

JEA BOARD OF DIRECTORS MEETING MINUTES  
November 7, 2023

The JEA Board met in regular session at 9:00 am on Tuesday, November 7, 2023, on the 1<sup>st</sup> Floor, 225 North Pearl 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 9:01 am. Board members in attendance were Marty Lanahan, Rick Morales, Kawanza Humphrey, and John Baker. Dr. Zachary Faison and General Joseph DiSalvo were present virtually.

Others in attendance were Jay Stowe, Managing Director/CEO, Laura Dutton, Chief Strategy 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; Madricka Jones, Executive Assistant to the CEO, and Melissa Dalton, Manager, Board Services.

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

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

**Values Moment** – Ty Demps, Digital Media Coordinator, presented a Values moment on respect.

**COMMENTS / PRESENTATIONS**

**Council Liaison's Comments** – Council Member Michael Boylan provided an update to the Board on Bill 2023-724, establishment of a debt ceiling proposed by JEA. Chair Stein extended his appreciation to Council Member Boylan for his commitment to JEA and the public.

**Comments from the Public:**

**In-Person Public Comments:**

Dr. Joshua Melko spoke to the Board regarding the solar site recommendation.

**WebEx Public Comments:** There were no on-line public comments.

**Email Public Comments:** There were no emailed public comments.

**Managing Director / CEO Report** – Jay Stowe, Managing Director/CEO, thanked Council Member Boylan, Board members, and staff for continuing to serve the community. Mr. Stowe provided highlights on the 8<sup>th</sup> Annual Pastor's Luncheon; Prepay Energy Working Group hosted by JEA and sponsored by E-Source; former St. Johns River Power Park (SJRPP) site and thanked Chair Stein for appointing Mr. Baker to oversee the work being completed with CBRE and England-Thims and Miller (ETM); Adaptive Reuse Symposium; Florida Water Environment Association's Annual Wastewater Seminar, and JEA being awarded the 2023 Build Strong Community award. At the request of Mr. Stowe, Raynetta Curry Marshall provided a synopsis of a tragic event that occurred shortly after the September 26, 2023 JEA Board meeting and extended appreciation to the Water/Wastewater team members that responded to the incident. Chair

Stein extended appreciation to all employees for the work they do. Mr. Stowe provided information on the Safety Milestone of one million hours worked without an OSHA-defined lost time injury; employee awards which included The Fecal Matter Team which placed in the top 10 in Process Controls, Pump Maintenance and Collection categories and the JEA apprentices who competed at the International Lineworker's Rodeo bringing home multiple awards; and Kyle Schoettler, Manager of Water/Wastewater Systems and Customer Response who was recognized by the First Coast Manufacturer's Association. This report was received for information.

*Chair Stein stepped out at 9:49am and returned at 9:51am.*

*Mr. Stowe provided a review of the new Integrated Planning Process, beginning with the strategic objectives and priorities. Additional topics covered included the FY24 Corporate Performance Scorecard, financial and operational goals FY25-34, key resource decisions, key planning assumptions FY25-34.*

**Industry Update** – Mr. Stowe introduced David LaFrance, Chief Executive Officer, American Water Works Association (AWWA), was introduced by Jay Stowe and presented the Board with his bio. Mr. LaFrance provided the Board with an industry update to include background information on the AWWA; the state of the industry to include the top five water sector challenges and hot issues; think tanks to strategic priorities and game changers. This report was received for information.

**FY23 Scorecard Results** – Stefanie Monroe, Director, Analytics, presented the JEA performance update through September 30, 2023. Ms. Monroe provided an overview on each of the scorecard metrics including safety; employee engagement; Diversity, Equity and Inclusion metrics; results of the J.D. Power Satisfaction Survey results; financial metrics; and the Pay for Performance Plan. This report was received for information.

**FY23 Financial Review** – Joe Orfano, Vice President, Financial Services, highlighted the FY23 financial recap on Q4 electric and water to include sales and revenue by month; current month versus prior month fuel rate projections; and the financial recap on Q4 metrics. This report was received for information.

## **FOR BOARD CONSIDERATION**

### **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 approved.

**Customer and Workforce Committee Minutes – March 31, 2023**

**External Affairs Committee Minutes – April 18, 2023**

**Finance and Operations Committee Minutes – September 15, 2023**

**Board Meeting Minutes - September 26, 2023**

**Board By-Laws and Policy Manual**

**FY23 Year End Budget Transfers**

**FY23 Budget Amendment**

**FY24 Delegated Authority for Budget Transfers**

**Board Vice Chair to Serve as Acting Board Secretary**

**DEEPEN CUSTOMER and COMMUNITY ENGAGEMENT**

**FY24 Electric Rate Recommendations** – Victor Blackshear, Director, Financial Planning and Rates presented to the Board the FY24 JEA rate strategic goals to include achieving target revenue, improving rate structure, and revising tariff. Mr. Blackshear outlined achieving FY24 target revenue; FY24 residential rates with a combined bill component; and rate recommendations to achieve additional small commercial and industrial revenue, additional curtailable and interruptible revenue, and additional large industrial revenue; and the FY24 electric rate adjustment path. Board members held discussion regarding customer bills. This presentation was received for information.

**Declaration of Surplus and Disposition of Long-Term Strategic Sites** – Paul Mitchell, Vice President, Economic Development, highlighted the project overview of the former St. Johns River Power Park (SJRPP) property to include location; an overview of JEA Charter Article 21.04 (b)(4); and the updated Real Estate Services Procurement Directive. Mr. Mitchell extended appreciation to ETM, CBRE and Board member John Baker for their work.

Board members held discussions regarding the resolution language, CEO delegation of authority, and processes. Tripp Gulliford, Project Consultant, CBRE and Tyler Matthews, Vice President, ETM addressed the Board regarding marketability and process, and a review of parcels 16-19. Jason Gabriel, Partner, Burr Forman, LLP, addressed the Board regarding steps for today's Board action.

On *motion* by Marty Lanahan and seconded by Rick Morales, the Board unanimously approved and adopted the amended Resolution 2023-55 to declare 1200 acres as surplus and declare as a strategic site, and provide the Managing Director/CEO the authority to dispose of parcels 16-19 through sale, , and come back to the Board with a more definitive plan on the remaining parcels for Board consideration.

*Chair Stein stepped out at 11:01am and returned at 11:03am.*

**Real Property Condemnation** – Paul Mitchell, Vice President, Economic Development, provided information on the McMillan Bypass Project a large diameter pipe evaluation and replacement program. Mr. Mitchell informed the Board of the portion of the pipe that needs to be replaced due to its condition and the bypass system that will be setup to reroute flow.

On *motion* by John Baker and seconded by Marty Lanahan, the Board of Directors unanimously approved the condemnation authority for two properties, Temporary Construction Easement and Fee Simple, for the McMillan Bypass Project and adopted Resolution 2023-53.

**PLAN FOR THE FUTURE**

**JEA Solar Sites Award** – Pedro Melendez, Vice President, Planning, Engineering and Construction, highlighted the solar request for proposals and evaluation summary to include the project summary; 35-year term evaluation, and proposed facilities.

On *motion* by Rick Morales and seconded by John Baker, the Board of Directors unanimously approved to award the JEA sties to Florida Renewable Partners not to exceed \$1.46 billion and adopted Resolution 2023-52.

**Supply Chain** – Raynetta Curry Marshall, Chief Operating Officer, provided an update on the impact of the supply chain issues to include an overview of the number of projects currently ready for service and projected to be ready for service and their respective delays and that the inventory for storm stock is maintained. Ms. Marshall informed the board of initiative to mitigate the impacts to include reconfiguring design; assessing in-service underutilized transformers to harvest and re-deploy; evaluating and adding

more suppliers; reprioritizing production slots to align with demand; and developed a forecasting model to better align supply and projected demand. This presentation was received for information.

**MAKE DOING BUSINESS WITH JEA EASY**

**Audit Services FY23 Results** – Lee Montanez, Director, Audit Services, provided an overview of the internal audit team; the FY23 internal audit plan year-end status; open/closed audit report observations; required communication to the Board; and an Enterprise Risk Management update. This presentation was received for information.

*Rick Morales stepped out at 11:50am and returned at 11:52am.*

**FY24 Internal Audit Plan** – Rashid Brittain, Manager, Internal Audit, provided the Board with the proposed audit plan timeline and process to include internal surveys to the directors and managers; speaking with the Leadership Team and Extended Leadership Team about their goals and concerns that may prevent them from reaching those goals; and the risk assurance mapping process.

On *motion* by Marty Lanahan and seconded by John Baker, the Board unanimously approved the FY24 internal audit plan and adopted Resolution 2023-51.

**OTHER BUSINESS AND CLOSING CONSIDERATION**

**Old and Other New Business / Open Discussion** – None

**Chair’s Report** – CEO Contract was deferred to January 30, 2024 Board Meeting

**Announcements** – Next Board Meeting, January 30, 2024

**Adjournment** – With no further business coming before the Board, Chair Stein declared the meeting adjourned at 11:57 am.

APPROVED BY:

Marty Lanahan  
JEA Acting Board Secretary  
Date: 1/30/24

Board Meeting Recorded by:

Allison S Hickok  
Allison S Hickok  
Executive Staff Assistant