

JEA
BOARD MINUTES
September 20, 2016

The JEA Board met in regular session on Tuesday, September 20, 2016, on the 19th Floor, 21 W. Church Street, Jacksonville, Florida. Present were Tom Petway, Kelly Flanagan, Delores Kesler, Ed Burr, Warren Jones, Husein Cumber and Alan Howard.

Agenda Item I – Welcome

- A. The meeting was **called to order** at 12:01 PM by Chair Petway.
- B. A **Moment of Reflection** was observed by all.
- C. The **Pledge of Allegiance** was led by Chair Petway.
- D. **Adoption of Agenda** – The agenda was approved on **motion** by Secretary Kesler and second by Mr. Howard.
- E. The **Safety Briefing** was given by Paul McElroy, Managing Director/Chief Executive Officer.
- F. **Sunshine Law/Public Records Statement** – Jody Brooks, Office of General Counsel (OGC), stated this Board Meeting is being held in compliance with Florida's Government in the Sunshine Law, §286.011. The complete statement can be found in section I. F. of the Board package.

Agenda Item II – Presentations and Comments

- A. **Comments from the Public**
 - 1. William D. Brinton, Jacksonville, FL 32205, addressed the Board regarding undergrounding of overhead utilities.
 - 2. Ellen A. Whitmer, St. Johns, FL 32259-2879 addressed the Board regarding the base rate charges.
- B. **Council Liaison's Comments** – Mr. Anderson thanked the Chair and JEA staff for presenting before the Rules Committee on Board Governance. He advised that the city budget has been tentatively approved and is expected to receive formal approval on September 27, 2016. Mr. Anderson has also proposed Resolution 2016-615 before the City Council, which congratulates JEA for its results on the J.D. Power Electric Utility Business Customer Satisfaction Study and commends JEA Chief Financial Officer, Melissa Dykes on being named as one of the Jacksonville Business Journal's Ultimate Financial Officers for 2016.
- C. **Office of the Mayor Liaison's Comment** – Dr. Gaffney commended JEA and the Board for the recent presentation before the Rules Committee and advised that the Committee is reviewing Board Governance for all City Boards and Commissions to ensure best practices.
- D. **Nassau County's Ex-Officio Representative – Mike Mullin** – was not present
- E. **Hurricane Hermine – Melissa Dykes, Chief Financial Officer; Mike Brost, Vice President/General Manager Electric Systems; Paul Cosgrave, Chief Information Officer and Monica Whiting, Chief Customer Officer**, presented information on JEA's response to Hurricane Hermine. Ms. Dykes presented a letter received from the Northeast Florida Regional Council recognizing JEA's long-term relationship with the organization and JEA's preparedness for emergency situations. Mr. Brost, Ms. Whiting

and Mr. Cosgrave provided details of JEA's response to Hurricane Hermine, the number of customers serviced, the method of service and the technology utilized.

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 Vice-Chair Burr and second by Mr. Cumber, items 1 and 2 on the Consent Agenda were unanimously approved and items 3 through 5 were received for information.
1. Approval of Board Meeting Minutes August 16, 2016 – approved
 2. Approval of Board Meeting Minutes July 19, 2016 – approved
 3. Monthly JEA Financial Review & Statements – received for information
 4. Monthly JEA Operations Report – received for information
 5. Monthly FY16 Communications & Engagement Calendar and Plan Update – received for information
- B. Strategic Discussions/Action**
1. Recommendation to Call a Public Hearing to Modify the Electric Tariff Documentation – Melissa Dykes, Chief Financial Officer, provided information on staff's proposal to align rates with the cost of services, decrease the fuel rate to align with fuel cost and financially prepare the utility for the future. The recommendations of staff would immediately lower electric bills for all customers and create stability for customer bills in the future. The proposal also includes early debt retirement and a new Economic Development Plan. On **motion** by Vice-Chair Burr and second by Secretary Kesler, the call for a public hearing at the October 18, 2016 Board Meeting was unanimously approved.
 2. Monthly Operational and Financial Review – Melissa Dykes, Chief Financial Officer, presented the monthly review of JEA's operational and financial metrics for electric and water/wastewater services. Ms. Dykes also shared that there were no material changes in customer satisfaction. This item was presented for information.
- C. Open Discussion**
1. Mr. Jones commented on the media story sharing JEA's explanation on water supply and quality. Mr. Jones indicated his appreciation for Mr. McElroy's comments on JEA's testing process to ensure water quality.
 2. Vice-Chair Burr recognized Secretary Kesler's birthday.
- D. Other New Business** – none
- E. Old Business** – none

Agenda Item IV – Reports

A. Managing Director/CEO's Report

Mr. McElroy presented the following items during his report:

1. North Florida Transportation Planning Organization (TPO) U. S. Department of Energy(DOE) Clean Cities Certificate acknowledging JEA as a leader in reducing the nation's dependence on imported oil.

2. The Northeast Florida Regional Council letter, which provided an unsolicited evaluation of JEA's Emergency Operations Center (EOC).
 3. The St. Johns River Water Management District (SJRWMD) has provided a draft plan for Florida's water supply use. The draft plan is a balanced plan.
 4. JEA's reclaimed water report was submitted, which is due every 5 years. JEA needs to continue to work on the Buckman location and has been asked to do more in the use of reclaimed water.
 5. The recent water outage in Nocatee affected 5,000 customers and was the result of a pipe burst, which resulted in a boiled water alert. The pipe was installed 12-14 years ago and was a lower quality pipe than what JEA uses today. Mr. McElroy stated that at no time was public health an issue and the boiled water advisory was strictly a precaution.
 6. Mr. McElroy presented that the mayor recognized the JEA linemen and troubleshooters for their work during Hurricane Hermine.
 7. JEA will be working with the mayor to provide combined resources during emergencies.
- B. Chair's Report** – The Chair reported on the resounding victory of the recent referendum on the pension. Mr. Petway indicated that there is important work left to do with the unions. The Chair indicated that the New York rating agency meetings are approaching and work is being done to make it successful. Mr. Petway invited Board Members to tour JEA facilities. Arrangements can be made through Mr. McElroy.

Agenda Item V – Closing Considerations

- A. Announcements** – Next Board Meeting – October 18, 2016
- B. Adjournment**

With no further business claiming the attention of the Board, Chair Petway adjourned the meeting at 1:21 PM.

APPROVED BY:

SECRETARY

DATE: _____

Board Meeting recorded by:

Cheryl W. Mock
Executive Assistant