, Director Organizational Performance Improvement. Mr. Dugan stated this competition is sponsored by the London-based Process Excellence Network and draws competitors from all over the world. IQPC judges cull the entries to select a group of finalists – the best of the best in the world. A best in the world and an honorable mention are named from the finalists. This year, JEA entered eight of the ten categories and placed more finalists than any other organization in the world when seven of our eight submittals were named finalists. JEA earned awards for Honorable Mention in two categories – *Best Green Project* for work done to utilize a by-product of the bio-diesel production process, which in highly concentrated forms is deemed a hazardous waste, to remove thousands of pounds of nitrogen from our community's waste streams, and *Best Improvement Program*, which recognizes JEA for ten years of remarkable achievement. It was noted that JEA's competition was from organizations like Best Buy, the U.S. Army Tank Command, BMW and Reliance Industries, to name a few.
- B. JEA's Process Improvement Program** – Bruce Dugan, Director Organizational Process Improvement, stated JEA has trained hundreds of its own employees as well as employees of our external customers and community non-profit organizations like Quigley House with process improvement consulting.

Mr. Dugan shared a short video, produced in-house by employees using their personal video equipment, which showed JEA employees' commitment to process improvement.

He then introduced Six Sigma certified Black Belts who facilitate the projects done in the company: Lucille Pendleton, Greg Ravn, Frank DeCoste, Jason Lankford, Brian Hancher and Bruce Warner. Casey Nettles, a Black Belt working for Scott Kelly, and Master Black Belts Glenn Johnson and Rod Hill, who manages the group, were also introduced.

JEA now teaches Yellow Belt to University of North Florida (UNF) students and have built the capacity to execute approximately 40 projects each year for the next ten years using UNF students as the workforce with non-profit organizations. Also, JEA staff opens extra seats in any of our Yellow and Green Belt training to any customer who wants to participate and have trained individuals from Jacksonville Sheriff's Office, Jacksonville Transportation Authority, Educational Credit Union and City of Jacksonville, to name a few.

**C. Comments from the Public – none**

**D. Council Liaison's Comments**

Councilman Joost had no comments. Mr. Gilmore and Mr. Hightower congratulated Councilman Joost on his re-election and stated they are looking forward to working with him in the future.

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

- A. Consent Agenda** – used for items that require no explanation, discussion or presentation and are approved by one motion and vote. Upon motion by Mr. Hightower and second by Ms. Bowling, items 1, 2 and 3 on the Consent Agenda were unanimously approved and items 4, 5, and 6 were received for information.
1. Adoption of Agenda – adopted as published.
  2. Approval of the January 18, 2011 Meeting Minutes – approved.
  3. Solicitation Bond Counsel Services – Final Selection. The Board approved the final selection and delegated the Managing Director/CEO the authority to initiate contract negotiations and execute contracts for bond counsel services with Nixon Peabody LLP and Bryant Miller Olive P.A., the top ranked firms.

4. Monthly Operations Report – received for information.
5. Monthly JEA Financial Review – received for information.
6. FY11 Communications & Community Outreach Plan, monthly update – received for information.

**B. Strategic Discussions/Action**

1. Bi-Monthly Financials Presentation – Mr. McElroy, Chief Financial Officer, provided a concise, bi-monthly update which was received for information.
2. Quarterly Legislative & Regulatory Update – Mr. Para, Chief Public Affairs Officer, and Mr. Steinbrecher, Director Permitting and Regulatory Conformance, provided their quarterly update, which was received for information. Mr. Townsend thanked both presenters stating the information they share is very important and the Board looks forward to their quarterly reports.
3. A Look at Billing and Credit Performance Through Our Customers' Eyes was presented by Marlene Murphy-Roach, Vice President Customer Relationships. Mrs. Murphy-Roach introduced her billing and credit teams: Robert Growcock, Wayne Young, Deb Beaver, Ray Grippon, Sheila Pressley, Brian Novak, Jesus Garcia and Norm Dailey. Customer friendly practices such as more generous payment timeline versus industry standards, deposit waiver program for good credit and liberal payment extension options, which resulted in a 33% decrease in disconnections, were discussed. Future customer friendly improvements such as a customer consumption web portal to provide usage information and consumption education, high usage alert message and prepayment services to give a customer exact control over their spending were also discussed.

*Mr. Hightower was excused at 10:40 AM.*

Mr. Townsend stated that Board Members are proud of JEA's policies. JEA is a business and employees recognize that. JEA also has responsibilities to our stakeholders which these policies protect. He thanked Mrs. Murphy-Roach and her teams for their work.

**C. Other New Business – none**

**D. Old Business – none**

**Agenda Item IV – Reports**

**A. Committee Reports**

1. Nominating Committee – Jay Fant, Member

Mr. Fant stated that the Nominating Committee met this morning and that Mrs. Austin participated in the meeting via teleconference. A motion was made, seconded and approved to request this year's existing Board Officers serve an additional year as allowed in the By-Laws. Mr. Fant moved approval of the Committee's action, Ms. Bowling seconded and the vote was unanimously approved.

JEA Board Officers for the term March 1, 2011 through February 28, 2012:

Ron Townsend, Chair  
Ashton Hudson, Vice Chair  
Jim Gilmore, Secretary

**B. Managing Director/CEO's Report - none**

**C. Chair's Report - none**

**Agenda Item V – Closing Considerations**

**A. Announcements**

**B. Adjournment**

***With no further business claiming the attention of the Board, the meeting was adjourned at 10:50 AM. The Board took a short break and moved to the 8<sup>th</sup> floor Conference Room for the Workforce Readiness/Succession Planning Committee Workshop.***

The JEA Board met for a workshop on Tuesday, February 15, 2011 in the 8<sup>th</sup> Floor Conference Room, 21 W. Church Street, Jacksonville, Florida. The meeting was called to order at 11:05 AM. Present were Ron Townsend, Ashton Hudson, Jim Gilmore, Jay Fant and Karen Bowling. Debra Braga from Office of General Counsel, Joe Wilhelm from *Financial News and Daily Record* were also in attendance. JEA employees present for the workshop were: Jim Dickenson, Paul McElroy, James Chansler, Susan Hughes, Bruce Dugan, Sharon Patterson, Blake Osner, Maria Salgueiro, Wes Grant, Bill Hegeman, Walette Stanford, Gerri Boyce and Robb Mack. Mrs. Austin and Mr. Hightower were absent and excused.

The workshop was held to update the Board on steps taken for workforce readiness since the May 2010 committee meeting. Current attrition risk, turnover detail and actions taken to mitigate attrition risk - identification and assessment of risk, managed reuse of allocations opened by vacancy, strategic placement of new permanent additions and temporary additions for knowledge transfer were reviewed and discussed.

Ongoing Risk Mitigation Actions:

- Continue to review each vacancy to insure reinvestment of resources has the greatest impact.
- Continue attrition risk monitoring and mitigation efforts by directing specific staffing actions that reduce operational risk from staffing or skill shortage – places emphasis on high risk strategic jobs.
- Continue to assess bench strength, knowledge transfer, and training and development for all vital management and civil service positions.
- Continue the co-op program to keep a flow of entry level professionals.
- Continue to leverage expertise of existing staff for reassignment when higher priority needs require, versus adding costs by bringing in a new external resource.
- Continue to monitor and adjust our total compensation offerings to insure JEA remains competitive and does not start losing critical talent as the economy improves.

***With no action taken and no further business claiming the attention of the Board, the workshop was adjourned at 1:05 PM.***

APPROVED BY:

SECRETARY

DATE: 2/16/11

Board Meeting recorded by:

Cathy Barnwell

Cathy Barnwell  
Process Support Associate