

JEA
BOARD MINUTES

July 19, 2016

The JEA Board met in regular session on Tuesday, July 19, 2016, on the 19th Floor, 21 W. Church Street, Jacksonville, Florida. Present were Tom Petway, Kelly Flanagan, Warren Jones, and Alan Howard. Delores Kesler and Husein Cumber attended telephonically. Ed Burr was absent and excused.

Agenda Item I – Welcome

- A. The meeting was **called to order** at 12:00 PM by Chair Petway. Jody Brooks, Office of General Counsel called roll and a quorum was established.
- B. A **Moment of Reflection** was observed by all.
- C. The **Pledge of Allegiance** was led by Chair Petway.
- D. **Adoption of Agenda** – *The adoption of the agenda was reordered within the agenda; however, the minutes reflect the original order of the agenda.* The agenda was approved on **motion** by Mr. Howard and second by Mr. Jones.
- E. The **Safety Briefing** was given by Paul McElroy, Managing Director/Chief Executive Officer.
- F. **Sunshine Law/Public Records Statement** – Jody Brooks, Office of General Counsel (OGC), stated this Board Meeting is being held in compliance with Florida's Government in the Sunshine Law, §286.011. The complete statement can be found in section I. F. of the Board package.

Agenda Item II – Presentations and Comments

- A. **Comments from the Public** – none
- B. **Council Liaison's Comments** – Chair Petway recognized JEA's new City Council Liaison, Greg Anderson, who expressed how thrilled he is to be the new liaison and he requested the position. Council Member Anderson advised the mayor presented his budget to city council on July 18, 2016.
- C. **Office of the Mayor Liaison's Comment** – Dr. Johnny Gaffney advised the Board today is the mayor's birthday. Chair Petway asked him to convey best wishes from JEA to the mayor.
- D. **Nassau County's Ex-Officio Representative – Mike Mullin** – Mr. Mike Mullin was not in attendance.
- E. **J.D. Power Residential Customer Satisfaction Results – Monica Whiting, Chief Customer Officer**, presented the J.D. Power Residential Customer Satisfaction results to the Board. Ms. Whiting stated JEA started with the goal of reaching first quartile in electric services in both residential and business. JEA far exceeded the goal in the business market earning not only the top quartile, but also J.D. Power's top ranking for the top mid-size utility, highest Florida utility in the business market, and the highest score in the nation. For the first time JEA earned a residential total index score over 700, landing at 703. Ms. Whiting advised that despite the tremendous results, JEA is 2 points away from earning the top quartile in the residential market. Ms. Whiting stated that being at the top is challenging, as other utilities are striving to also achieve the top quartile ranking and we are competing for top spots among the best of the best. Ms. Whiting also indicated that JEA started below the national average in every driver, and

has moved to above the national average in every driver, with the biggest areas of improvement being in price, power quality and reliability and communications. Ms. Whiting congratulated JEA's employees and stated the goal is to earn our customer's loyalty, which is done through excellence and continued improvement year-over-year. Mr. McElroy advised that leaders of JEA would be meeting for a strategy session later in the week and JEA will stay focused on customer loyalty, as well as the other drivers of customer satisfaction. Mr. McElroy also advised that jea.com is the front door to the company and JEA will continue to focus on this area due to customer demand. This presentation was received for information.

Agenda Item III – For Board Consideration

A. Consent Agenda – used for items that require no explanation, discussion or presentation and are approved by one motion and vote. On **motion** by Mr. Jones and second by Ms. Kesler, item 1 on the Consent Agenda was unanimously approved and items 2 through 4 were received for information.

1. Approval of Board Meeting Minutes June 21, 2016 – approved
2. Monthly JEA Financial Review & Statements – received for information
3. Monthly JEA Operations Report – received for information
4. Monthly FY16 Communications & Engagement Calendar and Plan Update – received for information

B. Strategic Discussions/Action

1. Monthly Operational and Financial Review – Paul McElroy, Chief Executive Officer, provided a review of JEA's operational and financial metrics for electric, and water and wastewater services. Mr. McElroy also shared the safety results and information provided during the daily safety calls. This presentation was received for information.
2. Jacksonville Small & Emerging Business Program – John McCarthy, Director, Supply Chain Management, provided information on the Jacksonville Small & Emerging Business Program (JSEB), JEA's partnership with other agencies and events that have been held to assist vendors in learning about the program. This presentation was received for information.

C. Open Discussion

1. Chair Petway led an open discussion which included topics such as JEA's security, the pension reform referendum and the septic tank initiative being led by the city. Chair Petway indicated that he is looking forward to meeting with the rating agencies in December, and would like to include the same participants as last year's meetings.

Mr. Cumber stated there has been discussion in Tallahassee regarding funding from the state for the removal of septic tanks. Mr. McElroy indicated JEA would engage in any discussions to assist in obtaining additional funds.

Mr. Howard requested a blanket statement that JEA is testing security and that it is in good stead. Mr. McElroy advised that JEA is in a good position regarding security and that, while it cannot be discussed in an open forum, Board Members have an open invitation to receive detailed information on an individual basis.

D. Other New Business – none

E. Old Business – none

Agenda Item IV – Reports

A. Managing Director/CEO’s Report – Mr. McElroy reviewed the following items:

1. Mayor Curry has been invited to speak to JEA employees regarding the upcoming pension referendum and will meet with employees at the Jacksonville Main library July 22, 2016.
2. Mr. McElroy followed up with Mr. Cumber’s question from the June 21, 2016 Board meeting regarding Directors’ and Officers’ Liability insurance. Mr. McElroy stated JEA would fall under the cap for sovereign municipalities; however, this insurance provides an additional layer of coverage in the event that a case progresses through the court system.
3. JEA has been recognized in the St. Johns River Water Management District Summer/Fall newsletter regarding the River Accord, the partnership with the city of Jacksonville and JEA to improve the health of the St. Johns River’s lower basin.
4. Mr. McElroy recognized Liz Columbo and Barry Rothchild , JEA’s bond counsel with Nixon Peabody, who were in attendance at today’s meeting.

B. Chair’s Report – The Chair indicated he had finished with his reporting.

Agenda Item V – Closing Considerations

A. Announcements – Finance & Audit Committee Meeting – August 8, 2016

Next Board Meeting – August 16, 2016

B. Adjournment

With no further business claiming the attention of the Board, Chair Petway adjourned the meeting at 1:05 PM.

APPROVED BY:

SECRETARY

DATE: _____

Board Meeting recorded by:

Cheryl W. Mock
Executive Assistant