

JEA
BOARD MINUTES
August 16, 2016

The JEA Board met in regular session on Tuesday, August 16, 2016, on the 19th Floor, 21 W. Church Street, Jacksonville, Florida. Present were Tom Petway, Kelly Flanagan, Delores Kesler and Alan Howard. Husein Cumber attended telephonically. Warren Jones and Ed Burr were absent and excused.

Agenda Item I – Welcome

- A.** The meeting was **called to order** at 12:03 PM by Chair Petway.
- B.** A **Moment of Reflection** was observed by all.
- C.** The **Pledge of Allegiance** was led by Chair Petway.
- D.** **Adoption of Agenda** – The agenda was approved on **motion** by Ms. Kesler and second by Mr. Howard.
- 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** – Pete Wilking, 10418 New Berlin Rd. Jacksonville, FL 32216 – addressed the Board regarding solar.
- B.** **Council Liaison's Comments** – Mr. Anderson updated the Board regarding, 1) the financial performance of the city, 2) the City Council Finance Committee's work on the mayor's budget, 3) the status of the 2016-490 bill regarding septic tanks and 4) the August 30, 2016 2016 County Referendum No. 1, Pension Liability ½-cent Sales Tax Plan.
- C.** **Office of the Mayor Liaison's Comment** – Dr. Gaffney encouraged the Board and all employees to continue their support for the mayor.
- D.** **Nassau County's Ex-Officio Representative – Mike Mullin** – was not present
- E.** **J.D. Power Wave 1 Business Customer Satisfaction Results – Monica Whiting, Chief Customer Officer**, presented the Wave 1 results to the Board. JEA presently has a rating of 788, which is the highest in our history. JEA is presently 1st in mid-sized utilities, 1st in the state utilities and 6th in the nation. Ms. Whiting advised that JEA has improved in every driver, with the biggest improvements in communication, price, power quality, and reliability. Ms. Whiting reviewed the results for each driver and advised the next steps are continuous improvement and analyzing the feedback from our customers.
- F.** **Talent Acquisition – Angie Hiers, Chief Human Resources Officer**, presented JEA's recent talent acquisition efforts which include succession planning, recruiting for attrition and hiring summer co-ops. Ms. Hiers advised the Board of 23 co-ops being hired this summer, 7 of whom were returning from prior years. A video providing a personal reflection of one of the summer co-ops was shown to the Board.

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. No vote was taken on the Consent Agenda; therefore, item 1 will be presented at the September 20, 2016 Board Meeting.
1. Approval of Board Meeting Minutes July 19, 2016 – received for information, vote to occur at September 20, 2016 Board meeting.
 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/wastewater services. Mr. McElroy also shared the safety results and information provided during the daily safety calls. This item was presented for information.
- C. Open Discussion**
1. Chair Petway led an open discussion during which Mr. Howard thanked the Communications team for a job well done on the Ken Amaro report.
- D. Other New Business** - none
- E. Old Business** – none

Agenda Item IV – Reports

- A. Finance & Audit Committee Report** – Committee Chair Flanagan reviewed the Finance & Audit Committee meeting held on August 8, 2016, bringing items to the Board for action and information. Upon **motion** by Ms. Flanagan and second by Mr. Howard, the Board unanimously approved items IV.A.1, IV.A.2, IV.A.3, IV.A.4, IV.A.6, IV.A.8b, and IV.A.9b.
1. Approval of Minutes from May 19, 2016 – action
 2. Approval of Annual Internal Audit Plan – action
 3. Adoption of Changes to the Finance & Audit Committee Operating Policy – action
 4. Annual Approval of Audit Services Charter – action
 5. Audit Services – Quarterly ERM/Audit Update – received for information
 6. Coordinated Dispatch Agreement and Pricing Policy Revisions – action
 7. Ethics Officer Quarterly Report – received for information
 8. External Auditors
 - a. Schedule of Expenditures of Federal Awards – received for information
 - b. Ernst & Young FY2016 Annual Financial Audit Plan – action
 9. Treasury
 - a. Electric System and Water and Sewer System Reserve Fund Quarterly Report –

received for information

b. JEA Investment Policy Revisions – action

10. JEA Energy Market Risk Management Policy Report – received for information

11. Update on Procurement for External Auditor – received for information

12. Announcements – received for information

a. Tentative Special Meeting, September/October 2016

b. Next Meeting, December 2016 8:00 – 10:00 AM (Date to be determined)

13. Committee Discussion Sessions

a. Director, Audit Services – received for information

b. Ernst & Young – received for information

c. Council Auditor's Office – received for information

B. Managing Director/CEO's Report

Mr. McElroy presented the following items during his report:

1) At the request of City Council President Lori Boyer, JEA, along with the other city agencies, will provide a presentation to the City Council Rules Committee, to educate the council on JEA and the role of the Board.

2) JEA will present the FY2017 budget to City Council Finance Committee on August 19, 2016.

3) JEA negotiations with the bargaining units are pending the August 30, 2016 referendum on the pension.

4) Reviewed the increase in medical premiums due to a steady increase in claims.

5) Hurricane season is almost at the halfway mark. JEA will continue to be prepared and families should have personal plans updated.

C. Chair's Report – The Chair reviewed the upcoming vote on the pension referendum. Chair Petway also introduced Jody Brooks as JEA's new Chief Legal Officer and extended the congratulations of the Board for her assignment to JEA and its Senior Leadership Team.

Agenda Item V – Closing Considerations

A. Announcements – Next Board Meeting – September 20, 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