

JEA
BOARD AGENDA
Amended 1/16/14

DATE: January 21, 2014

TIME: 1:00 PM

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

I. WELCOME

- A. Call to Order
- B. Time of Reflection
- C. Pledge to Flag
- D. Adoption of the Agenda – action
- E. Safety Briefing – Leah Greene, Manager Safety and Health Services

Meeting participants are asked to turn their cell phones completely off

II. PRESENTATIONS AND COMMENTS

- A. Plan for Zero – Leah Greene, Manager Safety and Health Services – 5 minutes – presentation/information
- B. 2013 Lineman Rodeo Presentation – Michael Corbitt, C&M Working Foreman – 3 minutes – presentation/information
- C. Comments from the Public
- D. Council Liaison’s Comments – Bill Bishop

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.
 - 1. Approval of Board Meeting Minutes December 17, 2013 – action
 - 2. Quarterly Customer Update – information
 - 3. Monthly JEA Operations Report – information
 - 4. Monthly JEA Financial Review – information
 - 5. Monthly FY14 Communications & Community Outreach Plan Update – information

6. JEA FY14 Community Engagement Calendar – information

B. Strategic Discussions/Action

1. Sole Source & Emergency Procurement Report – John McCarthy, Director Supply Chain Management – 5 minutes – presentation/information
2. Real Estate Acquisition Status Report – Hamid Zahir, Director Shared Services – information
3. Southside Property RFP Discussion – Nancy Kilgo, Director Government Affairs – 10 minutes – presentation/action
4. Bi-Monthly Operations Presentation – Mike Brost, Vice President/General Manager Electric Systems, Brian Roche, Vice President/General Manager Water/Wastewater Systems, and Monica Whiting, Chief Customer Officer – 30 minutes – presentation/information
5. Joint Development Agreement Between JEA and Sempra U.S. Gas and Power – Melissa Dykes, Chief Financial Officer – 10 minutes – presentation/action
6. Rating Agency New Issue Reports in Conjunction with the Upcoming Electric System Series Three 2014A and Sub 2014 Series A Refunding Bonds – Melissa Dykes, Chief Financial Officer – 5 minutes – presentation/information

C. Other New Business

D. Old Business – none

IV. REPORTS

A. Managing Director/CEO's Report

B. 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.



Building Community

AGENDA ITEM SUMMARY

III.B-1
1/21/14

January 7, 2014

SUBJECT:	SOLE SOURCE & EMERGENCY PROCUREMENT REPORT
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Purpose:	<input checked="" type="checkbox"/> Information Only	<input type="checkbox"/> Action Required	<input type="checkbox"/> Advice/Direction
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Issue: Sole Source and Emergency Procurements are authorized by JEA's Purchasing Code under Articles 3-207 and 3-209; and a record of Procurement Actions taken under this authority is required to be maintained and reported to the JEA Board on a quarterly basis.

Significance: Full transparency of these procurement actions is necessary to maintain public confidence in JEA's bidding process and to ensure competition is achieved when in JEA's best interest.

Effect: JEA's Procurement Department is responsible for maintaining these records and reporting to the JEA Board. This requirement has been in place since the JEA Purchasing Code was adopted in 1996.

Cost or Benefit: To maintain public confidence in JEA's bidding process and to ensure competition is achieved when in JEA's best interest.

Recommended Board action: Provided for information; no action required.

For additional information, contact: John McCarthy, Director Supply Chain Management

Submitted by: PEM/ MHD/JCH/
MHD



Commitments to Action

- 1 Earn Customer Loyalty
- 2 Deliver Business Excellence
- 3 Develop an Unbeatable Team



Building Community

AGENDA ITEM SUMMARY

III.B.-2
1/2/14

January 3, 2014

SUBJECT:	REAL ESTATE ACQUISITION STATUS REPORT
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Purpose:	<input checked="" type="checkbox"/> Information Only	<input type="checkbox"/> Action Required	<input type="checkbox"/> Advice/Direction
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Issue: Provide the JEA Board with an update of Real Estate activities where use of Condemnation Authority has previously been granted.

Significance: Timely acquisition of property rights provides for continued service reliability.

Effect: Property owners whose real property is impacted by specific JEA work.

Cost or Benefit: The cost to acquire property rights is a one-time fee supported by certified appraisals with appropriate legal and other fees and expenses.

Recommended Board action: The Real Estate Acquisition Status Report is for informational purposes only. No action is recommended.

For additional information, contact: Hamid Zahir, 904-665-6068

Submitted by: PEM/ MHD/ JAP

mhd
JAP

MISSION Energizing our community through high-value energy and water solutions	VISION To be the most trusted and valued utility provider in the Southeast	VALUES • Safety • Service • Growth • Accountability • Integrity
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Commitments to Action

1. Earn Customer Loyalty
2. Deliver Business Excellence
3. Develop an Unbeatable Team



III B-3
1/21/14

Building Community

AGENDA ITEM SUMMARY

January 13, 2014

SUBJECT:	SOUTHSIDE PROPERTY RFP DISCUSSION
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Purpose:	<input type="checkbox"/> Information Only	<input type="checkbox"/> Action Required	<input checked="" type="checkbox"/> Advice/Direction
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Issue: Timing and content/evaluation factors for Request for Proposals on the former Southside Generating Station (SGS) property

Significance: Interest from external parties (developers, investors, and real estate professionals) about the availability of the property and the process for making offers/proposals

Effect: Competitive offering of the property has the potential to impact the community (economic growth and development, job and capital investment creation), southbank redevelopment, JEA financial considerations (financial statement carry of demolition and clean up costs), and cooperation between multiple agencies and entities for a successful proposal

Cost or Benefit: There are limited carrying costs for JEA to retain the property and a write off will be required if the property is sold at less than the historic carry costs. Development and capital investment may be deferred until the property is offered again.

Recommended Board action: That the Board approve issuance of an RFP including quantitative and qualitative evaluation criteria. Once received and evaluated, any successful proposal would be presented to the Board for its approval before commencing negotiations. The RFP will contain a statement that JEA reserves the right to make no award and to have flexibility in negotiating specific terms with a successful bidder.

For additional information, contact: Nancy Kilgo, 904-665-6439

Submitted by: PEM/NAK

MISSION 	VISION 	VALUES 
<p>Energizing our community through high-value energy and water solutions</p>	<p>A vision of a sustainable, resilient, and thriving community</p>	<ul style="list-style-type: none"> • Safety • Service • Growth • Accountability • Integrity

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Building Community

AGENDA ITEM SUMMARY

III-B-5
1/2/14

January 10, 2014

SUBJECT:	JOINT DEVELOPMENT AGREEMENT BETWEEN JEA AND SEMPRA U.S. GAS AND POWER
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Purpose:	<input type="checkbox"/> Information Only	<input checked="" type="checkbox"/> Action Required	<input type="checkbox"/> Advice/Direction
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Issue: JEA must prepare and plan to meet the changing and future needs of Jacksonville, as well as the changing energy market, through the development of additional natural gas opportunities, working in the best interest of the Jacksonville community. As revenues decline and our customers use our services more and more efficiently, JEA is committed to aggressively pursue the development of alternative revenue sources to offset this revenue decline in order to keep rates low for as long as possible. In connection with the development of other natural gas opportunities, JEA and Sempra identified the joint development of a Liquefied Natural Gas project as synergistic with JEA's other needs and operations.


Significance: This project could provide backup fuel for JEA's existing generation, may be co-located with an existing generating facility, and diversifies electric system revenues, offsetting declines in territorial sales and contributing to keeping rates low for our customers.

Effect: The Joint Development Agreement between JEA and Sempra describes development of a Liquefied Natural Gas project in our region. The Joint Development Agreement provides the agreement and framework for those activities occurring prior to a final investment decision by each party.

Cost or Benefit: Project could diversify revenue for JEA's electric systems and provide valuable backup fuel supply, helping maintain exceptional reliability, and keep rates stable for our customers.

Recommended Board action: JEA staff is recommending that the Board delegate authorization to the Managing Director/CEO to enter into the Joint Development Agreement for LNG project development with Sempra U.S. Gas and Power, as outlined in the agenda item.

For additional information, contact: Melissa Dykes, CFO - 665-7054

Submitted by: PEM/ MHD / 

<p>MISSION</p>  <p>Energizing our community through high-value energy and water solutions</p>	<p>VISION</p>  <p>Be the most trusted utility in the Southeast</p>	<p>VALUES</p>  <ul style="list-style-type: none"> • Safety • Service • Growth • Accountability • Integrity
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Building Community

AGENDA ITEM SUMMARY

III B-6
1/21/14

January 13, 2014

SUBJECT:	RATING AGENCY NEW ISSUE REPORTS IN CONJUNCTION WITH THE UPCOMING ELECTRIC SYSTEM SERIES THREE 2014A AND SUB 2014 SERIES A REFUNDING BONDS
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Purpose:	<input checked="" type="checkbox"/> Information Only	<input type="checkbox"/> Action Required	<input type="checkbox"/> Advice/Direction
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Issue: JEA is scheduled to be in the market the week of January 13, 2014 for the Electric System Series Three 2014A and Sub 2014 Series A Refunding Bonds. In conjunction with this deal, the rating agencies have published New Issue Reports outlining the utility's credit rating.

Significance: To keep the Board informed of relevant information found in the credit reports that have a direct impact on JEA's credit rating.

Effect: JEA needs to be proactive in addressing any issues found in the reports that may potentially downgrade its rating from its current ratings.

Cost or Benefit: JEA's credit rating has a direct impact on the utility's financing cost. It needs to be vigilant in monitoring any information that is published that can potentially have a negative impact on its credit ratings.

Recommended Board action: No action is required by the Board.

For additional information, contact: Joe Orfano, Treasurer, 665-4541

Submitted by: PEM/ MHD / OCD

MHD

MISSION Energizing our community through high-value energy and water solutions	VISION Safe Service Growth Accountability	VALUES - Safety - Service - Growth - Accountability - Integrity
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Commitments to Action

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