

JEA BOARD OF DIRECTORS MEETING MINUTES
May 24, 2022

The JEA Board met in regular session at 9:00 am on Tuesday, May 24, 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.

WELCOME

Meeting Called to Order – Board Chair Bobby Stein called the meeting to order at 9:00 am. Board members in attendance were Marty Lanahan, John Baker, and Rick Morales. General Joseph DiSalvo and Dr. Zachary Faison participated in the meeting virtually. Board Member Tom VanOsdol was not in attendance for the meeting. A quorum of the Board was physically present.

Others in attendance in-person were Jody Brooks, Chief Administrative Officer; Laura Dutton, Chief Strategy Officer; David Emanuel, Chief Human Resources Officer; Sheila Pressley, Chief Customer Officer; Ted Phillips, Chief Financial Officer; Laura Schepis, Chief External Affairs Officer; Regina Ross, Chief Legal Officer, Office of General Counsel; Jordan Pope, Vice President, Corporate Strategy; Joe Orfano, Vice President, Financial Services; Madricka Jones, Executive Assistant to the CEO, and Melissa Charleroy, Manager, Board Services.

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

Introductions – 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 John Baker, the agenda was approved.

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 Board Vice Chair Marty Lanahan and seconded by John Baker, all Consent Agenda items were approved as amended to move the Increase in JEA Guaranty to The Energy Authority agenda item following the industry update provided by Joanie Teofilo, The Energy Authority.

Board Meeting Minutes – April 5, 2022
Modifications to JEA Disclosure Policies and Procedures
Annual Disclosure Reports
Eminent Domain
Southside Integrated Piping System
Circuit 663

Safety Briefing and Moment – Brandon Edwards, Director, Security & Emergency Preparedness, presented the Safety Briefing and a Safety Moment on hurricane preparedness.

Finance & Operations Committee Report – Committee Chair General Joseph DiSalvo provided an overview of the newly formed Finance and Operations Committee held on May 23, 2022. Committee Chair DiSalvo thanked Committee members Marty Lanahan and Rick Morales, as well as Board Chair Bobby Stein

and John Baker for attending and providing valuable feedback. Committee Chair DiSalvo expressed appreciation to Ted Phillips, Chief Financial Officer; Raynetta Curry Marshall, Chief Operating Officer, and staff for their work. Committee Chair DiSalvo reviewed agenda items presented at the May 23, 2022 meeting including, Electric System Cost-of-Service Study, District Energy System Cost-of-Service Results and Recommendations. Committee Chair DiSalvo expressed appreciation to Juli Crawford, Director, Financial Planning & Analysis and the Financial Planning and Rates team, as well as the Leadership Team for their great work. Additional agenda items were approved in the Consent Agenda including February 11, 2022 Committee Minutes, Modifications to JEA Disclosure Policies and Procedures, Annual Disclosure Reports, and Eminent Domain for both the Southside Integrated Pipeline and Circuit 663. This report was received for information.

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 was not in attendance at today's meeting.

Industry Update – Joanie Teofilo, President & Chief Executive Officer, The Energy Authority (TEA), provided a review of the origins of TEA, drivers of change, values of public power, TEA ownership, mission, strategic solutions, economies of scale, risk reduction, portfolio optimization, qualitative value streams, JEA's benefits to being a member, and driving innovation factors. Board members held discussions on the importance of public power. Additionally, Ms. Teofilo provided a review of the JEA guaranty, risks, credit process, ownership structure, and the purpose of the increase.

On *motion* by Board Vice Chair Lanahan and seconded by Mr. Morales, the Board approved the increase in the JEA guaranty to The Energy Authority.

JEA Performance Update – Bryan Dewberry, Senior Manager, Project Support & Controls, provided an overview of the JEA Performance Scorecard data through April 30, 2022. Focusing on the three strategic focus areas, Mr. Dewberry highlighted results for operation & maintenance spend, fuel & purchased power expenses, capital spend, safety, and noted pay per performance is currently projected at 2.66% of base salaries. This presentation was received for information.

FOR BOARD CONSIDERATION

BUSINESS EXCELLENCE

FY23 Budget – Juli Crawford, Director, Financial Planning & Analysis, provided a presentation as a follow-up to the May 23, 2022 presentation to the Finance and Operations Committee. Chair Stein expressed appreciation to Ted Phillips, Chief Financial Officer and his team for their great work. Ms. Crawford noted the budget is created through the lens of JEA's core values and strategic focus areas and highlighted Non-Fuel Operation & Maintenance expenses, workforce planning, capital plan projects, increase in fuel and purchased power costs, contribution to the rate stabilization fund in preparation for the Plant Vogtle units coming online, reasonable rates, and provided a review of JEA's financial objectives.

Chair Stein departed the meeting at 9:47 am and returned at 9:49 am.

On *motion* by Board Vice Chair Lanahan and seconded by Mr. Morales, the Board approved the FY23 budget.

Proposed Cost Participation Policy – Robert Zammataro, Director, Water/Wastewater Planning & Development, provided a review of the existing and proposed Cost Participation Policy. Mr. Morales highlighted staff met with the building community to review the proposed policy which was positively received.

On *motion* by Mr. Morales and seconded by Vice Chair Lanahan, the Board approved the Cost Participation Policy.

Vogtle Update – Jody Brooks, Chief Administrative Officer, provided a review on Plant Vogtle, the one-time tender offer, and Project J. Joe Orfano, Vice President, Financial Services, provided additional information on Project J costs, JEA’s options, factors triggering the one-time tender offer, and the timeline. Chair Stein expressed appreciation to Mr. Orfano, Ms. Brooks, and their team for their continued work. This presentation was received for information.

Annual Disclosure Reports – Mr. Orfano noted the Board was provided updates to the Annual Disclosure Reports related to Plant Vogtle disclosure.

On *motion* by Vice Chair Lanahan and seconded by Rick Morales, the Board approved the updates to the Annual Disclosure Reports.

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, Chair Stein declared the meeting adjourned at 10:04 am.

APPROVED BY:

Joseph DiSalvo, Secretary

Date: _____

Board Meeting Recorded by:

Melissa Charleroy
Manager, Board Services