

**JEA BOARD MINUTES
January 28, 2021**

The JEA Board met in regular session on Thursday, January 28, 2021, on the 19th Floor, 21 W. Church Street, Jacksonville, Florida. Pursuant to City of Jacksonville Emergency Proclamation, attendees were required to wear masks, CDC guidelines and social distancing were required at the physical location, and the meeting was also accessible via WebEx. In attendance physically were John Baker, General Joseph DiSalvo, Dr. Leon Haley, Marty Lanahan, and Tom VanOsdol. Also in attendance was Jody Brooks, Office of General Counsel. Dr. Zachary Faison, Bobby Stein and Jay Stowe participated in the meeting via WebEx.

Agenda Item I – Welcome

- A. Chair John Baker **called the meeting to order** at 9:00 am.
- B. **Time of Reflection** was observed by all.
- C. **Introductions** – Chair Baker recognizing there were no introductions to be made proceeded with the business of the meeting.
- D. **Adoption of Agenda** – On *motion* by Marty Lanahan and seconded by Dr. Leon Haley, the agenda was approved unanimously.
- E. **Safety Briefing and Moment** – Anthony Long, Director Health and Safety Services, provided a presentation to include a Safety Briefing for those that attended the Board meeting in person, a safety moment, safety performance update, and a safety recognition for the Northside Generating Station/Operations Team for going three years without a OSHA recordable injury.
- F. **Sunshine Law/Public Records Statement** – Jody Brooks, Office of General Counsel (OGC), reaffirmed this Board Meeting is being held in compliance JEA’s By-Laws and with Florida’s Government in the Sunshine Law §286.011 which complete statement can be found in Section 1F. She confirmed the meeting was duly noticed, and there was a quorum of Board members present in the room, and minutes would be taken and published.

Agenda Item II – Comments / Presentations

- A. **Council Liaison’s Comments** – Jacksonville City Council Member, Randy DeFoor provided updates on Surface Water Discharge resolution, legislation addressing employee early retirement, reappointment of Bobby Stein to the JEA Board, and the Lot J matter that did not pass. CM DeFoor thanked Kurt Wilson for being extremely helpful and recognized him as a great employee.
- B. **Comments from the Public** –
 - **Emailed Public Comment:** Madricka Jones, Executive Staff Assistant, read for the record an emailed public comment from Clayton Brannon (address and contact information on file) concerning the pace of negotiations with Northern St Johns County providing reclaimed water to newly developing neighborhoods along CR 210.

- C. Managing Director/CEO – Jay Stowe**, Managing Director/CEO provided an update on his time at JEA. Mr. Stowe stated he has continued to meet the staff and make trips to field facilities. He reiterated that JEA has a strong and dedicated workforce and is in a strong place operationally and financially. Mr. Stowe began his report by giving an update on how JEA's return to work strategy will affect the new corporate headquarters. Mr. Stowe addressed a customer issue concerning an improper disconnection and gave a formal apology to the customer. Next, he addressed Septic Tank Phase Out, the Jacksonville Small and Emerging Business program and diversity, the report from Sierra Club concerning JEA's carbon footprint, and JEA pulling the RFQ for the development of St Johns River Power Park.

Mr. Stowe concluded his report by stating he is still focusing on the significant issues that he outlined in December's Board meeting: COVID impact on policies, Water and Sewer capital plan and the development of the Leadership Team. Mr. Stowe closed by saying that the group of people that have been leading JEA for the last nine months have done a great job and deserve recommendation and commendation for their hard work.

Agenda Item III. Consent Agenda

Consent Agenda – The Consent Agenda consists of agenda items that require Board approval but are routine in nature, or have been discussed in previous public meetings of the Board. The Consent Agenda items require no explanation, discussion or presentation, and are approved by one motion and vote.

On *motion* by Tom VanOsdol and seconded by Marty Lanahan, the following agenda item was unanimously approved.

- A. Board Meeting Minutes of December 15, 2020** – approved

Agenda Item IV. For Board Consideration

A. Monthly Financial and Operations Report

- 1. Finance** - Brian Roche, Interim Chief Financial Officer, referencing materials provided to the Board in advance of the meeting, provided a financial report update for both electric system and water/wastewater system sales and financial forecast. Mr. Roche also noted the addition of the FY2021 Pay for Performance Program corporate performance factors that have been added to this month's presentation and explained the six factors included in the program. Mr. Roche concluded his presentation outlining the key financial metrics, outstanding debt, and Florida utilities monthly bill comparisons.
- 2. Electric Systems** – Ricky Erixton, Interim General Manager Electric Systems, referencing materials provided to the Board in advance of the meeting, presented an Electric Systems update to include the operations scorecard where he focused on the metrics that were not green (SAIFI frequency and SAIDI duration). Mr. Erixton's update also included generating fleet reliability, environmental compliance, electric service reliability, power quality, CEMI-5, and other operational metrics.

3. Water/Wastewater – Hai Vu, Interim General Manager Water/Wastewater, referencing materials provided to the Board in advance of the meeting, presented the water/wastewater operations scorecard (focusing on the remaining metrics not covered by the finance report), system reliability, and Water System Consumption Use Permit.

4. Customer Experience – Sheila Pressley, Interim Customer Officer, referencing materials provided to the Board in advance of the meeting, presented the Customer Experience scorecard which includes: JDP residential and business customer satisfaction index, net write-offs, and significant occurrences or concerns. Ms. Pressley also provided details on the FY2021 customer satisfaction goal and customer satisfaction index scores by study year and Florida utilities.

This agenda item was received for information only.

B. Reappointment of Geraldine (Lockett) Jackson to Civil Service Board – David Emanuel, Interim Chief Human Resource Officer, outlined the Civil Service Board (CSB) Article 17. Mr. Emanuel stated JEA makes two appointments to the nine-member Civil Service, with each appointee being limited to two 3-year terms. Mr. Emanuel stated Ms. Jackson was appointed to fill the remainder of the previous incumbents' term which ended June 30, 2020 and is eligible for reappointment and has agreed to continue to serve.

Staff recommends the Board approve the reappointment of Ms. Geraldine Jackson to the Civil Service Board for a 3-year term.

On *motion* by Marty Lanahan and seconded by Dr. Leon Haley Ms. Jackson's reappointment to the CSB was approved.

C. St Johns Power Park System Employees' Retirement Plan – Amendment #3 to the Restated Plan Document – David Emanuel, Interim Chief Human Resource Officer, presented the compliance amendment related to the timing of terms of benefit distributions required by the Setting Every Community Up for Retirement Enhancement Act of 2019 (the SECURE Act).

Staff recommends the Board approve the proposed Compliance Amendment #3 and authorize JEA's Managing Director/CEO to execute implementing documents.

On *motion* by Marty Lanahan and seconded by Tom VanOsdol the St Johns River Power Park System Employees' Retirement Plan – Amendment #3 to the Restated Plan Document was unanimously approved.

D. Real Estate

1. Property Purchase – Electric Substation – Jordan Pope, Director Real Estate Services presented the proposed purchase of the Mayo substation that is located directly east of JEA's San Pablo substation near the Mayo Clinic campus. Mr. Pope stated this new substation will support the growth and reliability of JEA's electric system.

Staff request the Board approve the land purchase outlined in Resolution 2021-03.

Ms. Lanahan wanted to make a statement that she has no known conflicts with this agenda item.

On *motion* by Gen Joseph DiSalvo and seconded by Dr. Leon Haley the property purchase of the Mayo substation outlined in Resolution 2021-03 was approved.

2. **Property Purchase – Wastewater Treatment Plant** - Jordan Pope, Director Real Estate Services presented the purchase of the proposed northwest utility site located in northwest Jacksonville immediately north of the Jacksonville International Airport. Mr. Pope stated the property purchase will provide a new wastewater treatment plant and electric substation if the need arises. Mr. Pope stated the seller has made it clear that this proposed acquisition is contingent upon JEA's successful negotiation of an access parcel from Lauren Street LLC.

Staff requests the Board approve the land purchase as outlined in Resolution 2021-04.

On *motion* by Dr. Leon Haley and seconded by Gen Joseph DiSalvo the property purchase of the Wastewater Treatment Plant was approved.

3. **Property Sale – Cecil Commerce Center** - Jordan Pope, Director Real Estate Services, began his presentation by stating JEA's Cecil Commerce Center is a multi-use site with an electric substation, water treatment plant and other utility functions. Mr. Pope stated in 2020 the City of Jacksonville's Office of Economic Development and JAXUSA inquired about the availability of a 16 acre portion of the site for a proposed expansion of a FedEx facility at Cecil Commerce Center. Mr. Pope also stated that JEA determined that the portion of the site could be sold without impairing JEA's operations that would help facilitate the creation of approximately 145 jobs with a cap assessment of approximately \$10million.

Mr. Pope further explained that the JEA procurement directive only provides for a sealed bid process or public auction for the sale of property with a value greater than \$50,000. The Board would need to waive the conflicting provisions of the procurement directive and authorize negotiations directly with SunCap Property Group, LLC, the buyer and land developer for the proposed project.

Staff requests that the Board authorize negotiations directly with SunCap Property Group, LLC for the sale of real property outlined in Resolution 2021-05.

On *motion* by Gen Joseph DiSalvo and seconded by Marty Lanahan authorization to negotiate directly with SunCap Property Group, LLC for the property sale of the proposed 16 acre parcel of Cecil Commerce Center was approved.

- E. **Corporate Headquarters Review and Update** – Alan McElroy, Interim Supply Chain Officer, presented the current (internal) status of the new Corporate Headquarters. Mr. McElroy, citing material previously provided to the Board, noted the Memo provides an update on the activity from Ryan Companies US, Inc.. Mr. McElroy stated workplace staffing trends have changed and employees continue to work in modified work environments and continue to provide excellent service. Mr. Elroy further stated with the reduction of size in the headquarters and the pursuit of a

second hardened facility, Staff received approval from the Board to purchase the LaVilla site in November 2020. Mr. McElroy and Staff are currently performing due diligence prior to closing the purchase. Mr. McElroy noted Nancy Kilgo [Veasey] is working with CBRE and leading an effort to evaluate JEA's internal data and compare it to the nationwide trend. Mr. McElroy explained Staff's recommended three pronged approach for evaluation: 1) Purchase 2) Pause 3) Plan. Mr. McElroy concluded his presentation advising the Board when the facilities plan is completed, Staff will come back to the Board with recommendations.

This agenda item was received for information only.

- F. Jacksonville Small and Emerging Business (JSEB) Quarterly Report** – Alan McElroy, Interim Supply Chain Officer introduced Rita Scott, Manager JSEB program whom presented the program's FY21 Q1 results. Ms. Scott, citing material previously provided to the Board, provided background information on the program and stated over the last 5 years JEA has incrementally increased the JSEB goals. Ms. Scott explained the scorecard that she created to track the program's monthly progression and also outlined the details of the Q1 contracts awarded to JSEB vendors and JSEB Outreach. Ms. Scott provided the details of the monthly workshop that is held every month to educate companies that are interested in working with JEA. Ms. Scott closed the presentation by stating that JEA is constantly looking for ways to grow the JSEB program and Staff does their best to stay engaged in the community by attending events with small businesses.

This agenda item was received for information only.

Agenda Item V – Board and Committee Reports

- A.** Jody Brooks, Office of General Counsel, stated the Nominating Committee read out and the election of Board Officers is deferred to the March Board Meeting to be in accordance with the Board Bylaws.

Agenda Item VI– Other Business

- A. Old Business** – None
- B. Other New Business** – Gen Joseph DiSalvo provided an update from the APPA Policy Makers Committee, which is a prelude to the upcoming Legislative Rally in March. Gen DiSalvo highlighted some of APPA's congregational engagements such as their environmental stewardships, bonds modernizations, and clean power acts.
- C. Open Discussion** – Marty Lanahan stated she was looking forward to getting feedback from the Rating Agencies.
- D. Chair's Report** – None

Agenda Item III – Closing Considerations

- A. Announcements** – Next Board Meeting February 25, 2021
- B. Adjournment**

With no further business claiming the attention of the Board, Chair John Baker adjourned the meeting at 10:17am.

APPROVED BY:

SECRETARY

DATE: _____

Board Meeting recorded by:

Madricka Jones, Executive Staff Assistant