

**JEA**  
**BOARD MINUTES**  
June 16, 2015

**The JEA Board held a Pre-Board Meeting at 12:06 PM on Tuesday, May 19, 2015, in the Conference Room on the 8<sup>th</sup> Floor, 21 W. Church Street, Jacksonville, Florida. Present were Helen Albee, Peter Bower, Lisa Weatherby, Wyman Winbush, Husein Cumber, John Hirabayashi, Robert Heekin, Paul McElroy, Bill Bishop, JEA City Council Liaison, Jody Brooks, Office of General Counsel, Leah Donelan, Nonprofit Center of Northeast Florida and Nate Monroe, Florida Times-Union. Staff attendees included Bud Para and Geri Boyce.**

The Pre-Board discussion consisted of the following topics:

1. Board Retreat Follow-up – Ms. Donelan’s presentation covered the Board Policy Manual and Carver Governance Model.
2. APPA National Conference Review – Minneapolis, MN, June 5 -10, 2015 – Mr. Bower reviewed a list of his key learnings from the conference. Due to time constraints, the Board agreed to continue the discussion in the regular Board meeting during “New Business.”
3. Today’s Meeting – Mr. McElroy provided the Board Members with a schedule of today’s meetings and presentations.

*With no action taken and no further business claiming the attention of the Board, the Pre-Board Meeting was adjourned at 12:57 PM and 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, June 16, 2015, in the 8<sup>th</sup> Floor Board Meeting Room, 21 W. Church Street, Jacksonville, Florida. Present were Helen Albee, Peter Bower, Lisa Weatherby, Wyman Winbush, Husein Cumber, John Hirabayashi, and Robert Heekin.**

**Agenda Item I – Welcome**

- A. The meeting was **called to order** at 1:01 PM by Chair Albee.
- B. A **Moment of Reflection** was observed by all.
- C. The **Pledge of Allegiance** was led by Ms. Weatherby.
- D. **Adoption of Agenda** – The amended agenda was approved on **motion** by Mr. Cumber and second by Mr. Winbush.
- E. The **Safety Briefing** was given by Timothy Carter, Power Plant Operator.

**Agenda Item II – Presentations and Comments**

- A. **Comments from the Public** – None
- B. **Council Liaison’s Comments** – Chair Albee noted that this is the last official Board Meeting for Council Member Bill Bishop. She thanked him for his service to the Board, JEA, City Council and the community. Council Member Bishop thanked the Board, noting that it has been an honor and a privilege to serve as Council Liaison.

**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 Ms. Weatherby and second by Mr. Winbush, items 1 through 3 on the Consent Agenda were unanimously approved and items 4 through 9 were received for information.

1. Approval of Board Meeting Minutes May 19, 2015 – approved.
2. Approval of Board Planning Retreat Minutes May 4, 2015 – approved.
3. Appointment of Helen Kehrt to Civil Service Board – approved.
4. Draft Workforce Committee Minutes June 3, 2015 – received for information.
5. Article: “Net Metering: The Dark Cloud in a Sunny Sky” – received for information.
6. Monthly JEA Operations Report – received for information.
7. Monthly JEA Financial Review & Statements – received for information.
8. FY15 Communications & Community Engagement Update – received for information.
9. JEA Community Engagement Calendar – received for information.

**B. Strategic Discussions/Action**

1. Follow-up Memo from Bond Counsel Regarding Disclosure Policy – Jody Brooks, Office of General Counsel, provided clarification regarding whether additional language is needed in the Disclosure Policies and Procedures addressing potential Board Member Conflicts of Interest. Ms. Brooks advised the Board that the Board Policy Manual adequately addresses Board Member conflicts; therefore the recommendation from Bond Counsel is to not include additional language in the Board-approved JEA Disclosure Policies and Procedures. Ms. Brook’s clarification was received for information.
2. Recommendation to Call a Public Hearing to Modify the Electric Tariff Documentation and the Water and Sewer Rate Document – Melissa Dykes, Chief Financial Officer, presented a proposal to eliminate the General Service Extra Large Demand (GSXLD) streetlight discount, which affords the opportunity to decrease rates for the General Service Large Demand (GSLD) commercial customer class. Ms. Dykes advised the Board that eliminating the GSLD discount improves JEA’s competitive position for commercial rates and supports economic development. Administrative changes would include extending the Economic Development Program through September 2018 and re-naming the electric customer charge and water service availability charge to “Basic Monthly Charge”. Also included in the proposal is a modification of streetlight rates to reflect current energy standards and inclusion of an additional streetlight offering for LED lighting. Finally, Ms. Dykes advised the Board that Staff plans to recommend a Fuel Charge Reduction at the next Board Meeting. Ms. Dykes asked the Board to take action and call a Public Hearing during the July 21, 2015 Board Meeting. On **motion** by Mr. Heekin and second by Ms. Weatherby, the Board followed staff recommendation and unanimously approved calling a Public Hearing to occur during the July 21, 2015 Board meeting.

3. Strategy Implementation Update – Vickie Cavey, Director Strategy Development & Execution, presented the Strategy Implementation update to the Board. JEA launched its initial Strategic Plan in October 2013 and re-launched in October 2014. The plan is a focused strategy and engages all areas of JEA. Through this implementation, JEA has made significant progress on our Strategic Areas of Focus: Earn Customer Loyalty, Deliver Business Excellence and Develop an Unbeatable Team. Among the many benefits derived from the plan have been increased customer satisfaction, decreased or leveled costs and increased revenue. The presentation was received for information.
4. Proposed FY2016 Operating and Capital Budgets – Melissa Dykes, Chief Financial Officer, delivered a presentation outlining JEA’s proposed FY2016 Operating and Capital Budgets. JEA must submit its proposed budget to City Council by July 1 each year. The budget is the plan and basis for appropriating revenues and expenses, as well as capital expenditures and debt financing. The budget affects customers and the City of Jacksonville and is integral to JEA’s strategic planning, financial performance, and resulting metrics. Staff recommends the Board approve the proposed FY2016 Operating and Capital Budgets with regulatory accounting, authorize staff to transmit it to the City Council, approve JEA’s share of SJRPP and Plant Scherer Operating and Capital Budgets, and authorize the Managing Director/CEO to make minor modifications within the total approved amounts, if necessary. On **motion** by Mr. Winbush and second by Mr. Cumber, the Board unanimously approved the FY2016 Operating and Capital Budgets.
5. Bi-Monthly Financial Presentation – Melissa Dykes, Chief Financial Officer – Ms. Dykes reviewed key financial metrics, sales for both Electric and Water and Sewer Systems, debt to asset ratios, debt risk analysis and utility rates in Florida as of May 31, 2015. The presentation was received for information.

**C. Other New Business**

1. Recognition of P.G. “Bud” Para – Mr. Para was recognized by Chair Albee. Mr. Para will be retiring June 26<sup>th</sup>, after 34 years of service to JEA. Mrs. Albee stated Bud has been a tremendous asset to JEA working with both stakeholders and regulators. Chair Albee read and presented Bud with a resolution recognizing his service to JEA.
2. American Public Power Association Conference (APPA) Highlights – Mr. Bower shared some of his key learnings from the sessions he attended during the recent conference. Included in his highlights was the realization that low income does not necessarily equate to low usage. Mr. Bower also noted that cost of service studies should be done frequently, with rates unbundled whenever possible, and that a utilities rate structure should make revenues more stable. Mr. Bower reported that JEA’s base rate appears to be significantly lower than average, based on responses of those attending the conference. He encouraged staff to consider the impacts of raising the current base charge, with small incremental increases over time. Mr. Bower noted that distributed power should be accepted, and encouraged staff to conduct periodic value of solar studies.

**D. Old Business – none**

**Agenda Item IV – Reports**

- A. Workforce Readiness Committee Report** – Committee Chair, Wyman Winbush reviewed the Workforce Readiness Committee meeting held on June 3, 2015, bringing items to the Board for action and information.
1. Approval of January 13, 2015 Committee Minutes – Chair Winbush reported that the minutes were discussed in the Committee; however, no action was taken due to lack of quorum. Chair Winbush called for a motion to approve the minutes of the January 13, 2015 Workforce Readiness Committee. On **motion** by Mr. Heekin and second by Ms. Weatherby, the minutes were unanimously approved.
  2. Review and approval of the revised Workforce Readiness Committee Charter – Chair Winbush reported that revisions were made to the Committee Charter to be better aligned with other JEA Committee Charters. The item was discussed in the Committee; however, no action was taken due to lack of quorum. Chair Winbush called for a motion to approve the revised Workforce Readiness Committee Charter. On **motion** by Ms. Weatherby and second by Chair Albee, the revised Workforce Readiness Committee Charter was unanimously approved.
- B. American Association of Blacks in Energy (AABE)** – Mr. Winbush provided a report on his attendance at the national conference held May 5-8, 2015, which included over 400 attendees, five of which were JEA representatives. Mr. Winbush stated that he was a panelist in a session that included Board members, and noted that he was the only panelist sitting on a not-for-profit Board. During the conference Mr. Winbush was elected to the National Board of AABE.
- C. Managing Director/CEO’s Report** – Mr. McElroy stated he is currently participating, with senior members of JEA, in meetings with the Mayor’s Transition Task Force. Council Member orientation will be Thursday June 18, 2015 for a 3-hour broad overview of JEA. A meeting will be held next Tuesday June 23, 2015 to provide contribution/transfer policies and also to address any concerns. Presentation of the JEA FY2016 Budget to the Council Finance Committee will be scheduled for mid-August 2015. The budget is scheduled for full Council review in September 2015. Mr. McElroy invited Board members to attend the August Council Finance Committee meeting in support of JEA.
- D. Chair’s Report** – Chair Albee reminded all in attendance to make preparations for the increasing hot temperatures, encouraging neighbors to have energy audits conducted and to apply for budget plans where necessary. She also encouraged everyone to be cognizant of the needs of neighbors and family members.
- A. Announcements** – none
- B. Adjournment**

*With no further business claiming the attention of the Board, Chair Albee adjourned the meeting at 2:30 PM.*

APPROVED BY:

\_\_\_\_\_  
SECRETARY

DATE: \_\_\_\_\_

Board Meeting recorded by:

\_\_\_\_\_  
Gina Kyle  
Executive Assistant