

JEA BOARD OF DIRECTORS MEETING MINUTES
February 22, 2022

The JEA Board met in regular session at 9:00 am on Tuesday, February 22, 2022, on the 19th Floor, 21 W. Church Street, Jacksonville, Florida. The public was invited to attend this meeting in-person at the physical location and virtually via WebEx. Attendees were required to wear masks and CDC guidelines and social distancing were required at the meeting location.

WELCOME

Meeting Called to Order – Board Vice Chair Bobby Stein called the meeting to order at 9:00 am. Board members in attendance were Marty Lanahan, Rick Morales, and General Joseph DiSalvo. Chair Baker, Dr. Zachary Faison, and Thomas VanOsdol participated in the meeting virtually. A quorum of the Board was physically present for the meeting.

Others in attendance in-person were Jay Stowe, Managing Director/CEO; Jody Brooks, Chief Administrative Officer; Laura Dutton, Chief Strategy Officer; David Emanuel, Chief Human Resources Officer; Sheila Pressley, Chief Customer Officer; Raynetta Curry Marshall, Chief Operating Officer; Ted Phillips, Chief Financial Officer; Regina Ross, Chief Legal Officer, Office of General Counsel; Jordan Pope, Vice President, Corporate Strategy; Council Member Michael Boylan, Council Liaison; and Melissa Charleroy, Manager, Board Services.

Time of Reflection – A moment of reflection was observed by all.

Introductions – Vice Chair Stein recognizing there were no introductions to be made proceeded with the business of the meeting.

Adoption of the Agenda – On *motion* by Marty Lanahan and seconded by Rick Morales, the agenda was approved.

Safety Briefing and Moment – Carole Smith, Director, Water/Wastewater Asset Management & Performance, presented the Safety Briefing and a Safety Moment on excavation safety.

COMMENTS / PRESENTATIONS

Council Liaison's Comments – Council Member Michael Boylan did not have any comments.

Comments from the Public

There were no in-person, virtual, or emailed public comments.

Managing Director / CEO Report – Jay Stowe, Managing Director/CEO, extended appreciation to Board Members and to Vice Chair Bobby Stein leading today's meeting. Mr. Stowe recognized team members for their participation in mutual aid efforts in Danville, Virginia and Conway, South Carolina. Mr. Stowe provided a review of the awards and recognition received including the Florida Municipal Electric Association Restoring Communities award, Outstanding Utility by the Florida Urban Forestry Council, and recognition as a Tree-Line-USA utility by the National Arbor Day Foundation. Additional highlights included activities in celebration of Black History Month and extended appreciation to Board Member Dr. Faison for his participation in the main event, recognition of Board Member Tom VanOsdol for being named Chair, JAXUSA Partnership Board of Directors, recognition of Aundra Wallace,

President, JAXUSA for participation in today's meeting, welcomed Mark Stultz, Vice President, Communications, provided a review of today's presentations, highlighted Vice Chair Stein and Tom VanOsdol's birthday, and expressed appreciation to Board Members for their support.

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.

On *motion* by Marty Lanahan and seconded by Rick Morales, all Consent Agenda items were individually approved.

Board Meeting Minutes – October 27, 2020

Board Meeting Minutes – November 16, 2021

Board Meeting Minutes – January 11, 2022

401(a) Defined Contribution Retirement Plan Trustee Success

457 Deferred Compensation Plan Trustee Succession

Water Conservation Month

FOR BOARD CONSIDERATION

Performance Update – Walette Stanford, Director, Ethics, provided an overview of the JEA Performance Scorecard data through January 31, 2022. Focusing on the three strategic focus areas, Ms. Stanford highlighted results for safety, electric costs, revenue, and noted pay per performance is currently projected at 2.66% of base salaries. Board members offered positive comments.

CUSTOMER LOYALTY

Economic Development / Real Estate Update – Paul Mitchell, Vice President, Economic Development, provided an update on JEA's strategic approach to real property assets, which may include current and future utility needs, as well as properties with economic development potential. Mr. Mitchell highlighted recent efforts centered around strengthening partnerships with economic development organizations, providing incentives for new and existing customers, and engaging in activities to support ongoing downtown revitalization efforts. Mr. Mitchell introduced Mr. Aundra Wallace, President, JAXUSA Partnership. Mr. Wallace provided a review of active projects from 2019-2021, primary target industries, strategic plans for partnership with JEA, and drivers for company site selection. Board members and Council Member Michael Boylan held discussions. Mr. Stowe provided comments regarding economic development, JEA's partnership with JAXUSA, limitations with water resources, and support with housing initiatives in Jacksonville. This presentation was received for information.

Septic Tank Phase-Out Community Outreach – Greg Corcoran, Manager, Community Involvement and Project Outreach, provided an update on the communication efforts with septic tank phase-out projects. In partnership with the City of Jacksonville, JEA is currently working in various stages in the communities of Biltmore, Beverly Hills, Christobel, and Riverview by gathering community support, assisting during the transition, and providing ongoing support with 3,409 properties. Board members held discussions and Jody Brooks, Chief Administrative Officer, provided information on the community selection process. This presentation was received for information.

BUSINESS EXCELLENCE

Supply Chain Disruptions and Impacts – Jenny McCollum, Director, Procurement and Inventory Planning and Chief Procurement Officer, provided information on the effects of the global crisis, primary drivers, and the mitigation efforts to assist in reducing the impact to JEA and the community. Board members held discussions. This presentation was received for information.

Electric Integrated Resource Plan Update – Raynetta Curry Marshall, Chief Operating Officer, provided an update on the Electric Integrated Resource Plan including background information on long-term power supply requirements, areas of evaluation, and a review of the overall process.

Vice Chair Stein departed the meeting at 10:15 am and returned at 10:17 am.

Laura Schepis, Chief External Affairs Officer, provided a review of the stakeholder engagement meetings to date, as well as the proposed scenarios presented to stakeholders. Board members held discussions and provided feedback. This presentation was received for information.

Vogtle Update – Jay Stowe, Managing Director/CEO, provided an update on Plant Vogtle Units 3 and 4 highlighting continued delays result in additional costs to the project. Jody Brooks, Chief Administrative Officer, provided a review of announcements released the week of February 14, 2022 regarding inspection records and highlighted the revised construction schedule forecasting completion of Unit 3 between the 4th quarter of 2022 and the first three months of 2023. Completion of Unit 4 is scheduled for late 2023. Ms. Brooks noted the schedule revision requires a vote by the owners for continuation of the project. Ms. Brooks provided drivers of additional costs and a review of the ownership. Vice Chair Stein extended appreciation to General DiSalvo for his continued interest in Plant Vogtle. This presentation was received for information.

Annual Disclosure Report Overview – Joe Orfano, Vice President, Financial Services, referencing material provided to the Board in advance of the meeting, presented an overview of the Annual Disclosure Reports process and Board member's responsibilities governing the process for the electric, water/wastewater, and District Energy systems. Mr. Orfano advised the Board that the Disclosure Policies and Procedures are being reviewed and will be brought before the Board at the April 5, 2022 meeting for action. This agenda item was received for information.

Secretary Lanahan departed the meeting at 10:31 am and returned at 10:33 am.

Rating Agency Presentation – Joe Orfano, Vice President, Financial Services, referencing materials in the Board package, provided a review of the rating agency presentations including, JEA's electric and water financial and operational metrics, debt management, financial results, unit sales, residential customer rates, financial projections and capital needs, and funding sources and uses for both the electric and water systems. Mr. Orfano expressed appreciation for each staff member that contributed to the rating agency presentation. Vice Chair Stein extended appreciation to Jay Stowe, Managing Director/CEO, Joe Orfano, Vice President, Financial Services, Chair Baker, and the staff involved in preparing the materials. Board members held discussions. Chair Baker expressed a special appreciation to Mr. Orfano for his work. This agenda item was received for information.

BOARD AND COMMITTEE REPORTS

Nominating Committee – Chair Baker provided an overview of the Nominating Committee meeting held on February 11, 2022 along with the recommended slate of officers including:

Bobby Stein – Board Chair
Marty Lanahan – Board Vice Chair
General Joseph DiSalvo – Board Secretary

The new slate of officers will serve from April 1, 2022 through March 31, 2023, or until a successor is chosen.

On *motion* by Chair Baker and seconded by Rick Morales, the new slate of officers was unanimously approved.

Vice Chair Stein and Board members expressed their appreciation for Chair Baker's leadership.

Finance & Audit Committee – Committee Chair Lanahan provided an overview of the Finance and Audit Committee meeting held on February 11, 2022. Referencing materials located in their package, Committee Chair Lanahan noted the committee received updates on the Ernst & Young 2021 Audit Results including the FY21 Audited Financial Statements, Rates – Cost of Service, FY23 Budget Assumptions, Audit Services update, met in executive session with Ernst & Young and JEA's Internal Audit Director, and approved minutes from the October 15, 2021 committee meeting. Vice Chair Stein extended appreciation to Ms. Lanahan and team members for their work.

On *motion* by Mr. Rick Morales and seconded by General DiSalvo, the Committee's report and actions taken at the February 11, 2022 meeting were approved.

OTHER BUSINESS AND CLOSING CONSIDERATION

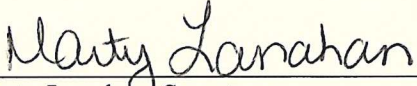
Old and Other New Business / Open Discussion – None

Chair's Report – None

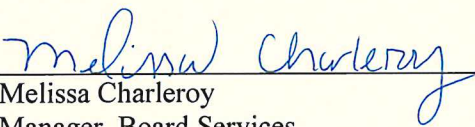
Announcements – None

Adjournment – With no further business coming before the Board, Vice Chair Stein declared the meeting adjourned at 11:06 am.

APPROVED BY:


Marty Lanahan, Secretary
Date: 4/5/22

Board Meeting Recorded by:


Melissa Charleroy
Manager, Board Services