



IMPROVING LIVES. BUILDING COMMUNITY. to be the best utility in the country

GOVERNANCE COMMITTEE

21 West Church Street, Jacksonville, FL 32202

November 8, 2021 | 3:00 pm – 5:00 pm

WELCOME

Meeting Called to Order

Adoption of Agenda (Action)

Approval of Minutes – May 6, 2021 (Action)

General Joseph DiSalvo, Chair

Safety Briefing

Melissa Charleroy, Board Services Manager

FOR COMMITTEE CONSIDERATION

JEA Bylaws – Modification for Meeting Cadence (Action)

Jody Brooks, Chief Administrative Officer

Board Self-Evaluation Review

Laura Dutton, Chief Strategy Officer

CEO Evaluation

FY21 Evaluation Criteria & Process

FY22 Evaluation Criteria Discussion

Jody Brooks, Chief Administrative Officer

CLOSING CONSIDERATIONS

Announcements

Next Board Meeting: November 16, 2021

Next Governance Committee Meeting: March 14, 2021

General Joseph DiSalvo, Chair

Adjournment

UPCOMING COMMITTEE AGENDA ITEMS

Board Governance Documentation Review



Governance Committee November 8, 2021

If you experience any technical difficulties during the meeting, contact Ontario Blackmon at (904) 665-4203 or JEA's WebEx Support Team at webexsupport@jea.com.



JEA Bylaws - Modification for Meeting Cadence



JEA Bylaws – Modification for Meeting Cadence



Current JEA's Board Policy Manual Article V – Conduct of Authority Business

Section 1. *Regular Meetings.* Regular meetings shall be held at least monthly at the principal offices of JEA in the City of Jacksonville, or at such other public place within the City of Jacksonville as may be determined by the Chair, and at such times as the Chair or a majority of the members may designate. More frequent regular meetings may be held at the pleasure of a majority of the members.

Proposed JEA's Board Policy Manual Article V – Conduct of Authority Business

Section 1. *Regular Meetings.* Regular meetings shall be held in accordance with the requirements set forth in Article 21 – JEA Charter at the principal offices of JEA in the City of Jacksonville, or at such other public place within the City of Jacksonville as may be determined by the Chair, and at such times as the Chair or a majority of the members may designate. More frequent regular meetings may be held at the pleasure of a majority of the members.

Board Resolution Approval on Modified Meeting Cadence and Policy Language Alignment



Annual Board Self-Evaluation



Board Self-Evaluation: What's Going Well



Average Responses > 4.5

- Board members are prepared for and participate in monthly Board meetings
- Board members understand and support JEA's mission and strategic objectives
- Board members have a strong working relationship with the CEO
- Board members respect the confidentiality of Board matters in accordance with public records laws
- Board members reflect behavior consistent with JEA's Code of Conduct and Code of Ethics
- The board demonstrates the principle of transparency in its governance activities
- Board members understand and fulfill the Board's roles and responsibilities
- Board members understand and adhere to the JEA Charter, Bylaws, Board Policies, and applicable Florida Statutes and City Ordinances
- Board members work together to make good decisions
- Board meetings are generally well-run, make good use of members' time, and are of an optimal length
- Board meetings packets are complete and issued at least 7 days in advance of meetings
- The board delegates sufficient authority to the CEO to lead the organization
- Board members understand CEO evaluation criteria
- Board members actively look to improve processes
- Board members understand JEA's Measures of Effectiveness (MOEs) so accurate assessments can be made
- Board members understand and discuss JEA's financial reports and annual budget
- Board members are knowledgeable about JEA's programs and services
- Board members act as goodwill ambassadors for JEA in the community

Board Self-Evaluation: Areas for Consideration



Average Responses < 4.5

Board members receive a comprehensive orientation to prepare them to perform their roles and responsibilities

The board is represented with the necessary skills, stakeholders, and diversity

Board members follow industry trends and important developments related to JEA, and understand key corporate risks

Board members actively self-educate and stay current with industry trends

The board reviews CEO performance and compensation annually

Board members work in coordination with the CEO on succession plan

Board Self-Evaluation: Summary



Rating Scale:	5 - Strongly Agree	4 - Agree	3 - Undecided	2 - Disagree	1 - Strongly Disagree	Average	Comments
Board members are prepared for and participate in monthly Board meetings						5.0	All my board colleagues are fantastic; always well prepared and their participation always impacts positively. I look forward to a time when it is safe to meet all together without COVID concerns but I think we do very well all things considered.
Board members understand and support JEA's mission and strategic objectives						5.0	yes, to the greatest extent possible considering we are still developing the strategic objectives We are now part of developing the strategic plan go forward.
Board members have a strong working relationship with the CEO						5.0	without question Jay has been great at communicating and staying in touch... he encourages that dialogue both ways and is always responsive when I reach out to him.
Board members respect the confidentiality of Board matters in accordance with public records laws						5.0	We have no confidential matters except for items that require a shade meeting
Board members reflect behavior consistent with JEA's Code of Conduct and Code of Ethics						5.0	no issues with ethics or conduct
The board demonstrates the principle of transparency in its governance activities						5.0	
Board members understand and fulfill the Board's roles and responsibilities						4.8	Additionally, I find all the board members take their roles and responsibilities very seriously
Board members understand and adhere to the JEA Charter, Bylaws, Board Policies, and applicable Florida Statutes and City Ordinances						4.8	everyone stays out the gray areas Again, more orientation to these documents would be of benefit.
Board members work together to make good decisions						4.8	I am very comfortable with the decisions made I am very impressed with the ease of conversation that the board has in the sunshine... we ask the right questions and get to the right outcomes in a transparent manner.
Board meetings are generally well-run, make good use of members' time, and are of an optimal length						4.8	I love the cadence of the new meeting structure... focused on what is important not just presenting the same data over and over again.
Board meetings board briefing packets are complete and issued at least 7 days in advance of meetings						4.8	Diligent makes it easy ! I also appreciate that staff has begun red lining verbiage changes more frequently.
The board delegates sufficient authority to the CEO to lead the organization						4.8	
Board members understand CEO evaluation criteria						4.7	this was worked hard in the BPM rewrite Our first evaluation cycle is coming up.... We understand the criteria but haven't done one before.
Board members actively look to improve processes						4.7	Still forming and educating process from my perspective.... We have begun reviewing documents and meeting cadence but still have work to do on process.
Board members understand JEA's Measures of Effectiveness (MOEs) so accurate assessments can be made						4.5	the MOEs were worked hard during the BPM rewrite The staff and new board are working together to create the right measures.
Board members understand and discuss JEA's financial reports and annual budget						4.5	the JEA finance experts and the finance & audit committee provide us great understanding We discussed having a different (better) budget process in the future.
Board members are knowledgeable about JEA's programs and services						4.5	I feel like we are still learning and creating programs and services... Same comment re: further orientation to all lines of the entire business enterprise.
Board members act as goodwill ambassadors for JEA in the community						4.5	I think so, but have no specific knowledge. We may need to get better definition of what board members can do as goodwill ambassadors Hard to do so in this COVID environment but each of us is recognized in the community and is respected
Board members receive a comprehensive orientation to prepare them to perform their roles and responsibilities						4.3	This is based on what I got from the prior senior leadership team (before they were dismissed) and not the current SLT. The current board's appointment was unusual for a number of reasons so our orientation was rushed. We will have the opportunity to on board a new board member soon and I expect it will be a more comprehensive orientation. More orientation to the business of energy management specifically would be helpful for Board members.
The board is represented with the necessary skills, stakeholders, and diversity						4.3	We have a good board... small in size but very diverse in experience and representation The board lacks racial and gender diversity. This must improve.
Board members follow industry trends and important developments related to JEA, and understand key corporate risks						4.2	I feel like our first year has been internally focused... might be able to get some more industry exposure in the future... More orientation and ongoing updates re: industry trends and best practices would be beneficial.
Board members actively self-educate and stay current with industry trends						4.2	I have no way of answering this for my fellow board members... I could do a better job on pro actively educating myself on industry trends.
The board reviews CEO performance and compensation annually						3.8	we have not done this yet, plus the CEO contract does not authorize compensation Because he is so new, we have not yet done this Similar to my answer with the CEO evaluation... we are coming up on our first time doing this.
Board members work in coordination with the CEO on succession plan						2.8	we have not addressed this to date (we need to); seeing how the SLT is still incomplete, we really cannot do succession planning until the entire SLT is in place Because the existing CEO is so new, this process hasn't begun yet We have a new team... haven't really focused on succession but need to... I am proud of the resolution that we passed asking for the board recruitment process to be sensitive to DEI... while not succession it was a statement.



Annual CEO Evaluation Process



Annual CEO Evaluation



Overview & Timeline

Board evaluation of the CEO will be done annually and based on Appendix A1, Executive Core competencies and CEO evaluation criteria.

November 8

Governance Committee Review Current CEO Evaluation Criteria and Discuss Any Adjustments to Criteria for FY22

by November 30

Schedule Meeting for Board Chair to review evaluation and feedback with CEO

by November 15

Board Members Complete Online Evaluation

JEA will send an email to Board Members including:

- Instructions for completing the evaluation
- Evaluation Criteria
- FY21 results for Measures of Effectiveness (MOEs)

January 11

January Board Meeting

- Overview of CEO Evaluation Process & Results for FY21
- Governance Committee Report – any proposed changes to CEO Evaluation Criteria can be put forth for board approval

Annual CEO Evaluation



Board Policy Manual Appendix A1: CEO Evaluation Criteria

CEO maintains safety as a top priority and executes an effective risk mitigation plan

Key Performance Areas (KPAs) and associated Key Performance Indicators (KPIs) as per Policy Category IV Measures of Effectiveness (MOEs)

CEO ensures read-ahead materials are distributed to board members in a timely manner before all meetings to facilitate board meeting preparedness (7 days)

CEO complies with all applicable legal & fiduciary responsibilities

CEO establishes a positive environment where diversity is embraced, and the workforce is proud to be a member of JEA, knows their mission, and trusts the CEO and his senior leadership team

CEO maintains a candid dialogue with the board and is completely transparent on all issues associated with JEA

CEO has a viable succession plan

CEO keeps JEA on the right strategic path based on the most current strategic plan

CEO maintains 100% compliance with respect to Article 21 applicable provisions

Complies with executive core competencies (as per Appendix 1)

Annual CEO Evaluation

Board Policy Manual Appendix A1 – Executive Core Competencies

Models Integrity

- Demonstrates high ethical and moral standards and models important values for others to follow
- Behaves and expresses oneself in an open and honest manner; is consistent in word and deed
- Represents information accurately and completely
- Assumes responsibility and accountability for own behavior; admits to mistakes

Makes Quality Decisions

- Prioritizes decisions and initiatives in ways that ensures the highest value for the organization
- Makes high-quality strategic decisions for the organization even when the consequences may be controversial
- Seeks the input of others to ensure that decisions made will be best for the organization and will minimize conflict with other initiatives
- Takes appropriate risks that weighs the positive and negative impact of each decision on the organization

Takes Initiative

- Reacts quickly to address problems that threaten organizational objectives
- Seeks out opportunities to extend or expand upon the organization's position in the market place
- Is passionate, highly engaged and highly energetic
- Forward looking; anticipates potential issues and mitigation measures

Communicates Effectively

- Listens actively to ensure understanding of each person's point of view
- Clearly articulates (through speech or in writing) own knowledge and ideas so they are easily understood and applied to others
- Addresses difficult problems and perceptions that, if left untreated, could undermine the success of the organization
- Ensures regular, consistent, and meaningful communication throughout the organization

Drives Results

- Seeks to achieve improved or even unprecedented results and demonstrates personal accountability for outcomes
- Creates a positive environment in which results flow from a desire to achieve
- Sets strategic goals and measurable performance expectations for defining success
- Demonstrates ownership for performance of entire organization, and holds self and organization accountable for decisions and results
- Takes appropriate action when a mistake is made (analyze what went wrong and preventative measures to preclude repeated the same mistake)

Annual CEO Evaluation



Board Policy Manual Appendix A1 – Executive Core Competencies

Focuses on the Customer

- Places high priority on identifying and meeting customer needs
- Ensures that customers understand and receive the fullest value possible from the products and services of the organization
- Utilizes follow-up procedures to ensure consistency and determine where improvements can be made to maintain high customer satisfaction

Fosters Teamwork

- Shares relevant expertise and knowledge to ensure team members have adequate information to make decisions and achieve objectives
- Contributes to inclusive culture by valuing others' viewpoints, encouraging others to share ideas, and treating others in an accepting, respectful manner
- Recognizes and capitalizes on the strengths of others to accomplish organizational objectives
- Directly confronts behaviors that undermine team effectiveness
- Exemplifies selfless service
- Ensures the entire JEA team knows "why" JEA exists, and not just "what" JEA does and how it executes its mission

Manages and Supports Change

- Effectively copes with changing environments, tasks and responsibilities
- Encourages others to embrace change and use it as an opportunity to be creative and improve performance
- Ensures that change initiatives are aligned with strategic initiatives, values, and mission of the organization
- Leverages resources to promote and sustain change efforts

Visionary Strategist

- Develops the strategies and actions needed to make JEA the best in class for public utilities in the U.S.
- Communicates the organization's vision in a way that is meaningful and actionable for employees
- Collaborates with Executive Team and Board of Directors to determine vision and strategy, and ensures support throughout the organization
- Reviews the planning, organization, and direction of initiatives to ensure support of the mission statement and values
- Accurately anticipates the implications of events or decisions for various stakeholders in the organization and plans strategy accordingly

Manages Performance

- Motivates others to achieve results by getting buy in on JEA's mission and establishing an environment where everyone can make a positive impact
- Provides the team with constructive feedback, guidance, and coaching for improving performance
- Sets clear performance expectations and standards, regularly monitors performance, and provides accurate and timely feedback

Annual CEO Evaluation



Board Policy Manual Appendix A1 – Executive Core Competencies

Delegates to Others

- Does not micromanage the staff; allows those with responsibilities to do their job. Provides others with the resources, authority, and support to complete delegated tasks successfully
- Develops employees for assuming additional responsibilities; anticipates talent gaps and accelerates development plans to fill gaps

Maintains Positive Public Relations

- Seeks and builds relationships with external constituencies (e.g., elected officials, government agencies, other utility leaders, trustees, investment bankers) to strengthen the organization's impact and reputation in the community
- Represents JEA with credibility and transparency to the media
- Ensures all communications are honest and candid, and resolves discrepancies expeditiously

Actively Supports Board of Directors

- Keeps Board of Directors informed on progress towards implementing strategic initiatives and other important information
- Updates the Board on large-scale progress of the organization towards its objectives
- Shows an appreciation for the unique role of a Board member and treats all Board members equally
- Educates the Board on the strategies and priorities that balance the needs of customers with operational needs
- Keeps Board members informed on important issues – “no surprises”
- Provide Board members preparatory materials at least seven (7) days prior to meetings so members can properly digest

Leads Others Effectively

- Is a servant-leader who puts the team's welfare above their own
- Builds trusting, collaborative relationships across organizational boundaries to achieve goals
- Leads with integrity and values, and a focus at all times on the mission of the organization
- Challenges and motivates others in a way that is inclusive, tactful, empowering, and inspires superior performance
- Assumes full ownership and accountability for own performance
- Not afraid to make the tough calls

Annual CEO Evaluation



Board Policy Manual Appendix A1 – Executive Core Competencies

Leverages Industry Acumen

- Monitors and analyzes financial data and key cost drivers) to evaluate options and make decisions
- Understands overall financial and operational performance of JEA in order to effectively position it in the marketplace
- Follows appropriate legal and fiduciary requirements when reconciling and reporting financial transactions
- Grows continuously in business knowledge and experience
- Identifies metrics and other documentation to help board members responsibly monitor JEAs performance.

Plans for the Future

- Develops a proposed long term strategic plan based on the interests of all stakeholders and priorities of the board.
- Identifies and balances risks and benefits when developing plans
- Identifies need for and ensures contingency plans are developed
- Aligns and allocates resources and time according to strategic priorities and company interests
- Develops a CEO succession plan that results in qualified personnel to step up and successfully perform the duties of the CEO on short notice.

Embraces Diversity

- Promotes the active recruiting of diverse individuals
- Does not tolerate any form of discrimination (gender, ethnic, religious, sexual orientation, etc.).Demonstrates visible support for programs that remove barriers (e.g., stereotypes) between diverse individuals and affords all personnel consideration for upward mobility opportunities
- Actively monitors organization to ensure equality and fairness for all members; objectively allocates compensation, rewards, and opportunities
- Promotes an inclusive culture where different viewpoints are valued and encouraged

Negotiates Collaboratively

- Strives to understand each party's position by asking in-depth questions and probing for specific needs and issues
- Discloses appropriate and important information to establish openness and trust
- Keeps arguments or disputes issue-oriented rather than personal
- Maintains flexibility in negotiating style, adapting style to the specific needs of a given situation

Annual CEO Evaluation



Board Policy Manual 4.0 – Measures of Effectiveness (MOEs)

JEA exists to provide clean, safe, reliable, and reasonably priced electric, water and sewer services to the citizens of Jacksonville and portions of surrounding counties while remaining environmentally sound and financially strong while providing revenue for the City of Jacksonville.

- 4.0.1 Quality of Electric Service: Provide clean, safe and reliable electric service to all prescribed consumers.
- 4.0.2 Quality of Water Service: Provide clean, safe and reliable water service to all prescribed consumers.
- 4.0.3 Quality of Sewer Services: Provide clean, safe and reliable sewer services to all prescribed consumers.
- 4.0.4 Cost of Service: Provide all utility services at a reasonable and accurate cost.
- 4.0.5 Environmentally Sound: Provide all utility services in a manner that is environmentally sound and sustainable.
- 4.0.6 Informative Communication: Effectively communicate with consumers and other stakeholders.
- 4.0.7 Safety Standards: Compliance is measured using OSHA's Recordable Incident Rate (RIR) calculation. JEA aspires to zero incidents, but also establishes an annual RIR target below average industry rates. Related preventive controls are validated by timely safety checks and closing of work orders.
- 4.0.8 Financial Integrity: Sections V and VI of the JEA Pricing Policy require ensuring the financial integrity of the Electric and Water/Sewer Systems respectively by establishing minimum annual total debt service coverage ratios and days of liquidity, maximum debt to asset ratios, and the maintenance of stabilization funds. Achieving these fiscal targets will help attain AA-level credit ratings.

Annual CEO Evaluation



4.0.1 Quality of Electric Service: Provide clean, safe and reliable electric service to all prescribed consumers

Provide clean, safe and reliable electric service to all prescribed consumers.

Accordingly,

- 4.1.1 Annually update an Electric Integrated Resource Supply Plan (IRP) to ensure consumers' future electricity supply needs are met at the lowest evaluated total lifecycle cost while maintaining fuel diversity.
- 4.1.2 Minimize the frequency of electric distribution system outages and report status through the System Average Interruption Frequency Index (SAIFI).
- 4.1.3 Minimize the frequency of electric distribution system voltage sags and report status through the System Average Root Mean Square Frequency Index (SARFI-80).
- 4.1.4 Minimize the duration of electric distribution system outages and report status through the System Average Interruption Duration Index (SAIDI).
- 4.1.5 Focus on reducing individual customer outages and report status through the customers experiencing more than five interruptions (CEMi-5).

Annual CEO Evaluation



4.0.2 Quality of Water Service: Provide clean, safe and reliable water service to all prescribed consumers

Provide clean, safe and reliable water service to all prescribed consumers.

Accordingly,

- 4.2.1 Annually update an Integrated Water Resource Plan (IWRP) to ensure consumers' future water supply needs are met at the lowest evaluated cost while also ensuring water resources are available for future generations. This includes a thorough evaluation of water supply alternatives.
- 4.2.2 Minimize the duration of water distribution system low pressure events and report status of the number of cumulative minutes water pressure drops below 30 pounds per square inch (psi) for all existing water distribution system pressure monitoring points.
- 4.2.3 Conduct water testing in accordance with the standards of the Florida Department of Environmental Protection (FDEP) and the Environmental Protection Agency (EPA) and report testing results to all water consumers and stakeholders.
- 4.2.4 Ensure compliance with JEA's Consumption Use Permit (CUP).

Annual CEO Evaluation



4.0.3 Quality of Sewer Services: Provide clean, safe and reliable sewer services to all prescribed consumers

Provide clean, safe and reliable sewer service to all prescribed consumers.

Accordingly,

- 4.3.1 Minimize the frequency of sewer back-ups and overflows and report status by:
 - a. the number of Sanitary Sewer Overflows (SSO's) per 100 miles of existing sewer pipe.
 - b. the total number of sewer system cave-ins.
- 4.3.2 Limit the total amount of nutrients discharged into the St. John's River from all wastewater treatment facilities.
 - a. Reduce the total nutrient discharge into the St. John's River to meet JEA's Florida Department of Environmental Protection (FDEP) Total Maximum Daily Load (TMDL) allocation.
 - b. Increase the production and distribution of reclaimed water.

Annual CEO Evaluation



4.0.4 Cost of Service: Provide all utility services at a reasonable and accurate cost

Provide all utility services at a reasonable and accurate cost.

Accordingly,

- 4.4.1 All utility services are to be reasonably priced.
 - a. Pricing for all utility services is to be frequently benchmarked against other state and regional utilities to demonstrate competitiveness.
 - b. Pricing for each utility service for all classes of consumers is to be based on the cost to serve each consumer class. Cost of service studies are to be conducted in no more than five year intervals.
- 4.4.2 Minimize the number of consumer bills that are inaccurate, are estimated due to the lack of a current meter reading, or are untimely. The expectation is 99.9% accurate and timely.

Annual CEO Evaluation



4.0.5 Environmentally Sound: Provide all utility services in a manner that is environmentally sound and sustainable

Provide all utility services in a manner that is environmentally sound and sustainable.

Accordingly,

- 4.5.1 The CEO is expected to comply with all existing environmental regulations that apply.
- 4.5.2 Conservation: Pursue all options to communicate and incentivize customer conservation and efficiency while avoiding excessive customer cost.
 - a. Electric System: Maintain the electric conservation fund by collecting an additional one cent per kwh for every kwh over 2750 on monthly residential consumption and by allocating 50 cents per Mwh of base rate revenues (a total of approximately 0.5% of electric gross revenues.) The funds are to be spent for customer conservation initiatives and incentives only.
- 4.5.3 Renewable Energy Supply: Explore all options for renewable electric energy supply while avoiding excessive customer cost since a state or federal Renewable Electricity Standard (RES) is yet to be established and the timing for setting a standard remains uncertain.
- 4.5.4 Incorporate in generation planning and other utility operations strategies and actions to reduce greenhouse gases.

Annual CEO Evaluation



4.0.6 Informative Communication: Effectively communicate with consumers and other stakeholders

Effectively communicate with consumers and other stakeholders.

Accordingly,

- 4.6.1 To enable and encourage public dialogue on electric, water, and sewer issues at the local, state and national levels.
- 4.6.2 To inform consumers of potential or pending charges being considered for utility services or charges.
- 4.6.3 To inform consumers of the potential financial and consumption impact of conservation incentives and other activities under consideration.
- 4.6.4 Maintain top quartile JD Power ratings for all customer and communication categories.

Annual CEO Evaluation



4.0.7 Safety Standards

Compliance is measured using OSHA's Recordable Incident Rate (RIR) calculation. JEA aspires to zero incidents, but also establishes an annual RIR target below average industry rates. Related preventive controls are validated by timely safety checks and closing of work orders.

Annual CEO Evaluation



4.0.8 Financial Integrity

Sections V and VI of the JEA Pricing Policy require ensuring the financial integrity of the Electric and Water/Sewer Systems respectively by establishing minimum annual total debt service coverage ratios and days of liquidity, maximum debt to asset ratios, and the maintenance of stabilization funds. Achieving these fiscal targets will help attain AA-level credit ratings.

FY22 Evaluation Criteria Discussion



JEA Performance

Data through October 31, 2021

		FY20	FY21	FY22 Goal
UNBEATABLE TEAM	● ▾ Safety - Lost Time Incident Rate (LTIR)	0.38	0.66	0.44
	▲ Diversity - Female Representation %	22%	22%	N/A
	▲ Diversity - People of Color Representation %	25%	26%	N/A
	▲ Diversity - Veteran Representation %	19%	20%	N/A
CUSTOMER LOYALTY	● ▲ Customer Satisfaction - Residential (JD Powers)	3rd Quartile	3rd Quartile	2nd Quartile
	● ▲ Customer Satisfaction - Commercial (JD Powers)	2nd Quartile	4th Quartile	2nd Quartile
	▾ Nitrogen to the River (tons)	299	372	440
	▾ Sanitary Sewer Overflows (Total Count)	48	35	31
	▾ Environmental Compliance - Permit Exceedances	1	1	4
BUSINESS EXCELLENCE	▲ Sales - Electric System (MWh)	12,185	12,216	12,200
	▲ Sales - Water System (Million Gallons)	38,272	37,181	39,000
	▲ Sales - Wastewater System (Million Gallons)	28,160	28,139	29,000
	▲ Sales - Reclaim (Million Gallons)	4,427	4,463	5,000
	▲ Revenue - Total System (\$M)	\$1,600	\$1,628	\$1,831
	▾ Outstanding Debt (\$M)	\$3,257	\$3,000	\$2,731
	▾ Operations & Maintenance (O&M) Spend (\$M)	\$393	\$381	\$458
	▾ Capital Spend (\$M)	\$387	\$355	\$609
	▾ Fuel & Purchased Power Expense (\$M)	\$343	\$425	\$376
	● ▾ Electric O&M (\$)	\$2,179	\$2,137	\$2,661
	● ▾ Water O&M (\$)	\$1,705	\$1,628	\$1,924
	▾ Reliability - Customers Experiencing Multiple Interruptions (CEMI-5)	0.25%	0.14%	0.80%
	▾ Reliability - Effective Forced Outage Rate (EFOR)	2.3%	4.0%	3.2%
	▾ Reliability - Water Unplanned Outages (Number of Customers)	15,342	12,257	7,700
▾ Water Pressure (average min < 30 psi)	4.0	2.1	2.8	

- Pay-for-Performance Measure
- ▲ Higher is good
- ▾ Lower is good
- On Plan or Better
- At Risk
- Unfavorable



Additional Information



JEA GOVERNANCE COMMITTEE MINUTES
May 6, 2021

The Governance Committee of the JEA Board met at 8:00 am on Thursday, May 6, 2021 on the 8th 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. Attendees were required to follow CDC guidelines at the meeting location, including wearing masks and social distancing.

WELCOME

Meeting Called to Order – Committee Chair Joseph DiSalvo called the meeting to order at 8:00 am. Committee members Dr. Leon Haley and Tom VanOsdol attended the meeting via WebEx. Dr. Zachary Faison was not in attendance for the meeting. A quorum of the committee was not physically present for the meeting.

Others in attendance in-person were Jay Stowe, Managing Director/CEO and Jody Brooks, Chief Administrative Officer. Laura Dutton, Chief Strategy Officer, participated in the meeting via WebEx.

Adoption of Agenda – Due to the lack of quorum, this item was deferred to the Board for approval at its May 25, 2021 meeting.

Approval of Minutes – November 10, 2020 – Due to the lack of quorum, this item was deferred to the Board for approval at its May 25, 2021 meeting.

FOR COMMITTEE CONSIDERATION

Article 21 Compliance – Jody Brooks, Chief Administrative Officer, referencing materials provided in the committee’s meeting packet, provided an overview of the approved Article 21 Charter. Ms. Brooks highlighted three key reports that JEA must submit by the end of each year: 1) Proposed Promotional Expenditures Report; 2) End of Year Report on Disbursements; and 3) Report to the City Council and Mayor summarizing the procurement contract awards for the prior fiscal year. Ms. Brooks noted JEA is tracking all Charter changes to ensure its compliance with these key reports.

External Review of JEA Governance Practices – Ms. Brooks and Mr. DiSalvo updated the Committee on the external review of JEA’s governance practices. Mr. DiSalvo provided updates on the firm, Hometown Connections, which has been hired to review the board governance practices in two key areas: 1) Strategic Planning and 2) Board Structure. A brief discussion ensued to which Mr. Stowe confirmed the need to hire a board services compliance position moving forward.

Draft July Board Retreat Agenda – Mr. Stowe led the discussion and provided committee members a detailed outline of the upcoming Board Retreat to be held on July 27, 2021 in conjunction with the board’s regularly scheduled meeting. He outlined a tentative hybrid agenda to include a facility tour, and a discussion on strategy centered on the tag lines improving lives and revamp our values. He confirmed the retreat will be an open discussion with board members to ensure we are on track as an organization, and that we adhere to our core values. Lastly, Mr. Stowe spoke on the Unbeatable Team and Business Excellence and summarized what needs to be accomplished as an organization. A brief discussion ensued to which committee members offered their comments.

CLOSING CONSIDERATIONS

Announcements – Next Board Meeting May 25, 2021

Adjournment – With no further business coming before the Committee, Mr. DiSalvo declared the meeting adjourned at 8:19 AM.

APPROVED BY:

Joseph DiSalvo, Committee Chair

Date: _____

Submitted by:

DeLisa A. Johnigarn
Executive Assistant