

JEA BOARD MINUTES
February 25, 2021

The JEA Board met in regular session on Thursday, February 25, 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, Dr. Leon Haley, Marty Lanahan, and Bobby Stein. Also in attendance was Jody Brooks, Office of General Counsel and Jay Stowe. Dr. Zachary Faison, General Joseph DiSalvo, and Tom VanOsdol 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.

While waiting on quorum the order of the agenda was changed with agenda item I.E being presented prior to the adoption of the agenda.

- D. (I. 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. Jackie Scheel, Director Water/Wastewater Reuse Delivery & Collection presented the Safety Moment on traffic and vehicle safety. Ms. Scheel explained the pre-trip vehicle inspection, the Move Over Law for utility workers, and provided other safe driving tips. Mr. Long concluded the presentation with a safety performance update and recognizing the Buckman Water Reclamation Facility for going five years without an OSHA defined recordable injury.

Dr. Haley joined the meeting in person at 9:08 am.

- E. (I. D.) Adoption of Agenda – On *motion* by Marty Lanahan and seconded by Bobby Stein, the agenda was approved unanimously.
- 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. Ms. Brooks 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 – N/A

B. Comments from the Public –

Valerie Gutierrez – Addressed legislation 2020-529 on early retirement to include JEA employees. Ms. Gutierrez provided feedback that she received from current employees concerning taking advantage of the early retirement opportunity.
No virtual or emailed public comments.

C. Managing Director/CEO – Jay Stowe, Managing Director/CEO began his report by thanking Ms. Gutierrez for her comments and her service. Mr. Stowe stated Staff continues to make changes in the Board process and gave a heads up that the Finance and Audit Committee meeting would be coming up on March 12, and there would be topics on that agenda that will turn into a lot of work coming up in the next few months with the Board. Mr. Stowe went on to say that he spent a lot of time listening to understand what topics are important and he continues to focus on the three priorities: (1) COVID response (2) develop the Leadership Team (3) Water and Wastewater capital plan. Mr. Stowe then provided updates on the status of those three priorities. Mr. Stowe outlined the new Leadership Team, providing details on the new organizational structure and his plans to continue to fill roles to complete the team.

Mr. Stowe thanked Chair Baker for his participation in the Rating Agency meetings. In addition, Mr. Stowe discussed the Texas weather situation and their climate similarities to Jacksonville which prompted Staff to meet to discuss current emergency preparedness plans and will be kicking off a new task force focused on resiliency beyond hurricanes that will be led by the new Chief Strategy Officer.

Mr. Stowe revisited his discussion on Septic Tank Phase Out from last month's meeting and provided an update on the program with JEA and the City contributing additional funds. Mr. Stowe stated Staff will open negotiations with the Unions to discuss the pension legislation and provided details on the change of potential impact on the workforce which Staff thinks can be managed.

Mr. Stowe concluded his report by reiterating how proud he is to be a part of the JEA team and announced that after years of being out, the JEA light on the building will be fixed and turned back on letting people know that JEA is back.

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 Marty Lanahan and seconded by Dr. Haley, the following agenda item was unanimously approved.

A. Board Meeting Minutes of January 28, 2021 – approved

Agenda Item IV. For Board Consideration**A. Monthly Financial and Operations Report**

1. **Finance** – Joe Orfano, Interim VP Financial Services referencing material provided to the Board in advance of the meeting, presented detailed updates on electric and water sales, financial forecast, pay for performance metrics, key financial metrics, combined outstanding debt, and rate comparisons for utilities in Florida.
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 metric that is not green (SAIDI metrics). Mr. Erixton's update also included generating fleet reliability, environmental compliance, electric service reliability, power quality, CEMI-5, and other operational metrics. Mr. Erixton stated that metrics are a rolling 12 month average and expects them to improve in March when last February's metrics roll off.
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 and safety report. Mr. Vu provided detailed updates on system reliability, YTD System Consumption Use Permit, and the health of wastewater system.

This agenda item was received for information only.

- B. Customer Experience Team Initiatives** – Sheila Pressley, Interim Customer Officer, began her presentation by stating that efforts are underway to reverse the unfavorable trend in customer satisfaction, as measured by the JDP Customer Service Satisfaction Survey, and Staff is listening to customers prioritizing improvements that are most important to them. Ms. Pressley provided examples of feedback from customers on what JEA is doing well and what JEA can improve on. Ms. Pressley also presented the relative movement of the most improved brands in overall satisfaction in 2018-2019 and provided updates on the customer experience team initiatives.

Ms. Pressley stated as long as there is continued focus on the critical areas, as well as others areas that were presented, there will be meaningful shifts in brand reputation and customer satisfaction results. Ms. Pressley concluded her presentation by highlighting the water/wastewater system operations and favorable customer response from a small business customer.

This agenda item was received for information only.

- C. Rating Agency Presentation** – Joe Orfano, Interim VP Financial Services, opened the presentation by thanking Chair Baker for his involvement in the meetings with the Rating agencies. Mr. Stowe provided opening remarks with an overview of the beginning of the presentation flow to the rating agencies: highlights of Electric

System and Water/Wastewater System, Board member information, governance, economic snapshot and service territory. Mr. Orfano provided an overview of the financials portion of the presentation: historical financial metrics, debt management, financial results, unit sales, residential rates, financial projections and capital needs and funding sources for both the electric and water/wastewater systems.

Mr. Stowe stated that every dollar translates into something for our customers and Staff understands the impact of building projects to customers. Mr. Stowe also provided an overview of CO2 Emissions and JEA's environmental impact. Mr. Orfano concluded the presentation with an update on Plant Vogtle's Unit 3 & 4 and JEA's continued demonstration of consistently superior financial and operational performance.

This agenda item was received for information only.

- D. WaterReuse Bill (Surface Water Discharge)** – Wayne Young, Interim Chief Environmental Officer presented the updates on the proposed WaterReuse Bills. Mr. Young stated last year two bills were introduced concerning the use of reclaimed water throughout the State of Florida and contained a provision to eliminate nearly all surface water discharge. Mr. Young stated the Bills did not pass into law, however in anticipation of the Bills being reintroduced Staff began an early campaign to the legislative body to share concerns and make recommendations to assuage those concerns. Mr. Young also provided details of the actions Staff has taken thus far. Mr. Young reiterated that JEA does support the intent of the Bills, however the proposed deadlines are infeasible due to technological, economical, and environmental hardships and have requested adjustments. Mr. Young concluded his presentation by providing an update on the amendments in the House and Senate and the provisions to address potential hardships due to Bills implementation.

This agenda item was received for information only.

Agenda Item V – Board and Committee Reports

- A. N/A

Agenda Item VI– Other Business

- A. **Old Business** – None
- B. **Other New Business** – None
- C. **Open Discussion** – None
- D. **Chair's Report** – None

Agenda Item III – Closing Considerations

- A. **Announcements** – Jay Stowe announced that Dr. Faison, with the Mayor, is opening a new COVID vaccine site at Edward Waters College to serve the community.

B. Adjournment

With no further business claiming the attention of the Board, Chair John Baker adjourned the meeting at 10:43am.

APPROVED BY:

Marty Lanahan

SECRETARY

DATE: April 27, 2021

Board Meeting recorded by:

M Jones
Madricka Jones, Executive Staff Assistant