

**JEA**  
**BOARD MINUTES**  
July 15, 2014

The JEA Board held a Pre-Board Meeting at 12:00 PM on Tuesday, July 15, 2014, in the Conference Room on the 8<sup>th</sup> Floor, 21 W. Church Street, Jacksonville, Florida. Present were Mike Hightower, Lisa Strange Weatherby, Helen Albee, Peter Bower, Ron Townsend, Wyman Winbush, Husein Cumber, Paul McElroy, Jody Brooks and Jason Gabriel, Office of General Counsel, Bud Para and Gerri Boyce, JEA staff, and Nate Monroe, Florida Times-Union.

The Pre-Board Meeting discussion consisted of the following:

1. JEA CEO Scorecard
2. JEA employees current pension plan
3. JEA hosted Environmental Protection Agency (EPA) Symposium – September 25, 2014
4. Plan to place JEA Northside Generating Unit 3 into reserve storage
5. FY2015 Budget Presentation to City Council – August 21, 2014
6. Logistics for the Rating Agency Presentations– December 3 – 5, 2014

*With no further business claiming the attention of the Board, the Pre-Board Meeting was adjourned at 12:54 PM. After a brief break, the Board moved to the 8<sup>th</sup> Floor Board Meeting Room for the regularly scheduled meeting.*

The JEA Board met in regular session on Tuesday, July 15, 2014, in the 8<sup>th</sup> Floor Board Meeting Room, 21 W. Church Street, Jacksonville, Florida. Present were Mike Hightower, Lisa Strange Weatherby, Helen Albee, Peter Bower, Ron Townsend, Wyman Winbush, and Husein Cumber.

**Agenda Item I – Welcome**

- A. The meeting was **called to order** at 1:00 PM by Chair Hightower.
- B. A **Moment of Reflection** was observed by all.
- C. The **Pledge of Allegiance** was led by Mrs. Albee.
- D. **Adoption of Agenda** – The agenda was approved on **motion** by Mrs. Albee and second by Mr. Bower.
- E. The **Safety Briefing** was given by Berdell Knowles, Legislative Affairs Specialist.

**Agenda Item II – Presentations and Comments**

- A. 2014 American Heart Association Fit-Friendly Worksite Platinum and Gold Awards – ReShawndia Mitchell, Benefits and Wellness Specialist, introduced Mike Vatter, Heart Walk Director, American Heart Association (AHA), who presented JEA with the Fit-Friendly Worksite Platinum and Gold Awards for being recognized as a corporate trailblazer that practices AHA's *My Heart, My Life* initiative, which includes being a catalyst for positive change in the workplace prioritizing health and wellness of employees. Mr. Vatter congratulated JEA for adopting the spirit of the initiative and having the vision and the drive to improve the health and wellness of JEA employees and their workspace. Additionally, Ms. Mitchell presented JEA with the 2014 First Coast Healthiest Companies Platinum Award, from the First Coast Worksite Wellness Council (FCWWC) and HUMANA Health Care, in recognition of JEA's ongoing health

and wellness initiatives.

**B. Comments from the Public** – Mr. Russell Doran, 10511 Otter Creek Drive, Jacksonville, FL, (904) 329-1433, addressed the Board regarding customer service.

**C. Council Liaison's Comments** – Council Liaison Bishop was not in attendance.

**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. On **motion** by Ms. Strange Weatherby and second by Mr. Winbush, items 1 through 4 on the Consent Agenda were unanimously approved and items 5 through 10 were received for information.

1. Approval of Board Meeting Minutes June 17 2014 – approved.
2. Plant Vogtle Power Purchase Agreement – DOE Loan Guarantee – Consent to Assignment – the Board extended the authority it delegated to the MD/CEO at its April 21, 2009 Board Meeting, “authorizing such amendments to enable the project, including but not limited to amendments to access the DOE Loan Guarantee” to include an associated Consent to Assignment of the Power Purchase Agreement approved at its April 15, 2008 Meeting between JEA and MEAG, and as subsequently amended.
3. Reappointment of William Hiers to Civil Service Board – the Board approved the reappointment of Mr. William Hiers to serve a second term on the Civil Service Board.
4. Authorization of Board Members' Travel – Rating Agency Presentations – the Board approved payment of travel-related expenses for the Board Members' travel to New York City on December 3 - 5, 2014, to participate in the rating agency meetings.
5. Quarterly Customer Escalation and Resolution Report – received for information.
6. Real Estate Acquisition Status Report – received for information.
7. Comparative Utility Financial Benchmarks – received for information.
8. Monthly JEA Operations Report – received for information.
9. Monthly JEA Financial Review – received for information.
10. Monthly FY14 Communications & Engagement Calendar – received for information.

**B. Strategic Discussions/Action**

1. Sole Source & Emergency Procurement Report – John McCarthy, Director Supply Chain Management, presented a report summarizing total Sole Source and Emergency Procurement actions for the quarter ending June 30, 2014. The presentation was provided for information only.
2. Bi-Monthly Operations Presentation (information as of June 30, 2014) – Brian Roche, Vice President/General Manager Water/Wastewater Systems, Mike Brost, Vice President/General Manager Electric Systems, and Monica Whiting, Chief Customer Officer – Mr. Roche reviewed safety metrics and water/wastewater performance objectives, environmental compliance, and financial performance. Mr. Brost provided an update on electric system performance objectives, FY2014 fuel revenue and expense, and financial performance. Mrs. Whiting presented the J.D. Power Customer Satisfaction Index, Wave 3 quartile rankings, increased

participation in key customer solutions, billing and payment solutions, first contact resolution, community service, customer education, receivables – net write offs, and continuous improvement efforts. The presentation was provided for information only.

- C. Other New Business – None
- D. Old Business – None

#### **Agenda Item IV – Reports**

- A. Environmental Protection Agency (EPA) Proposed Rule 111(d) Reduction of Carbon Emissions – Vice Chair Lisa Strange Weatherby, Wyman Winbush, and Husein Cumber provided an update on the proposed rule that would require substantial carbon dioxide reductions beginning in 2020. Highlights included:
  - 1. EPA's intention to publish its final rule in June 2015. The final rule would set different carbon dioxide reduction requirements for each individual state.
  - 2. Paul McElroy appointed a steering committee of Bud Para, Chief Public Affairs Officer, Melissa Dykes, Chief Financial Officer, and Mike Brost, VP/General Manager Electric Systems, as lead JEA staff to stay abreast of legislative progression, to analyze probable effects, and to provide periodic reports to the JEA Board and staff.
  - 3. JEA will host a symposium on the proposed rule on September 25, 2014, and intends to have national, state, and local speakers to discuss the implications and outlook for the proposed rule.
- B. Workforce Committee – next meeting date: July 31, 2014, 11:30 AM
- C. Finance & Audit Committee – next meeting date: August 11, 2014, 8:00 AM
- D. Managing Director/CEO's Report – Mr. McElroy announced the placing of JEA Northside Generating Unit 3 (NS3) in reserve storage by December 2015. Online since 1977; to date, NS3 has produced more than 46,500,000 megawatt hours. Compliments were given to JEA's leadership team for their thorough communication efforts regarding this milestone. Mr. McElroy informed that the Southside Generating Station Request for Proposal (RFP) was, due to a pending access issue, deferred to a September timeframe to provide better clarity to bidders and proposers. Mr. McElroy recognized the great work being done with reducing nitrogen, which has provided excess Water Quality Trading Credits (permitted 720 tons; running closer to 600 tons). Mr. McElroy announced the reappointment of Mr. William Hiers to serve a second term on the Civil Service Board (CSB). Mr. Hiers, JEA retired, offers a wealth of knowledge, institutional and prior labor profession, to represent JEA on the CSB. Recognition was given to the Treasury Department for their good work in the markets executing refunding's that create savings values to JEA customers; a report of such actions will be provided at the August Finance and Audit Committee and Board Meetings.
- E. Chair's Report – Chair Hightower applauded Nancy Kilgo, Director Government Affairs, for her many years of diligent focus on the work with the Southside Generating Station property and her knowledgeable contributions to all planning aspects of the project. Chair Hightower presented Cindy Laquidara, former City of Jacksonville, Office of General Counsel, a framed resolution and praised her for providing outstanding legal counsel to JEA's Board of Directors for more than thirty years. Chair Hightower expressed deep gratitude and appreciation to Ms. Laquidara for her focus and professionalism that have helped guide and strengthen JEA, and for her lasting

contributions as legal counsel for the Board of Directors of JEA. Ms. Laquidara will be greatly missed by all of the JEA family.

**Agenda Item Agenda Item V – Closing Considerations**

- A. Announcements – none
- B. Adjournment

*With no further business claiming the attention of the Board, Chair Hightower adjourned the meeting at 2:55 PM.*

APPROVED BY:

  
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SECRETARY

DATE: 8/19/2014

Board Meeting recorded by:

  
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Nancy NeSmith