

JEA
BOARD MINUTES

March 19, 2013

The JEA Board held a Pre-Board Briefing at 8:35 AM on Tuesday, March 19, 2013, in the Chair's Office on the 8th Floor, 21 W. Church Street, Jacksonville, Florida. Present were Ashton Hudson, Mike Hightower, Cynthia Austin, Ron Townsend, Helen Albee, and Peter Bower. Lisa Strange Weatherby participated by means of conference call. Also present were Gerri Boyce, JEA, John Germany, Cindy Laquidara, and Jason Gabriel, Office of General Counsel, Joe Wilhelm, Financial News and Daily Record, and Steve Patterson, Florida Times Union.

The Pre-Board Briefing discussion consisted of the following:

1. Mr. McElroy advised Board Members that their annual, procedure-required drug testing is scheduled for Tuesday, May 21, 2013.
2. Mr. McElroy shared information regarding the following JEA-sponsored MOSH exhibit events:
 - a. The opening reception and preview of an energy exhibit, *JEA Power Play*, on Thursday, April 4, 2013, 6:00 PM – 8:00 PM.
 - b. Reception for the “*RACE: Are We So Different?*” event on Tuesday, April 16, 2013, 2:00 PM – 5:00 PM; which will include a self-guided tour and dialogue in an effort to further JEA's diversity and inclusion journey.
3. Mr. McElroy reminded attendees that Board Meetings are now web-streamed to the public.
4. Mr. McElroy reviewed the JEA Strategy Workshops schedule:
 - a. May 21 11:00 AM – 2:00 PM
 - b. July 16 11:00 AM – 1:30 PM
 - c. August 20 11:30 AM – 1:00 PM
 - d. September 17 11:30 AM – 2:00 PM
5. Mr. Jason Gabriel, Office of General Counsel, discussed important factors and guidelines regarding Florida's Ethics, Public Records, and Sunshine Laws. Copies of Mr. Gabriel's handouts are located in the Board Meeting file.
6. Mr. McElroy advised Members that logistics are forming for a future Board Governance Retreat.
7. Members acknowledged an error in the February 19, 2013 Board Meeting Minutes, where reference of the current slate of Officers incorrectly lists Ron Townsend as Vice Chair, which requires edit to correctly list Mike Hightower as Vice Chair. Mr. McElroy assured Members the correction would be duly noted and scribed on the original Board Meeting Minutes in file.
8. The Board discussed a potential slate of officers.

With no action taken and no further business claiming the attention of the Board, the Pre-Board Briefing was adjourned at 9:40 AM; the Board took a short break and moved to the 8th Floor Board Meeting Room for its regularly scheduled meeting.

The JEA Board met in regular session on Tuesday, March 19, 2013, in the 8th Floor Board Meeting Room, 21 W. Church Street, Jacksonville, Florida. Present were Ashton Hudson, Mike Hightower, Cynthia Austin, Ron Townsend, Helen Albee, and Peter Bower. Lisa Strange Weatherby participated by means of conference call.

Agenda Item I – Welcome

- A. The meeting was **called to order** at 9:51 AM by Chair Hudson.
- B. A **Moment of Reflection** was observed by all.
- C. The **Pledge of Allegiance** was led by Chair Hudson.
- D. **Adoption of Agenda** – The agenda was approved upon **motion** by Ms. Austin and second by Mr. Hightower.
- E. The **Safety Briefing** was given by Tim Pugh, Director Electric Service Response and Pete Sheridan, Director Projects

Agenda Item II – Presentations and Comments

- A. **Presentation** – Mr. Bruce Doueck, Manager Customer Conservation and Efficiency, provided a presentation on the following upcoming events that JEA is proud to be an integral part of:
 - 1. JEA’s partnership with the Museum of Science and History (MOSH) began in 2002 as an opportunity to educate our community about critical resources, and continues to do so successfully. A newly redesigned exhibit, “JEA Power Play” is geared toward helping customers understand our services and our energy choices for the future. A preview and opening reception will be held Thursday, April 4, 2013, 6:00 PM – 8:00 PM. The exhibit opens to the public on Saturday, April 6, 2013.
 - 2. An additional MOSH exhibit “*RACE: Are We So Different?*” displays January 26, 2013 through April 28, 2013. JEA chose to highlight this exhibit as part of our recent month-long employee Black History celebration. A reception on Tuesday, April 16, 2013, 2:00 PM – 5:00 PM, will feature a self-guided tour and a discussion session with a host of JEA management team members.

Mr. John Surface, Chairman and Maria Hane, Executive Director with MOSH attended today’s Board Meeting to recognize JEA’s meaningful partnership with MOSH. Addressing the Board, they delivered high accolades for JEA’s continual support and engagement. Chair Hudson thanked Mr. Surface and Ms. Hane for their attendance at today’s meeting.
 - 3. JEA is very excited to host the Florida Municipal Electric Association’s (FMEA) annual Lineman Rodeo on April 20, 2013, 8:00 AM – 2:00 PM, at the JEA Southbank Site (location of JEA’s prior Southside Generating Station). Teams from state-wide municipalities, comprised of approximately 20+, 3-man lineman teams, compete in timed safety and skill tests that showcase their proven abilities. JEA linemen continually rank as top contenders in this state-wide competition and excitedly look forward to their upcoming competition challenges.
 - 4. Highlights of additional upcoming outreach events include: a Duval County Public Schools Career and Technical Education Career Fair, April 3, 2013; the annual Earth Day (JEA sponsored) event, April 20 – 28, 2013; and the World of Nations exhibit, May 3 – 5, 2013.
- B. **Comments from the Public**
 - 1. Mr. Mactruque Skinner, 631 Woodbine Street, Jacksonville, FL 32208, spoke to the Board on symbiosis investments and ‘one-spark entry’.

C. Council Liaison's Comments – Council Member Stephen Joost was not present.

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. Upon **motion** by Mr. Hightower and second by Ms. Austin, item 1 on the Consent Agenda, recognizing a noted error for correction, was approved, and items 2 through 6 were received for information.

1. Approval of Board Meeting Minutes February 19, 2013 – action

The February 19, 2013 Board Meeting Minutes contain an error where the current slate of Officers are referenced; whereas Ron Townsend is incorrectly listed as Vice Chair will be edited to accurately list Mike Hightower as Vice Chair. By acknowledgement of this error, the minutes received approval with the assurance that the original minutes on file will notate the error and correction accordingly.

2. Strategic Planning Major Meetings Schedule – received for information

3. Monthly JEA Operations Report – received for information

4. Monthly Financial Summary – received for information

5. Monthly FY13 Communications & Community Outreach Plan February Update – received for information

6. JEA FY13 Community Engagement Calendar – received for information

B. Strategic Discussions/Action

1. Bi-Monthly Operations Presentation – received for information

a. Brian Roche, VP/GM Water Wastewater Systems reviewed the portion of the Operations Report focusing on the Water/Wastewater data and statistics relating to Corporate Performance Objectives.

b. Mike Brost, VP/GM Electric Systems reviewed the portion of the Operations Report focusing on data and statistics relating to Electric Systems.

2. Bill Presentment Enhancement – Sheila Pressley, Senior Executive, provided a presentation showcasing enhancements made to the bill to improve the customers' billing experience, which becomes effective April 1, 2013. The enhancements will provide customers a breakdown of fees billed, and will portray their actual consumption history. During the inception period, an informative explanation will be noticed on the actual bill that clearly states the changed view is to provide additional detail and a higher level of transparency regarding their bill and our billing systems.

3. Electric System – Ten Year Site Plan (TYSC) – Steve McInall, Manager Nuclear Generation Business, provided a presentation on JEA's TYSP, a required filing with Florida Public Service Commission (FPSC), which provides information related to JEA's power supply strategy to adequately meet the forecasted needs of our customers for the ten year planning period from January 1, 2013 to December 31, 2022. Mr. McInall outlined topics of existing and committed facilities; forecasts and planning assumptions; and future resource needs.

C. Old Business – none**Agenda Item IV – Reports**

- A. Finance and Audit Committee Report** – Committee Chair Ron Townsend reviewed the most recent, December 12, 2012, Finance and Audit Committee Agenda, bringing the items below to the Board for action and information. Chair Townsend noted that he and committee member Mr. Bower were attendees of the meeting and that Ms. Lisa Strange Weatherby had resigned her role as committee member of the Finance and Audit Committee.
1. Approval of Minutes from the December 12, 2012 meeting – Upon **motion** by Mr. Hightower and second by Ms. Austin, the minutes were unanimously approved.
 2. Quarterly ERM/Audit Update was received for information.
 3. Ethics Officer Quarterly Report was received for information.
 4. Treasury Service Items
 - a. Electric System and Water and Sewer System Reserve Fund Quarterly Report was received for information.
 - b. Recap of Recent JEA Electric System Fixed Rate Debt Current Refunding Delegated Transactions was received for information.
 - c. Resolution Determining the Sufficiency of Revenues – SJRPP – Upon **motion** by Mr. Hightower and second by Ms. Austin, the Board adopted Resolution 2013-3 determining that the estimated revenues for fiscal year 2013/2014 will be sufficient for their intended purposes.
 - d. Resolution 2013-2: Delegating Authority to Refund the District Energy System Bonds – Upon **motion** by Ms. Austin and second by Mr. Hightower, the Board approved and adopted Resolution 2013-2 that will provide the Managing Director/CEO the authorization to price and execute the District Energy System 2013 Series A fixed rate refunding transaction. Due to a conflict of interest, Ms. Strange Weatherby recused herself and submitted Form 8B, Memorandum of Voting Conflict for County, Municipal, and Other Local Public Officers. A signed copy is located in the committee meeting file.
 - e. JEA FY2013 Debt Parameter Resolutions for Electric System Series Three 2013B and Electric System Subordinated 2013 Series C Refunding Bonds – Upon **motion** by Mr. Hightower and second by Ms. Austin, the Board approved and adopted Resolution 2013-4 and Resolution 2013-5 that will provide the Managing Director/CEO the authorization to price and execute the Electric System Revenue Bonds, Series Three 2013B and Electric System Subordinated Revenue Bonds, 2013 Series C fixed rate refunding transactions with the slated parameters.
 5. Fuel Credit Recommendation – Upon **motion** by Ms. Austin and second by Mr. Townsend, the Board approved staff’s recommendation to provide a fuel charge credit to all JEA customers; a one-time credit to appear on the customer’s April bill – approximately \$35 per average residential customer, approximately \$2,000 per average large commercial customer, approximately \$300,000 to the City of Jacksonville, and approximately \$500,000 to the Duval County School Board.

6. FY2014 Budget Assumptions was received for information.
7. Committee Discussion Sessions
 - a. The Committee met with Ms. Doris Champ, Director, Audit Services.
 - b. The Committee met with Mr. Mike Pattillo and Mr. Justin Threet, Ernst & Young.
 - c. The Committee met with Mr. Robert Campbell, Council Auditor's Office.
8. Announcements
 - a. The next Finance and Audit Committee meeting will be held at 8:00 AM on May 13, 2013.
 - b. Chair Townsend recognized newly appointed Financial Services personnel:
 - i. Melissa Dykes, Chief Financial Officer
 - ii. Janice Nelson, Controller
 - iii. Jennifer Alvarado, Treasurer

B. Managing Director/CEO's Report

1. Mr. McElroy proudly thanked the JEA workforce and for the information reported here today for our community – outstanding operating performance, improved customer satisfaction, broader transparency, and community involvement (MOSH, Earth Day, Lineman Rodeo, Volunteerism, etc.).
2. Mr. McElroy recognized Mrs. Cathy Barnwell, Executive Assistant, for her 35 years of dedicated service as she transitions to retirement on March 22, 2013. Mrs. Barnwell, highly valued as the Executive Assistant to the Managing Director/CEO, has assisted the Board throughout her JEA tenure. Mrs. Barnwell has been an excellent resource; assisting others, a willingness to train and to share knowledge, and genuine kindness are some of her attributes. Mr. McElroy and the Board congratulated Mrs. Barnwell on her retirement and wished her well in her future endeavors.
3. Mr. McElroy extended birthday wishes to Mr. Hightower.

C. Chair's Report

1. Chair Hudson stated that, pursuant to our By-Laws, the Board needs to take action on nominating a new slate of Officers. Upon **motion** by Mr. Townsend, and second by Mr. Bower, the Board approved the following slate of Officers effective on this date of March 19, 2013:

Mike Hightower, Chair
Cynthia Austin, Vice Chair
Helen Albee, Secretary

D. Other New Business

1. Ms. Austin requested approval to attend the American Association of Blacks in Energy (AABE) National Conference, April 9 – 12, 2013, in Baltimore, MD, to represent JEA and the Board. Upon **motion** by Ms. Austin and second by Chair Hudson, the Board approved Ms. Austin's request to attend the AABE National Conference on April 9 – 12, 2013.

Agenda Item V – Closing Considerations

E. Announcements – None

F. Adjournment – in recognition of today’s approved new slate of Officers, Chair Hudson passed the gavel to newly elected Chair Hightower, who adjourned the meeting.

APPROVED BY:

SECRETARY

DATE: _____

Board Meeting recorded by:

Nancy S. NesSmith
Executive Assistant