

JEA GOVERNANCE COMMITTEE MEETING

September 15, 2020 • 10:00 a.m.

WebEx **No physical location will be provided for this meeting.**



I.	WELCOME	
	A.	Call to Order
	B.	Adoption of the Agenda (Action)
	C.	Approval of Minutes – August 19, 2020 (Action)

II.	GOVERNANCE AND POLICY FOUNDATIONAL DOCUMENTS	
	Item(s)	
	A.	Draft Article 21 JEA Charter (City Council)
	B.	Proposed 2020-419 – Article 21 (JEA) Charter Omnibus Refinement Bill Strategy and Timeline for Rules, TEU Committee Discussions
	C.	JEA By-Laws
	D.	Governance Committee Charter
	E.	Governing For Excellence: Raising the Bar on Public Power Governance
	F.	Board Policies and Ordinances
	G.	Board Governance Manual Assessment (March 2015)
	H.	JEA Board Policy Manual

III.	FOR COMMITTEE CONSIDERATION			
	Item(s)		Speaker/Title	Discussion Action/Information
	A.	JEA Board Policy Manual - Clean JEA Board Policy Manual - Redlined JEA Board Policy Manual – Summary of Staff and Committee Edits		
	1.	Go Final on Policy Category III Executive Mandates	Joseph DiSalvo, Committee Chair	Action
	2.	Go Final on Appendix 1 CEO Core Competencies and CEO Evaluation Criteria	Joseph DiSalvo, Committee Chair	Action
	3.	Review Initial Edits/Comments on Policy Category II Board-Management Delegation	Joseph DiSalvo, Committee Chair	Discussion
	B.	JEA By-Laws (Section 1.0 Board Policy Manual)	Joseph DiSalvo, Committee Chair	Discussion
	C.	Discuss JEA Board Evaluation Criteria – Review Sample Survey	Joseph DiSalvo, Committee Chair	Discussion
	D.	Proposed 2020-419 – Article 21 (JEA) Charter Omnibus Refinement Bill Strategy and Timeline for Rules, TEU Committee Discussions	Joseph DiSalvo, Committee Chair	Discussion

If a person decides to appeal any decision made by the JEA Board with respect to any matter considered at this meeting, that person will need a record of the proceedings, and, for such purpose, needs to ensure that verbatim record of the proceedings is made, which record includes the evidence and testimony upon which the appeal is to be based.

IV.	CLOSING CONSIDERATIONS	
	Item(s)	
	A.	Announcements – Next Board Meeting: September 22, 2020
	B.	Adjournment

V.	UPCOMING COMMITTEE AGENDA ITEMS	
	Item(s)	
	A.	Go Final on Edits/Comments on Policy Category II Board-Management Delegation
	B.	Go Final on JEA By-Laws
	C.	Review Initial Edits/Comments on Policy Category I Governance Process
	D.	Review Initial Edits/Comments on Policy Category IV Measures of Effectiveness
	E.	Review Initial Edits/Comments on JEA Board Evaluation Criteria

Board Calendar

<p>Board Meetings: 9:00 a.m. – Fourth Tuesday of Every Month (exception(s): November 17, 2020 and December 15, 2020 (Subject to Change Based on Board Action)</p> <p>Committees: Finance & Audit Committee: December 11, 2020</p> <p style="padding-left: 40px;">Other Committee Meetings TBD</p>

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JEA GOVERNANCE COMMITTEE MINUTES

August 19, 2020

The Governance Committee of JEA met on Wednesday, August 19, 2020 via WebEx (no physical location was provided for this meeting). Pursuant to State of Florida Executive Order 20-69 (Emergency Management-COVID-19-Local Government Public Meetings), this meeting is permitted to be conducted by communications media technology.

Agenda Item I – Welcome

- A. Call to Order – Committee Chair Joseph DiSalvo called the meeting to order at 10:00 am. Committee member Dr. Leon Haley was in attendance. Committee members Dr. Zachary Faison, Marty Lanahan and Tom VanOsdol were not in attendance for the meeting; therefore, a quorum was not present.

Also in attendance were Board Chair John Baker and Board member Bobby Stein. Others in attendance were Paul McElroy, Jody Brooks and Steve Tuten.

- B. Adoption of Agenda – Due to the lack of quorum, the Agenda was deferred to the Board for approval at its August 25, 2020 meeting.
- C. Approval of Minutes – Due to the lack of quorum, the July 16, 2020 Minutes, with a noted revision to name Dr. Zachary Faison a member of the Committee, were deferred to the Board for approval at its August 25, 2020 meeting.

Agenda Item II – Governance and Policy Foundational Documents

- A. Ordinance 2020-0419 – Legislation for JEA Charter Changes – Jody Brooks, OGC, led a discussion of the City Council’s Article 21 Charter document. Ms. Brooks provided an update on the Ordinance process, an expected timeline for final action, and an update on the Referendum Bill. There were comments and questions which were asked and answered.
- B. JEA By-Laws – A copy of the JEA By-Laws document was provided to the Committee as part of its meeting package. There was no discussion at this time.
- C. Governance Committee Charter – A copy of the JEA Governance Committee Charter was provided to the Committee as part of its meeting package. There was no discussion at this time.
- D. Governing for Excellence: Raising the Bar on Public Power Governance – A reference to this American Public Power Association (APPA) publication was provided to the Committee as part of its meeting package. There was no discussion at this time.
- E. Board Policies and Ordinances – An updated draft table of information on each board approved policy and policy review date was distributed to the Committee as part of its meeting package. There was no discussion at this time.
- F. Board Governance Manual Assessment (March 2015) – A copy of the board policy manual compliance and update assessment, which was approved by the JEA Board on March 3, 2015, was distributed to the Committee as part of its meeting package. There was no discussion at this time.

- G. JEA Board Policy Manual – A copy of the board policy manual, which was last approved by the JEA Board on February 16, 2010, was provided to the Committee as part of its meeting package. A full discussion of the manual and edited comments was reserved for later in the meeting.

Agenda Item III – For Committee Consideration

- A. Review the Draft of Mission, Vision, Values and Goals (Action) – Chair DiSalvo, citing materials provided previously to Committee members, outlined the desired intent of the board’s Mission, Vision, Values, Goals and Objectives paper, and he highlighted the edits incorporated into the latest draft. Inquiries were addressed, and a general discussion ensued. Hearing no additional comments, Chair DiSalvo confirmed the edits discussed would be incorporated into an updated draft to be presented to the full Board for approval at its August 25, 2020 meeting.
- B. JEA Board Policy Manual
 - 1. Review Staff Edits – Steve Tuten, Interim Chief Compliance Officer, citing materials provided in the Committee meeting package, highlighted a summary of edits incorporated into the latest draft of the board policy manual. His overview included the policy number, policy title, referenced page, contributing editor and a brief description of the policy change. There were comments and edits to which a fulsome discussion ensued. Lastly, Chair DiSalvo and Mr. Tuten confirmed the next draft board policy manual document to come before the Committee would consolidate all comments and edits provided by the Committee and staff members.

Due to technical issues the meeting was paused for 4 minutes

- 2. CEO Evaluation – Policy Category III Executive Limitations – Chair DiSalvo, highlighting materials provided to Committee members, reviewed his comments and edits to the board policy manual Policy Type Executive Limitations. Comments and questions were asked and answered and a brief discussion ensued.
- 3. CEO Evaluation – CEO Core Competencies Appendix A1 – Chair DiSalvo, in his review of materials provided to the Committee, highlighted his streamlined version of the Executive Core Competencies and the new CEO Evaluation Criteria sections, Appendix A1, of the board policy manual. Committee members had no additional comments.

Agenda Item IV – Closing Considerations

- A. Announcements – Next Board Meeting: August 25, 2020

Lastly, Chair DiSalvo outlined discussion items for the next Governance Committee meeting. He opened the meeting for general comments, during which Paul McElroy, Interim Managing Director/CEO, noted that a draft evaluation survey would shortly be made available to Board members for their review and comments. Hearing no additional comments, Chair DiSalvo thanked everyone for their continued support.

JEA Governance Committee

August 19, 2020

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With no further business coming before the Committee, the Chair declared the meeting adjourned at 11:19 AM.

APPROVED BY:

Joseph DiSalvo, Committee Chair
Date: _____

Submitted by:

DeLisa A. Johnigarn
Executive Assistant

DRAFT - 6/22/2020 - FUTURE OF JEA WORKSHOP MEETING

1 Introduced by Council Member Boylan:
2
3

4 **ORDINANCE 2020-**

5 AN ORDINANCE RELATING TO JEA AND ARTICLE 21
6 (JEA), CHARTER OF THE CITY OF JACKSONVILLE;
7 REPEALING SECTIONS 21.03 (COMPOSITION;
8 COMPENSATION; OFFICERS; MEETINGS), 21.08
9 (EMPLOYEES), AND 21.09 (AWARDS OF CONTRACTS)
10 OF ARTICLE 21 (JEA), CHARTER OF THE CITY OF
11 JACKSONVILLE; AMENDING ARTICLE 21 (JEA),
12 CHARTER OF THE CITY OF JACKSONVILLE; CREATING
13 NEW SECTIONS 21.03 (COMPOSITION; COMPENSATION;
14 OFFICERS; MEETINGS), 21.08 (EMPLOYEES;
15 MANAGING DIRECTOR; MANAGING DIRECTOR
16 EMPLOYMENT CONTRACT), 21.09 (PROCUREMENT;
17 CONTRACTS GENERALLY), 21.11 (PRIVATIZATION,
18 REORGANIZATION, SERVICE TERRITORY TRANSFERS
19 PROHIBITED) AND 21.12 (PUBLIC ENGAGEMENT);
20 RENUMBERING EXISTING SECTIONS 21.11
21 (LEGISLATIVE AUTHORITY OF COUNCIL) AND 21.12
22 (SEVERABILITY) TO 21.13 AND 21.14
23 RESPECTIVELY; PROVIDING FOR PROVISIO LANGUAGE
24 REGARDING 2020-100-E; PROVIDING AN EFFECTIVE
25 DATE.
26

27 **BE IT ORDAINED** by the Council of the City of Jacksonville:

28 **Section 1. Repealing Sections 21.03 (Composition;**
29 **compensation; officers; meetings), 21.08 (Employees), and 21.09**
30 **(Awards of contracts) of Article 21 (JEA), Charter of the City of**
31 **Jacksonville.** Sections 21.03 (Composition; compensation; officers;

1 meetings), 21.08 (Employees), and 21.09 (Awards of contracts) of
2 Article 21 (JEA), Charter of the City of Jacksonville, a copy of
3 which is attached hereto as **Exhibit 1**, are hereby repealed in their
4 entirety.

5 **Section 2. Amending Article 21 (JEA), Charter of the City**
6 **of Jacksonville.** Article 21 (JEA), Charter of the City of
7 Jacksonville is hereby amended to read as follows:

8 **CHARTER AND RELATED LAWS**

9 **PART A - CHARTER LAWS CHARTER OF THE CITY OF JACKSONVILLE, FLORIDA**

10 * * *

11 **ARTICLE 21. JEA**

12 **Sec. 21.01. - JEA created and continued; audits.**

13 (a) Creation. There is hereby created and established a body
14 politic and corporate to be known as JEA, which is authorized
15 to own, manage and operate for the benefit of the City of
16 Jacksonville a utilities system within and without the City of
17 Jacksonville. JEA is created for the express purpose of
18 acquiring, constructing, operating, financing and otherwise
19 having plenary authority with respect to electric, water,
20 sewer, natural gas and such other utility systems as may be
21 under its control now or in the future. Such utilities may be
22 owned, operated or managed by JEA for the benefit of the City
23 of Jacksonville separately or in such combined or consolidated
24 manner as JEA may determine and JEA may use such name or names
25 in the conduct of its business in connection therewith as it
26 may determine. It is the specific purpose of this ~~article~~
27 Article 21 to repose in JEA all powers with respect to
28 electric, water, sewer, natural gas and such other utilities
29 which are now, in the future could be, or could have been but
30 for this article, exercised by the City of Jacksonville. JEA
31 created and established by this article is the same

1 Jacksonville Electric Authority previously created and
2 established by chapter 67-1569, Laws of Florida, as amended,
3 (including as added to Chapter 67-1320, Laws of Florida by
4 Chapter 78-538, Laws of Florida and, as amended and readopted
5 by Chapters 80-515, and 92-341, Laws of Florida) and, except
6 as otherwise provided or authorized by this article, JEA shall
7 continue to function under this article the same as it
8 previously functioned under chapter 67-1569, Laws of Florida,
9 as amended (including as added to Chapter 67-1320, Laws of
10 Florida by Chapter 78-538, Laws of Florida and, as amended and
11 readopted by Chapters 80-515 and 92-341, Laws of Florida).

12 (b) Audits. JEA's records may be audited at any time by the
13 council auditor pursuant to the council auditor's duties set
14 forth in Article 5 of this Charter.

15 **Sec. 21.02. - Definitions.**

16 In the interpretation of this article, unless the context
17 otherwise requires:

18 (a) The term "utilities systems" means the electric utility system
19 and the water and sewer utility system now operated by JEA
20 which shall include, except where inconsistent with Chapter
21 80-513, Laws of Florida, as amended, or where the context
22 otherwise requires, any "system" or "project" authorized
23 pursuant to the provisions of Chapter 80-513, Laws of Florida,
24 as amended and any natural gas utility system to be operated
25 in the future by JEA together with any other additional
26 utility systems as may be hereafter designated as a part of
27 the utilities systems operated by JEA as provided in section
28 21.04(v) herein.

29 (b) The term "member" means a member of the governing body of JEA.

30 (c) The term "managing director" means the ~~managing director~~ chief
31 executive officer of JEA.

1 (d) The term "utility system" shall mean any of the separate
2 utility systems operated by JEA such as its electric utility
3 system, its water utility system, its wastewater utility
4 system, ~~or~~ its natural gas utility system or any other
5 additional utility systems as may be hereafter designated as a
6 part of the utilities systems operated by JEA.

7 (e) The terms "sewer utility system" and "wastewater utility
8 system" shall each have the same meaning as the other and
9 these terms shall be interpreted as meaning the same.

10 (f) The terms "governing body of JEA" shall mean the appointed and
11 council confirmed members of JEA.

12 **Sec. 21.03. - Composition; compensation; officers; meetings.**

13 (a) Composition; qualifications; removal. The governing body of
14 JEA shall consist of seven members, each of whom shall serve
15 for a term of four years or until such member's successor has
16 been appointed and has qualified. Four members shall be
17 nominated by the council president and confirmed by the
18 council and three members shall be appointed by the mayor, and
19 shall be confirmed by the council. With regard to one member
20 appointed by council through open application, the council
21 president shall nominate an applicant who has one of the
22 following qualifications: was a former JEA employee, or person
23 recommended by an employee, union or group of current or
24 former JEA employees. To the extent feasible and regarding JEA
25 member appointments generally, individuals who have
26 demonstrated corporate, executive or administrative experience
27 working in public or private organizations, including non-
28 profit and government organizations, are preferred, but not
29 required. Each member of JEA shall have been a resident and
30 elector of the city for at least six consecutive months prior
31 to such member's appointment. No member of JEA shall hold any

1 other public office or position. If at any time during a
 2 member's tenure on JEA, such member shall cease to possess the
 3 qualifications required for membership on JEA, such member
 4 shall cease to be a member and a vacancy shall exist on JEA.
 5 Any vacancy on JEA, however created, shall be filled for the
 6 unexpired term in the same manner as the position was
 7 originally filled, and the person filling the vacancy shall
 8 have and retain all the qualifications prescribed for
 9 membership on JEA. Any member appointed to JEA for two
 10 consecutive full terms shall not be eligible for the
 11 succeeding term. The members appointed by the mayor may be
 12 removed by the mayor at any time with or without cause, but a
 13 removal must be approved by a two-thirds vote of the council.
 14 The members appointed by the council may be removed by the
 15 council at any time with or without cause, but a removal must
 16 be approved by a two-thirds vote of the council.

17 (b) Compensation; applicable laws. JEA members shall not be
 18 entitled to pension or other retirement benefits on account of
 19 service on JEA, but members shall be entitled to payment or
 20 reimbursement for reasonable expenses incurred as provided by
 21 the council. JEA members shall be subject to the provisions
 22 of Section 286.012, Florida Statutes, relating to voting at
 23 meetings of JEA, and the provisions of Sections 112.311
 24 through 112.3175, Florida Statutes, relating to financial
 25 disclosure and conflicts of interest. Additionally, JEA
 26 members shall be subject to all other relevant and applicable
 27 laws and ordinances, including but not limited to, Chapter 286
 28 (Public Business: Miscellaneous Provisions), Chapter 112, Part
 29 III (Code of Ethics for Public Officers and Employees),
 30 Chapter 119 (Public Records), Florida Statutes, as amended,

1 and Chapter 602 (Jacksonville Code of Ethics), Ordinance Code
2 of the City of Jacksonville, as amended.

3 (c) Officers; meetings; quorum; governing documents. JEA shall
4 elect a chairperson, vice-chairperson and secretary and may
5 elect one or more assistant secretaries, each of whom shall
6 serve for one year or until such officer's successor is
7 chosen. JEA may meet at such times and places designated by
8 it and shall hold regular meetings as necessary. Generally,
9 JEA shall meet once a month, but in no event less than eight
10 (8) times a year. Special meetings may be held upon the call
11 of the chairperson or any three (3) members of JEA. JEA
12 meetings shall be subject to Section 286.011 (Florida Open
13 Meetings Laws), Florida Statutes, as amended. A majority of
14 the membership shall constitute a quorum for the purpose of
15 meeting and transacting business. Each member of JEA shall
16 have one vote. JEA shall adopt governing documents,
17 including, but not limited to, bylaws, a board policy
18 manual, and such other rules and regulations not
19 inconsistent with this article or general law. Unless
20 otherwise provided herein, JEA shall annually review and
21 update its governing documents. JEA's bylaws, board policy
22 manual, and other governing documents, including any
23 amendments thereto, shall be posted on JEA's website in a
24 conspicuous manner for the public to view.

25 (d) Office-holding; oath. JEA membership shall be considered an
26 office and limited by the office holding provisions as
27 provided for under the Florida Constitution. No JEA member
28 shall be eligible to serve as a member of JEA while holding
29 another office or being an employee of JEA. All JEA members
30 shall be required by council to take an oath of office

1 consistent with the oath of office taken by other public
 2 officials serving on City boards and commissions.

3 (e) *Transparency in meetings.* JEA should hold its meetings in the
 4 most open and transparent manner practicable for the benefit
 5 of the general public and citizens of the City of
 6 Jacksonville. JEA shall adopt procedural rules regarding the
 7 publication of meeting agendas, meeting materials, meeting
 8 minutes, and public participation during all meetings,
 9 including board meetings and committee meetings, where board
 10 or committee action is contemplated. To the greatest extent
 11 feasible, JEA is encouraged to adhere to best practices and
 12 recommendations regarding openness and transparency contained
 13 in latest published edition of Florida's Government-In-the
 14 Sunshine Law Manual and Public Records Law Manual prepared by
 15 the Office of the Attorney General. At a minimum, such
 16 procedural rules should require JEA to (i) publish an agenda
 17 and any meeting materials for its board and committee meetings
 18 in a conspicuous place on JEA's official website; (ii)
 19 promptly post meeting minutes (generally within 72 hours)
 20 after each meeting; and (iii) provide the timeframe for when
 21 an agenda and any meeting materials must be made available to
 22 the public in advance of such meetings. Such rules should also
 23 require JEA to deliver copies of its board and committee
 24 meeting agendas and any meeting materials thereto to the
 25 council auditor in substantially the same timeframe and
 26 content as provided to JEA members. Nothing in this subsection
 27 shall prohibit JEA from amending previously published meeting
 28 agendas and meeting materials in accordance with its bylaws,
 29 board policy manual, or other governing documents as
 30 applicable.

31 **Sec. 21.04. - Powers.**

1 JEA shall have the following powers, in addition to powers
2 otherwise conferred:

3 (a) To construct, own, acquire, establish, improve, extend,
4 enlarge, reconstruct, reequip, maintain, repair, finance,
5 manage, operate and promote the utilities system.

6 (b) To acquire for the use of the utilities system by grant,
7 purchase, gift, devise, condemnation by eminent domain
8 proceedings, exchange, lease or in any other manner, all
9 property, real or personal, or any estate or interest therein,
10 including without limitation, property used:

11 (1) In connection with the generation, transmission and
12 distribution of electric power and energy~~;~~;

13 (2) In connection with the collection, storage, treatment,
14 processing, disposal, transmission and distribution of
15 water and wastewater including, but not limited to, raw
16 water, potable water, non-potable water, chilled water and
17 reused water; however, JEA shall have no power or
18 authority for the function of stormwater runoff and
19 drainage management~~;~~;

20 (3) In connection with the production, procurement,
21 extraction, manufacture, transmission, transportation,
22 distribution, and storage of natural gas~~;~~; and

23 (4) In connection with the production of steam, the mining,
24 extraction, development, production, manufacture,
25 procurement, transportation, handling, storage, processing
26 or reprocessing of fuel of any kind, to likewise acquire
27 any facility or rights with respect to the supply of
28 water, any rights with respect to minerals, including but
29 not limited to coal, petroleum coke, natural gas and oil
30 and bio-mass facilities for the processing of by-products
31 derived from the operation of the utilities system, solid

1 waste disposal and environmental protection facilities,
 2 communication and computer facilities, and any other
 3 property, equipment, facilities or property rights
 4 whatsoever determined by JEA to be necessary or convenient
 5 in connection with the operation, promotion, financing,
 6 construction, management, improvement, extension,
 7 enlargement, reconstruction, re-equipment, maintenance,
 8 repair, decommissioning or disposal of the utilities
 9 system or any part thereof, and to sell, lease or
 10 otherwise transfer, with or without consideration, any
 11 such property when in JEA's discretion it is no longer
 12 needed or useful, or such sale, lease or transfer
 13 otherwise is in the best interest of JEA, all upon such
 14 terms and conditions as JEA shall by resolution fix and
 15 determine.

16 The right of eminent domain conferred herein shall be
 17 exercised by JEA in the manner provided by law. If JEA leases
 18 any real property to another agency, firm, corporation,
 19 entity, or individual, it shall cause a memorandum of said
 20 lease or leases to be recorded in the official records with
 21 the clerk of the circuit court as a matter of public record.
 22 where the property is located. For any real property that
 23 exceeds an assessed value of \$50,000 as determined by property
 24 appraiser, JEA shall not sell such real property for less than
 25 the appraised value as recorded by the property appraiser for
 26 Duval County certified by an MAI certified appraiser, unless
 27 approved by the council. If there is no recorded appraised
 28 value, then JEA shall request the property appraiser for Duval
 29 County to provide an appraisal prior to the sale of the real
 30 property.

1 Regarding any real property interests acquired or disposed of
2 by JEA pursuant to this subsection, the governing body of JEA
3 shall approve real estate rules and procedures and any
4 amendments thereto governing the reporting, acquisition, sale,
5 purchase, lease, license, transfer, and disposition of real
6 property. Such real estate rules and procedures shall not be
7 inconsistent with this article, including, but not limited to,
8 the express prohibitions set forth in Section 21.11 herein.
9 The governing body of JEA shall review its real estate rules
10 and procedures no less than biennially. The governing body of
11 JEAs shall not delegate its approval authority of such real
12 estate rules and procedures, including any amendments thereto,
13 to the managing director or an officer, employee or agent of
14 JEAs.

15 (c) To furnish electricity, water, sanitary sewer service, natural
16 gas and other utility services as authorized herein to any
17 person or entity, public or private, within or without the
18 city and for said purposes shall have the right to construct
19 and maintain electric lines, pipelines, water and sewer mains,
20 natural gas lines and related facilities in and along all
21 public highways and streets within or without the city.

22 (d) To sell power and energy, water, sanitary sewer service,
23 natural gas and other utility services as authorized herein at
24 wholesale and retail and/or to provide transmission or other
25 services of any kind to any person or entity, public or
26 private, within or without the State of Florida, directly by
27 JEA, indirectly through other entities and jointly through
28 associations with other utilities or entities engaged in these
29 activities.

30 (e) To enter into contracts with any person or entity, public or
31 private, deemed necessary or desirable by JEA in connection

1 with carrying out its powers and duties, except as otherwise
2 prohibited in this article.

3 * * *

4 (g) To sue and be sued, implead and be impleaded, complain and
5 defend in all courts, to adopt and use a corporate seal, to
6 apply for, hold and own patents and copyrights, to sell or
7 license patents, copyrights, patented or copyrighted materials
8 to other public or private entities. Prices or fees for such
9 sales or licensing may be based upon market considerations.
10 JEA may designate how proceeds from such sales or licensing
11 shall be used. Prices or fees for the sale of copyrighted data
12 processing software, as defined in section ~~119.083~~ 119.011,
13 Florida Statutes, shall be established pursuant to section
14 ~~119.083~~ 119.07, Florida Statutes.

15 * * *

16 (n) To enter into joint project agreements as provided by part II
17 of chapter 361, Florida Statutes, for the purpose of
18 implementing a project, as such term is defined in Part II of
19 Chapter 361, Florida Statutes. A copy of all such joint
20 project agreements shall be filed with the council, the
21 council auditor, and the mayor at least thirty days prior to
22 the effective date of the agreement. Anything in this
23 provision to the contrary notwithstanding, (i) any joint
24 project agreement that involves a transfer of any system,
25 function or operation that ~~comprises more than ten percent of~~
26 ~~the total of the utilities system by sale, lease or otherwise~~
27 ~~to any other utility, public or private, shall be subject to~~
28 the requirements and limitations of Section 21.11 or (ii) any
29 joint project agreement that involves the issuance of debt not
30 previously authorized by ~~s-~~ Section 21.04(i)(2), shall require
31 prior approval of the council.

1 (o) To enter into agreements with one or more other electric
2 utilities, public or private, and related contracts with
3 respect to joint electric power projects as provided in
4 section 2 of chapter 80-513, Laws of Florida, as amended. The
5 provisions of said chapter 80-513, Laws of Florida, as
6 amended, shall govern and control JEA in all respects in the
7 carrying out of a joint electric power project authorized
8 thereunder notwithstanding any provision of the charter or of
9 the Ordinance Code of the City of Jacksonville which may be in
10 conflict therewith.

11 ~~(p) To transfer, sell, finance, lease or otherwise provide~~
12 ~~services or products, or by products, developed or used by JEA~~
13 ~~incident to the exercise of the powers conferred by this~~
14 ~~article, including but not limited to, energy performance~~
15 ~~contracting, water, sewer and natural gas (and any other~~
16 ~~utility service hereafter provided by JEA) contracting, power~~
17 ~~marketing services, the testing and maintenance of customer-~~
18 ~~owned facilities such as transformers, capacitors, lighting,~~
19 ~~HVAC systems, water cooling and heating systems, energy~~
20 ~~management systems, etc.; the temporary leasing of JEA~~
21 ~~facilities such as oil storage tanks; the supply of steam or~~
22 ~~other thermal energy; the provision of specially conditioned~~
23 ~~power on the premises of customers and the provision of~~
24 ~~services or products to build, transfer, lease, finance,~~
25 ~~operate or sell cogeneration facilities, small power~~
26 ~~production facilities, specially conditioned power, energy~~
27 ~~conservation, energy efficiency and dispersed generation to~~
28 ~~other electric utilities both within and without the state or~~
29 ~~to any wholesale or retail customers of JEA, upon such terms~~
30 ~~and conditions as JEA shall by resolution fix and determine,~~
31 ~~and to transfer, sell, finance, lease or otherwise provide~~

1 ~~services, products or by products developed or used by JEA~~
 2 ~~incident to the exercise of the powers conferred by this~~
 3 ~~article, in the delivery of water, wastewater and natural gas~~
 4 ~~services, including but not limited to the financing, testing,~~
 5 ~~maintenance and operation of customer owned facilities used in~~
 6 ~~water, wastewater and natural gas functions; provided,~~
 7 ~~however, that JEA will not enter into any activity pursuant to~~
 8 ~~this section in addition to those activities listed herein~~
 9 ~~without first providing written notice of such activities to~~
 10 ~~the council auditor no less than 30 days before the~~
 11 ~~commencement of such activity. Nothing in this article shall~~
 12 ~~authorize or be construed to authorize JEA to transfer any~~
 13 ~~function or operation which comprises more than ten percent of~~
 14 ~~the total of the utilities system by sale, lease or otherwise~~
 15 ~~to any other utility, public or private without approval of~~
 16 ~~the council; provided, however, that no approval by the~~
 17 ~~council shall become effective without subsequent referendum~~
 18 ~~approval of the terms and conditions of the sale. So long as~~
 19 ~~there are outstanding any of the city's "Capital Project~~
 20 ~~Revenue Bonds" as originally authorized pursuant to Ordinance~~
 21 ~~97-1054-E, the council may approve only such transfer which~~
 22 ~~does not materially adversely affect future receipts of JEA~~
 23 ~~contributions as defined therein.~~

24 To provide, supply, transfer, sell, finance, or lease
 25 services, products, by-products, or activities developed or
 26 used by JEA incident to the exercise of the powers conferred
 27 by this article in the delivery of the utilities systems in
 28 the following manner:

29 (1) JEA governing body approval. The governing body of JEA
 30 shall approve in advance all services, products, by-
 31 products or activities developed or used by JEA in

1 accordance with this subsection (p) at a duly noticed
2 meeting. The governing body of JEA shall not delegate its
3 approval authority under this subsection to the managing
4 director or an officer, employee or agent of JEA.

5 (2) Permitted services, products, by-products and activities.

6 The services, products, by-products and activities
7 expressly permitted to be developed or used by JEA
8 pursuant to this subsection (p) shall include, but not be
9 limited to, providing, supplying, transferring, selling,
10 financing or leasing the following: (i) energy performance
11 contracting; (ii) water, sewer and natural gas (and any
12 other utility service hereafter provided by JEA)
13 contracting; (iii) power marketing services; (iv) testing
14 and maintenance of customer-owned facilities such as
15 transformers, capacitors, lighting, HVAC systems, water
16 cooling and heating systems, energy management systems,
17 etc.; (v) temporary leasing of JEA facilities such as oil
18 storage tanks; (vi) steam or other thermal energy services
19 and contracting; (vii) services regarding specially
20 conditioned power on the premises of customers; (viii)
21 services or products to build, transfer, lease, finance,
22 operate or sell cogeneration facilities, small power
23 production facilities, specially conditioned power, energy
24 conservation, energy efficiency and dispersed generation
25 to other electric utilities both within and without the
26 state or to any wholesale or retail customers of JEA, upon
27 such terms and conditions as JEA shall by resolution fix
28 and determine; and (ix) financing, testing, maintenance
29 and operation of customer owned facilities used in water,
30 wastewater and natural gas functions.

31 (3) Required notice of additional services or products not

1 expressly listed in subsection (p)(2) above. JEA shall
 2 not provide, supply, transfer, sell, finance or lease any
 3 additional service, product, by-product or activity not
 4 expressly listed in subsection (p)(2)(i)-(ix) above
 5 ("additional service or product") to any person or entity
 6 under this subsection without first providing written
 7 notice as provided herein of such additional service or
 8 product to the council auditor no less than 60 days prior
 9 to such date that the governing body of JEA is scheduled
 10 to approve such additional service or product in
 11 accordance subsection (p)(1). JEA's required written
 12 notice to the council auditor shall include the following
 13 information regarding such additional service or product:
 14 (i) an express reference in the notice that the notice is
 15 being provided pursuant to this subsection (p); (ii) a
 16 detailed description of the additional service or product;
 17 (ii) a copy of any applicable business plans; (iii) a
 18 copy of any proposed contracts; (iv) a financial analysis,
 19 including projected revenues and expenses; and (v) any
 20 other information developed by JEA or third parties
 21 regarding the additional service or product. Any action
 22 by JEA to provide, supply, transfer, sell, finance or
 23 lease an additional service or product pursuant to this
 24 subsection shall be void without the required prior
 25 approval of the governing body of JEA and prior notice to
 26 the council auditor as provided herein. JEA shall provide
 27 the mayor and council with a general notice regarding such
 28 additional service or product concurrent with the required
 29 council auditor notice provided herein.

30 (4) Annual report. JEA shall provide a comprehensive annual
 31 written progress report to the mayor, council, and council

1 auditor regarding all services, products, or by-products
2 developed or used by JEA pursuant to this subsection (p).

3 (5) Prohibition. JEA shall not exercise any powers pursuant
4 to this subsection (p) that are expressly prohibited in
5 this article, including, but not limited to, the express
6 prohibitions set forth in Section 21.11 herein.

7 (q) (1) To collect from customers and ratepayers monthly or one-
8 time voluntary contributions to be deposited into an
9 elderly and/or handicapped or low income customer
10 emergency trust fund administered by JEA. The proceeds of
11 such trust fund may be expended periodically by JEA for
12 the purpose of providing financial assistance to elderly
13 and/or handicapped or otherwise needy low income residents
14 living within the service area of JEA for the payment of
15 their utilities needs. The method of administration of
16 such trust fund, including the collection and distribution
17 thereof, shall be as provided by ordinance of the council.
18 The results of such giving program shall be reported
19 annually each July 1st to the council.

20 (2) Upon the unanimous approval of the ~~Board~~ governing body of
21 JEA, and a two-thirds vote of the ~~City Council~~ council, to
22 collect monthly or one-time voluntary contributions from
23 customers and ratepayers, for a charitable, scholastic, or
24 public service community giving program. Contributions
25 from any such program shall be passed through to an
26 appropriate non-profit entity for administration and
27 distribution and shall not be administered by JEA. The
28 results of such giving program shall be reported annually
29 each July 1st to the ~~Council~~ council.

30 (3) Upon approval of the ~~Board~~ governing body of JEA, to
31 collect monthly or one-time voluntary contributions from

1 customers, ratepayers or other contributors for other
2 customer assistance programs directly related to services
3 or utilities provided by JEA. ~~The results of such giving~~
4 ~~program(s) shall be reported annually each July 1st to the~~
5 ~~Council.~~ Contributions from any such program shall be
6 passed through to an appropriate non-profit entity for
7 administration and distribution and shall not be
8 administered by JEA. The results of such giving program(s)
9 shall be reported annually each July 1st to the council.

10 * * *

11 (s) Except as otherwise prohibited herein, to ~~to~~ delegate any act
12 authorized pursuant to this article to any officer, employee
13 or agent of JEA as it may deem necessary or desirable for the
14 prudent management of JEA.

15 * * *

16 (x) To coordinate carefully with the Department of Public Works of
17 the City of Jacksonville, and the Jacksonville Transportation
18 Authority, and other independent agencies of the City of
19 Jacksonville, the planning and execution of engineering and
20 construction projects involving underground work and streets
21 and highways to seek to minimize the total cost of such
22 projects and to reduce disruption to the citizens of the city
23 to the maximum extent possible.

24 (y) To expend JEA funds up to ~~one and one half (1.5)~~ one (1%)
25 percent of the prior year's gross revenues to promote the
26 efficient use of JEA's services through public education
27 including exhibits, conferences, displays, tours and other
28 events customary to the utilities industry and also to
29 publicize, advertise and promote the ~~objects~~ objectives of
30 this article and to promote the objectives of JEA all in the
31 manner set forth by resolution of JEA. Accordingly, JEA may

1 expend its funds to make known to the users, potential users
 2 and public in general the advantages, facilities, resources,
 3 products, attractions and attributes of the services provided
 4 by JEA and to further create a favorable climate of opinion
 5 concerning the activities and projects authorized and
 6 indicated by this article. JEA may also, to the extent
 7 permitted by the laws of the State of Florida, expend funds in
 8 cooperative efforts to and with other agencies, both public
 9 and private, in accomplishing the purposes enumerated and
 10 indicated by this article; and in furtherance thereof. JEA may
 11 also authorize reasonable expenditures for ~~any and all of the~~
 12 ~~purposes herein enumerated, including but not limited to,~~
 13 ~~meals, hospitality and entertainment of persons~~ snacks or
 14 meals made generally available to the public in the interest
 15 of promoting and engendering good will toward the activities
 16 and projects herein authorized. Whenever an expenditure of
 17 funds for any of the foregoing purposes is made by a member or
 18 employee of JEA, JEA may reimburse such member or employee
 19 therefor, but only after such expenditures have been duly
 20 authorized by JEA or its managing director if so delegated to
 21 do so. JEA will provide a list of proposed promotional
 22 expenditures each year to the council auditors. The spending
 23 limitation on promotional expenditures set forth in this
 24 subsection (y) shall not apply to newly approved utility
 25 systems under subsection (v) and "additional services or
 26 products" under subsection (p). For purposes of this
 27 subsection "newly approved" shall mean within seven years of
 28 the approval date for such utility system or additional
 29 service or product. All funds expended by JEA as reimbursement
 30 for travel expenses shall be subject to Chapter 106, Part 7, of
 31 the City of Jacksonville Ordinance Code. JEA shall not

1 exercise any powers pursuant to this subsection (y) to promote
2 the privatization, transfer or reorganization of JEA as
3 expressly prohibited in Section 21.11 herein or otherwise in
4 this article.

5 * * *

6 (dd) To the extent permitted by the laws of the State of Florida,
7 to have ownership and membership in separate organization
8 entities, including but not limited to corporations, to
9 conduct utility related activities and functions. A copy of
10 all such ownership agreements, and any amendments thereto,
11 shall be filed with the council and the mayor at least thirty
12 (30) days prior to the effective date of the agreement.

13 * * *

14 (ff) Subject to the prior approval of the governing body of JEA,
15 to:

16 (1) Explore, investigate or consummate a privatization or
17 transfer to an entity by sale, lease, assignment or
18 other disposition of up to, but not more than, ten
19 percent (10%) of the net capital assets (as defined in
20 Section 21.11) of an included system, or the management,
21 function, or operation of any portion of an included
22 system which comprises not more than ten percent (10%)
23 of the net capital assets of such included system
24 without council approval;

25 (2) Explore, investigate or consummate a reorganization of
26 JEA, or JEA's governance structure in a manner that
27 would affect JEA's ownership or management control of up
28 to, but not more than, ten percent (10%) of the net
29 capital assets of an included system without council
30 approval;

31 (3) Sale, lease, assign or otherwise transfer up to, but not

1 more than, one percent (1%) of the service territory of
2 a JEA included system to any entity without council
3 approval; and

- 4 (4) Sale, lease, assign or otherwise transfer up to, but not
5 more than, one percent (1%) of JEA's electric, water, or
6 wastewater, customer accounts based on the latest
7 available JEA monthly financial statements without
8 council approval.

9 For purposes of this subsection (ff) and as applicable, terms
10 and phrases used in this subsection shall have the meaning
11 ascribed to them in Section 21.11 herein. [Reporting
12 placeholder]

13 **Sec. 21.05. - Construction.**

14 ~~The powers of JEA shall be construed liberally in favor of JEA.~~
15 ~~No listing of powers included in this article is intended to be~~
16 ~~exclusive or restrictive and the specific mention of, or failure to~~
17 ~~mention, particular powers in this article shall not be construed~~
18 ~~as limiting in any way the general powers of JEA as stated in~~
19 ~~Section 21.04. It is the intent of this article to grant to JEA~~
20 ~~full power and right to exercise all authority necessary for the~~
21 ~~effective operation and conduct of JEA. It is further intended that~~
22 ~~JEA should~~ The express powers granted to JEA in this article shall
23 be strictly construed for purposes of determining JEA's authority
24 and powers pursuant to this article. In addition to the express
25 powers granted herein, JEA shall have all implied powers necessary
26 or incidental to carrying out the expressed powers and the
27 expressed purposes for which JEA is created. However, any such
28 implied power of JEA shall be strictly construed in relation to the
29 relevant and applicable express power or express purpose granted to
30 JEA in this article. The fact that this article specifically states
31 that JEA possesses a certain power does not mean that JEA must

1 exercise such power unless this article specifically so requires.
2 JEA's power to levy special assessments shall not be deemed to be
3 the power to levy taxes.

4 * * *

5 **Sec. 21.07. - Fiscal and budgetary functions.**

6 JEA shall have fiscal and budgetary functions, subject to the
7 limitations herein expressed:

8 ***

9 ~~(j) JEA shall employ and fix the compensation of the managing
10 director, who shall manage the affairs of the utilities system
11 under the supervision of JEA. The entire working time of such
12 managing director shall be devoted to the performance of the
13 duties of such office and the managing director shall have no
14 outside employment or business. The managing director shall be
15 a graduate of an accredited college or university, or have at
16 least ten years' managerial experience in a consumer oriented
17 industry or comparable enterprise. JEA may appoint and fix the
18 compensation of 48 staff assistants to the managing director,
19 to serve at the pleasure of JEA. JEA shall employ and fix the
20 compensation of the department heads, deputy directors of
21 departments, division chiefs and assistant division chiefs of
22 the utilities system. JEA may adopt position titles different
23 from those recited herein, consistent with utility industry
24 practice. The managing director, department heads, deputy
25 directors of departments, staff assistants, division chiefs
26 and assistant division chiefs shall not be included within the
27 civil service system of the city. JEA may employ such
28 certified public accountants, consultants and other employees
29 for special purposes, not within the civil service system, as
30 it may require, and fix and pay their compensation. Whenever
31 used in this s. 21.07(i), "compensation" shall mean both~~

1 ~~salary and benefits, exclusive of city pension benefits. All~~
2 ~~personnel appointed by JEA pursuant to this s. 21.07(i) shall~~
3 ~~participate in the City of Jacksonville pension plan in the~~
4 ~~same manner as other employees of JEA who participate in such~~
5 ~~plan. However JEA shall have the option to establish an~~
6 ~~employee deferred compensation program separate from the~~
7 ~~city's employee deferred compensation program~~ Reserved.

8 ***

9 (m) When JEA is in receipt of a request for information from the
10 council auditor pursuant to the authority of the council
11 auditor under Section 5.10 of the charter, it shall, within
12 two business days of receipt of the request, 1) acknowledge
13 receipt of the request by electronic mail to the council
14 auditor, and 2) submit to the council auditor an estimated
15 timeframe for which the information requested will be
16 available to the council auditor for review. If the
17 information requested by the council auditor is not within the
18 purview of JEA or JEA is unsure of the request or unfamiliar
19 with the information that is requested, it should provide such
20 explanation in its response to the council auditor.

21 **Sec. 21.08. - Employees; managing director; managing director**
22 **employment contract.**

23 (a) Generally. All employees of the utilities system shall be
24 employees of JEA and shall be subject to Articles 16 and 17
25 unless otherwise provided by the council, which shall be and
26 continue to be the legislative body as provided in Section
27 447.203(10), Florida Statutes. JEA shall be fully responsible
28 for the administration and operation of all utility services
29 as set out in this article and in order to meet its
30 administrative and operational responsibilities, JEA shall
31 have full and independent authority to hire, transfer,

1 promote, discipline, terminate and evaluate employees engaged
 2 to provide any and all of the utilities services for which it
 3 is responsible and accordingly, consistent with the provisions
 4 of Article 17, JEA may establish employment policies relating
 5 to hiring, promotion, discipline and termination, and other
 6 terms and conditions of employment, and enter into
 7 negotiations with employee organizations with respect to
 8 wages, hours and terms and conditions of employment and take
 9 such other employment related action as needed to assure
 10 effective and efficient administration and operation of the
 11 utilities system. In order to effectively implement the
 12 foregoing, JEA shall perform all functions with regard to its
 13 own employees that are performed by the City department or
 14 division which oversees city employees in regard to personnel
 15 matters. JEA, at its expense, shall provide accidental death
 16 benefits for all employees engaged in hazardous duty as
 17 determined by JEA, in the amount of \$50,000 payable to the
 18 beneficiary named by the employee, or as otherwise provided,
 19 in the event said employee dies as a result of an accident
 20 occurring to any employee in the course of his/her employment.
 21 Nothing contained in this Section 21.08 shall be construed to
 22 supersede or repeal any provision of Section 12 of Chapter 80-
 23 513, Laws of Florida, as amended.

24 (b) *Managing Director.* The governing body of JEA shall employ and
 25 fix the compensation of the managing director, who shall serve
 26 at the pleasure of the governing body of JEA. The managing
 27 director shall manage the affairs of the utilities system
 28 under the supervision of JEA. The entire working time of such
 29 managing director shall be devoted to the performance of the
 30 duties of such office and the managing director shall have no
 31 outside employment or business. The managing director shall be

1 a graduate of an accredited college or university, and have at
 2 least five years executive experience within the utilities
 3 industry. The managing director shall have a fiduciary duty of
 4 loyalty, fidelity, and allegiance to act at all times in the
 5 best interests of JEA and will act in a manner consistent with
 6 the responsibilities of this Article 21 and other policies,
 7 rules and regulations established by JEA's governing body
 8 regarding the conduct of JEA employees. The managing
 9 director's employment agreement, if any, shall be subject to
 10 the provisions of subsection (d) below.

11 (c) *Other Employees.* The governing body of JEA may appoint and fix
 12 the compensation of 48 staff assistants to the managing
 13 director, to serve at the pleasure of JEA. JEA shall employ
 14 and fix the compensation of the department heads, deputy
 15 directors of departments, division chiefs and assistant
 16 division chiefs of the utilities system. JEA may adopt
 17 position titles different from those recited herein,
 18 consistent with utility industry practice. The managing
 19 director, department heads, deputy directors of departments,
 20 staff assistants, division chiefs and assistant division
 21 chiefs shall not be included within the civil service system
 22 of the city. The managing director may employ such certified
 23 public accountants, consultants and other employees for
 24 special purposes, not within the civil service system, as it
 25 may require, and fix and pay their compensation. Whenever used
 26 in this s. 21.08, "compensation" shall mean both salary and
 27 benefits, exclusive of city pension benefits.

28 (d) *Limitation on employment contracts.* JEA may have an employment
 29 contract with the managing director only. The managing
 30 director's employment contract shall be approved by the
 31 governing body of JEA. At a minimum, the managing director's

1 employment contract shall satisfy the following requirements:

2 (1) The contract term, including any renewal term, shall not
3 exceed five (5) years;

4 (2) The amount of severance pay, if any, shall not exceed the
5 amounts allowed under Florida law and shall not be
6 permitted if the managing director is terminated for
7 cause;

8 (3) The contract shall not contain a mandatory consulting,
9 separation and transition, or similar agreement that is
10 triggered due to the managing director's termination
11 under the contract;

12 (4) JEA shall not be required to release, indemnify or hold
13 harmless the managing director against any claims except
14 as otherwise permitted by law;

15 (5) JEA shall not be required to pay for or provide legal
16 counsel to the managing director beyond the legal counsel
17 required of the Office of General Counsel pursuant to
18 this charter or Florida law;

19 (6) The contract shall contain a provision that the managing
20 director serves at the pleasure of the JEA members and
21 may be terminated with or without cause;

22 (7) If the contract includes a termination for cause
23 provision, such provision must provide a reasonable and
24 customary definition of cause consistent with Florida
25 case law; and

26 (8) All compensation terms shall be reasonable and customary
27 and similar to other public utilities comparable to JEA
28 when taking into account the size of JEA's territory
29 area, employee workforce, and utility systems.

1 Any managing director employment contract entered into by JEA
2 that does not satisfy the minimum requirements above shall be
3 null and void.

4 (e) Pension and Deferred Compensation Plan. All personnel
5 appointed by JEA pursuant to this Section 21.08 shall
6 participate in the City of Jacksonville pension plan in the
7 same manner as other employees of JEA who participate in such
8 plan. JEA is authorized to establish a single deferred
9 compensation program for its employees separate from the
10 city's employee deferred compensation program. Such program
11 shall be approved by the governing body of JEA and shall be
12 subject to and comply with all federal and state laws
13 applicable to deferred compensation programs for public or
14 government employees, including, but not limited to, the
15 Internal Revenue Code, as amended, and Section 112.215,
16 Florida Statutes, as amended. JEA shall provide the council
17 auditor with an end of fiscal year annual report regarding the
18 deferred compensation program.

19 (f) Employee Bonus Program. JEA may implement or adopt an employee
20 bonus plan or program ("bonus program") for JEA employees
21 pursuant to Section 215.425(3), Florida Statutes, as amended,
22 subject to the prior approval of the governing body of JEA.
23 The governing body of JEA shall approve such bonus program
24 annually, and if such bonus program is not approved by the
25 governing body of JEA, the program shall be void. The
26 governing body of JEA shall not delegate its approval
27 authority under this subsection to the managing director or an
28 officer, employee or agent of JEA. Such bonus program must
29 comply with Section 215.425(3), Florida Statutes, as amended,
30 this charter, and other applicable laws. The governing body
31 of the JEA shall establish rules, procedures, and standards

1 regarding such bonus program. Additionally, JEA shall include
2 a budget line item and specific detailed plan regarding such
3 bonus program in its annual budget submission to council. JEA
4 shall also provide the council auditor with an annual end of
5 fiscal year report regarding the progress of the bonus
6 program.

7 (g) [placeholder for 2020-185-E provisions]

8 **Sec. 21.09. - Procurement; contracts generally.**

9 (a) Procurement.

10 (1) Applicability. This subsection (a) shall only apply to
11 contracts awarded by the JEA procurement awards committee.

12 (2) Open and Fair Competition. To the greatest extent reasonably
13 practicable, JEA shall use open, fair, competitive, and
14 generally accepted government procurement methods that seek
15 to encourage the most competition and best price for the
16 purchase of supplies, construction, professional and other
17 contractual services. JEA should adhere to all applicable
18 state procurement laws, including, but not limited to, laws
19 governing the purchase of construction services and
20 professional design services.

21 (3) Procedures; board approval. JEA shall not be required to
22 follow the City's procurement procedures. JEA may establish
23 its own procurement procedures regarding the purchase of
24 goods, supplies, equipment, and services, subject to
25 applicable state law. JEA's procurement procedures,
26 including any amendments thereto, shall be reviewed and
27 approved by the governing body of JEA. The governing body of
28 JEA may not delegate its approval of the procurement
29 procedures, including any amendments thereto, to the
30 managing director or an officer, employee or agent of JEA.
31 In the absence of JEA established procurement procedures,

1 JEA shall follow the City's procurement procedures. JEA
 2 shall adhere to its procurement procedures in entering into
 3 procurement contracts, including but not limited to,
 4 contracts relating to the construction, reconstruction,
 5 repair, operation or maintenance of the utilities system or
 6 the purchase of supplies, equipment, machinery and materials
 7 for the utilities system or the contracting or otherwise
 8 purchasing for any advisory, professional or other services
 9 necessary or incidental to the operation of the utilities
 10 systems.

11 (4) Jacksonville Small Emerging Business Program (JSEB);
 12 Minority Business Enterprises. JEA shall adhere to the City
 13 of Jacksonville - Jacksonville Small Emerging Business
 14 Program (JSEB), or successor City program, in its
 15 procurement procedures. JEA is authorized to implement and
 16 to take all actions necessary to administer a purchasing and
 17 procurement program directed to Minority Business
 18 Enterprises including, but not limited to, prime
 19 contractors, subcontractors, consultants, subconsultants,
 20 and suppliers. Any such Minority Business Enterprise program
 21 shall be implemented by JEA to remedy discrimination or the
 22 present effects of past discrimination, if any, suffered by
 23 Minority Business Enterprises in the business community in
 24 the area served by JEA. For purposes of this chapter, the
 25 term "Minority Business Enterprise" shall be defined by JEA
 26 and shall include, at a minimum, those business entities
 27 that are legitimately owned, operated and controlled by
 28 persons who have been shown to have been discriminated
 29 against or who suffer from the present effects of past
 30 discriminations, if any, in the business community in the
 31 area served by JEA. Such program shall be used to redress

1 and remedy discrimination or the present effects of past
2 discrimination, if any, as may be determined by JEA, and
3 which are shown to have been suffered by Minority Business
4 Enterprises, in the business community in the area served by
5 JEA.

6 (5) Certain solicitation specifications and standards
7 prohibited; rejection of bids, proposals, and replies. JEA
8 should not develop solicitation specifications or standards
9 that are so narrowly tailored to an entity or entities that
10 other qualified entities (i.e., bidders, respondents and
11 vendors) are precluded from participating in such
12 solicitation. JEA shall have the right to reject any and all
13 bids, proposals, or replies, in whole or in part, in the
14 best interests of JEA.

15 (6) Annual survey. JEA shall annually conduct a survey of
16 actual, interested and prospective bidders, respondents, and
17 vendors to obtain feedback on JEA's procurement process.
18 Such survey shall be on a form approved by JEA and
19 participation in the survey shall be open to actual,
20 interested and prospective bidders, respondents, and
21 vendors. Survey topics may include, without limitation,
22 various aspects of JEA's procurement process such as
23 information transparency and accessibility, pre-conferences,
24 bid submittal packages, evaluations, and awards. JEA shall
25 consider such survey results during JEA's biennial review of
26 its procurement code.

27 (7) Transparency in procurement governing documents. The
28 procurement code and any procurement policies, operating
29 procedures, rules, directives, standards and other
30 procurement governing documents, including any amendments

1 thereto, shall be posted on JEA's website in a conspicuous
2 manner for the public to view.

3 (8) Biennial review; annual report. JEA shall biennially review
4 its procurement procedures. JEA shall also prepare and
5 deliver a report to the council and mayor on or before
6 December 31st of each fiscal year summarizing the
7 procurement contract awards for the immediately prior fiscal
8 year. Such report shall contain at a minimum the following
9 information:

10 (i) The number of contract awards for the reporting fiscal
11 year;

12 (ii) A detailed listing of all contract awards categorized by
13 service type (e.g., construction, professional,
14 supplies, professional design services), award type
15 (e.g., single source, emergency, request for proposal,
16 invitation to negotiate, piggyback, etc.) and a brief
17 description of each contract award containing the
18 contractor name, contract amount and procurement method
19 used;

20 (iii) The number of JSEB contract awards categorized by
21 service type (e.g., construction, engineering, supplies,
22 professional), award type (e.g., single source,
23 emergency, request for proposal, invitation to
24 negotiate, piggyback, etc.), and a brief description of
25 each contract award containing the JSEB contractor name,
26 contract amount and procurement method used;

27 (iv) The number of bid protests for the reporting fiscal year
28 and the outcome of each protest (i.e., whether JEA
29 prevailed);

30 (v) The annual survey results pursuant to the survey
31 requirement in subsection (a)(6) above; and

1 (vi) Such other information as may be determined by the
2 council.

3 (9) Prohibition. JEA shall not exercise any powers pursuant to
4 this Section 21.09 to explore, investigate or consummate a
5 privatization, transfer or reorganization of JEA as
6 expressly prohibited in Section 21.11 herein or otherwise in
7 this article.

8 (b) Contracts Generally.

9 (1) Applicability. This subsection (b) shall apply to all
10 contracts entered into by JEA pursuant to this article.

11 (2) Maximum indebtedness. All contracts of any kind entered into
12 by JEA pursuant to this article, including, but not limited
13 to, procurement contracts, joint project contracts, and
14 interlocal agreements shall contain a provision clearly
15 specifying a fixed, maximum monetary indebtedness of JEA
16 thereunder. Such contracts may, however, provide for a
17 lesser variable indebtedness of JEA upon a reasonable basis,
18 subject to such fixed, maximum monetary indebtedness.

19 (3) Public records; ethics training. All contracts and related
20 documents entered into by JEA shall contain a provision
21 clearly stating that such vendor or contractor shall comply
22 with the provisions of Chapter 119 (Public Records Law),
23 Florida Statutes, as amended. All senior-level employees,
24 including the managing director and senior-level officers,
25 directors and managers of JEA, shall be trained by the
26 Office of General Counsel, in consultation with the Ethics
27 Office, at least annually on Florida's open meetings laws,
28 public records and ethics laws in accordance with policies
29 and procedures established by JEA.

30 (4) Access to and examination of records. JEA shall require a
31 person or entity providing contractual services (e.g.,

1 construction services, professional design services, or
2 other contractual services) purchased by JEA to agree and be
3 deemed to have agreed by virtue of doing business under
4 contract with JEA to allow access and examination at all
5 reasonable times by the council auditor or any duly
6 authorized representative of the council auditor to business
7 records directly pertinent to the transaction pursuant to
8 the council auditor's duties set forth in Article 5 of this
9 charter. Additionally, JEA shall include a provision in any
10 contract entered into pursuant to this article that such
11 vendor or contractor shall comply with all applicable
12 federal, state and local laws, rules and regulations as the
13 same exist or as may be amended from time to time.

14 (5) Confidentiality agreements. The use of confidentiality,
15 nondisclosure or similar agreements by government agencies
16 are contrary to open and transparent government. Except
17 regarding information or records deemed by JEA to be
18 confidential or exempt information or records or information
19 by law, JEA should not enter into confidentiality or
20 nondisclosure agreements with third parties and should use
21 confidentiality, nondisclosure or similar agreements
22 sparingly in the conduct and operation of JEA. JEA may use
23 confidentiality agreements for [obtain listing from JEA].
24 Additionally, JEA should not require a member, officer or
25 employee of JEA to execute any type of confidentiality or
26 nondisclosure agreement that would require such member,
27 officer or employee to maintain the confidentiality of
28 information that is not confidential or exempt by law.

29 (6) No financial interest. Except for an employment contract or
30 agreement executed pursuant to Section 21.08, no member,
31 officer or employee of JEA shall either directly or

1 indirectly be a party to, or be in any manner interested in,
2 any contract or agreement with JEA for any matter, cause or
3 thing whatsoever in which such member shall have a financial
4 interest or by reason whereof any liability or indebtedness
5 shall in any way be created against JEA. If any contract or
6 agreement shall be made in violation of the provisions of
7 this section the same shall be null and void and no action
8 shall be maintained thereon against JEA.

9 (c) No limitation. Unless otherwise provided herein, nothing in this
10 section shall be construed to limit the power of JEA to
11 construct, repair, or improve the utilities system or any part
12 thereof, or any addition, betterment or extension thereto.

13 * * *

14 **Sec. 21.11 - Privatization, sale, reorganization, service**
15 **territory transfers prohibited.**

16 (a) Definitions. For purposes of this section, the following
17 definitions shall apply:

18 "entity" shall mean any person or entity, public or private.

19 "net capital assets" shall mean the net capital assets based
20 on the Combining Statement of Net Position in latest available
21 JEA annual financial statements for the appropriate Enterprise
22 Fund for each included system. For purposes of this section,
23 the net capital asset calculation for each Enterprise Fund
24 shall be cumulative and shall reset on October 1, 2020 and
25 every five years thereafter.

26 "service territory" shall mean the geographically defined
27 areas in which JEA is the utility provider.

28 "included system" shall mean the electric utility system, the
29 water utility system, the wastewater utility system, owned,
30 operated and managed by JEA.

1 "excluded system" shall mean JEA's district energy system, the
2 bulk power supply system and the St. Johns River Power Park
3 system.

4 (b) Prohibition on privatization, sale, reorganization and transfer
5 of management. JEA shall not directly, or indirectly through a
6 consultant or advisor, explore, investigate or consummate a
7 privatization or transfer to an entity by sale, lease,
8 assignment or other disposition of more than ten percent of the
9 net capital assets of an included system, or the management,
10 function, or operation of any portion of an included system
11 which comprises more than ten percent of the net capital assets
12 of such included system, without obtaining approval of the
13 council in advance; provided, however, that no final approval of
14 such disposition by the council shall become effective without
15 subsequent referendum approval of the terms and conditions of
16 the disposition, lease, or other assignment of the management,
17 function or operation of such portion of a included system.
18 Additionally, JEA shall not directly or indirectly through a
19 consultant or advisor, explore, investigate or consummate a
20 reorganization of JEA, or JEA's governance structure in a manner
21 that would affect JEA's ownership or management control of more
22 than ten percent of the net capital assets of an included system
23 without obtaining approval of the council in advance. Upon
24 approval by the council for JEA to explore or investigate a
25 privatization, transfer, or reorganization of JEA, council may
26 in its discretion prescribe by ordinance budget restrictions
27 related to professional consultants, legal engagements,
28 promotional expenses, and other expenses anticipated by JEA
29 during such exploration or investigation. The terms "explore"
30 and "investigate" as used in this subsection shall include, but
31 not be limited to, exploring or investigating in connection with

1 any strategic planning process undertaken by JEA or any of its
 2 consultants or advisors.

3 (c) Prohibited service territory transfers. Any sale, lease,
 4 assignment or other transfer of the service territory of a JEA
 5 included system to any entity that totals 1% or more of the
 6 service territory or any sale, lease, assignment, or transfer of
 7 1% or more of JEA's electric, water, or wastewater, customer
 8 accounts based on the latest available JEA monthly financial
 9 statements shall require council approval in advance. JEA shall
 10 not enter into any agreement, contract, memorandum of
 11 understanding, letter of intent or other arrangement that would
 12 exceed the 1% threshold without obtaining council approval in
 13 advance. Nothing in this section shall prevent JEA from
 14 complying with the terms and conditions of interlocal agreements
 15 with St. Johns County and Nassau County which include, but are
 16 not limited to, an option to purchase the assets and service
 17 territory of JEA within the respective counties without Council
 18 or referendum approval.

19 **Sec. 21.12. - Public engagement.**

20 JEA should seek to fully engage and inform its ratepayers, the
 21 general public, interested stakeholders, and other interested
 22 parties in any future planning discussions, including, but not
 23 limited to short-term and long-term plans, objectives and goals,
 24 regarding the future of JEA to enable its ratepayers, the general
 25 public, interested stakeholders and other interested parties to
 26 fully participate in such planning discussions to the greatest
 27 extent reasonably practicable. Examples of ways for JEA to fully
 28 engage and inform its ratepayers, the general public, interested
 29 stakeholders, and other interested parties pursuant to this section
 30 may include, but not be limited to, hosting town hall meetings and
 31 JEA workshops and proactively making information regarding such

1 discussions available to its ratepayers, the general public,
2 interested, and other interested parties.

3 **Sec. ~~21.11~~ 21.13. - Legislative authority of council.**

4 ***

5 **Sec. ~~21.12~~ 21.14. - Severability.**

6 ***

7 **Section 3. Proviso language regarding 2020-100-E.** Section
8 21.03(a) herein includes language which requires voter approval of
9 Ordinance 2020-100-E. The referendum will be voted upon on November
10 3, 2020. Should the language not be approved by the voters, the
11 language for 21.03(a) shall read as follows:

12 **CHARTER AND RELATED LAWS**

13 **PART A - CHARTER LAWS CHARTER OF THE CITY OF JACKSONVILLE, FLORIDA**

14 * * *

15 **ARTICLE 21. JEA**

16 * * *

17 **Sec. 21.03. - Composition; compensation; officers; meetings.**

18 (a) Composition; qualifications; removal. The governing body of
19 JEA shall consist of seven members, each of whom shall serve
20 for a term of four years or until such member's successor has
21 been appointed and has qualified. To the extent feasible and
22 regarding JEA member appointments generally, individuals
23 considered for appointment may, but is not required to, have
24 extensive corporate, executive or administrative experience
25 working in public or private organizations, including non-
26 profit and government organizations. Each member of JEA shall
27 have been a resident and elector of the city for at least six
28 consecutive months prior to such member's appointment. No
29 member of JEA shall hold any other public office or position.
30 If at any time during a member's tenure on JEA, such member
31 shall cease to possess the qualifications required for

membership on JEA, such member shall cease to be a member and a vacancy shall exist on JEA. Any vacancy on JEA, however created, shall be filled for the unexpired term in the same manner as the position was originally filled, and the person filling the vacancy shall have and retain all the qualifications prescribed for membership on JEA. Any member appointed to JEA for two consecutive full terms shall not be eligible for the succeeding term. The members appointed by the mayor may be removed by the mayor at any time with or without cause, but a removal must be approved by a two-thirds vote of the council.

* * *

Section 4. Effective Date. This ordinance shall become effective upon signature by the Mayor or upon becoming effective without the Mayor's signature.

Form Approved:

Office of General Counsel

Legislation Prepared By: Lawsikia J. Hodges

GC-#1370187-v4-CM_Boylan_DRAFT_-_Article_21_(JEA)_Omnibus_Refinement_Bill_6_22_2020_.docx

**Proposed 2020-419 – Article 21 (JEA) Charter Omnibus Refinement Bill
Strategy and Timeline for TEU & Rules Committee Discussions**

- 1) **September 8th** – City Council Meeting (& *Charter Section 21.11 Public Hearing Date*)
 - Action Item – CM Boylan – Introduce Proposed Strategy/Timeline for Committee Discussions
- 2) **September 14-15th** – Committee Week (*bill deferred w/discussion*)
 - **Discussion Topic # 1 - Board Member Appointments/Transparency**
- 3) **September 22th** – City Council Meeting (*Boylan – reminder to Council re upcoming topic*)

[September 28th-October 2th – FIFTH WEEK (*Potential Noticed Meeting re 2020-419*)]
- 4) **October 5-6th** – Committee Week – (*bill deferred w/discussion*)
 - **Discussion Topic # 2 - New Business Lines (21.04 (p))/Systems (21.04(v))**
- 5) **October 13th** – City Council Meeting (*Boylan – reminder to Council re upcoming topic*)
- 6) **October 19-20th** – Committee Week (*bill deferred w/discussion*)
 - **Discussion Topic # 3 - Privatization/Transfers/Sale**
 - **Discussion Topics # 1, 2 & 3 – Board Member Appointments; New Business Lines; Privatization/Transfers/Sale**
- 7) **October 27th** – City Council Meeting (*Boylan – reminder to Council re upcoming topic*)
- 8) **November 2nd/4th** – Committee Week (*November 3rd – Election Day/bill deferred w/ discussion*)
 - **Discussion Topic #4 - Employment Matters (Bonus Program, CEO Contract, etc.)**
- 9) **November 10th** – City Council Meeting (*Boylan – reminder to Council re upcoming topic*)¹
- 10) **November 16-17th** – Committee Week (*bill deferred w/discussion*)
 - **Discussion Topic #5 – Procurement**
 - **Discussion Topics # 4 & 5 – Employment Matters & Procurement**
- 11) **November 24th** – City Council Meeting (*Boylan – reminder to Council re upcoming topic*)
- 12) **November 30th & December 1st – PROPOSED FINAL COMMITTEE ACTION WEEK**
 - Review Bill Amendments and/or Substitute Bill²

[December 2th-December 4th (*Potential Noticed Meeting re 2020-419*)]
- 13) **December 8th – Last City Council Meeting of 2020 – FINAL COUNCIL ACTION/ADOTION**
(Merry Christmas/Happy Holidays!! ☺)

¹ November 10th is the earliest council meeting that the Council may take action on 2020-419 as per City Charter Article 21, Section 21.11...no earlier than 60 days following the first advertised public hearing date (September 8th).

² OGC will prepare amendments along the way based on feedback and discussion from committees and/or noticed meetings.

BY-LAWS OF JEA

ARTICLE 1 OFFICES

The principal office of JEA shall be located in Jacksonville, Florida. Branch offices of JEA may be established at such places as JEA may designate from time to time.

ARTICLE II MEMBERS OF JEA GOVERNING BODY

Section 1. General Powers. The affairs of JEA shall be managed by the JEA governing body (“Board”) as provided in Article 21, Charter of the City of Jacksonville, as amended, and other applicable laws.

Section 2. Appointment, Number, Tenure, and Expense Reimbursement. The membership of the JEA Board shall be constituted in number, qualifications, manner of appointment and tenure as provided in Article 21, Charter of the City of Jacksonville, as amended. Members of the JEA Board shall receive reimbursement for all expenses incurred which are reimbursable by law.

ARTICLE III OFFICERS

Section 1. Elections. The Officers of the JEA Board shall be a Chair, Vice-Chair, and a Secretary who shall be elected by the members and who shall serve as such officers for one year or until a successor is chosen. The Chair may serve for two consecutive one-year terms, which shall not include any period served as replacement Chair during the unexpired portion of the predecessor’s term. Elections of Officers shall be conducted at the first regular meeting in March which may be preceded by a meeting of the nominating committee composed of the JEA Board acting as a whole or such other membership as the Chair may designate.

Section 2. Vacancies. A vacancy in any office because of death, illness, removal or otherwise, may be filled by the remaining members for the unexpired term.

Section 3. Chair. The Chair shall preside at all meetings of the JEA Board unless the Chair delegates otherwise. The Chair shall designate from time to time such special committees as the Chair deems appropriate and shall designate the subject matter assigned to each committee for consideration. In the event of the Chair’s prolonged absence or disability, the Vice-Chair shall exercise all functions of the Chair for a period of up to thirty (30) days, at the expiration of which a special election shall be conducted by the JEA Board and a permanent Chair elected.

Section 4. Vice-Chair. The Vice-Chair shall perform such duties as are assigned by the Chair in addition to the functions for which the Vice-Chair is responsible under Section 3 above.

Section 5. Secretary. The Secretary shall cause the minutes to be kept of each meeting of the members in the Minute Book designated for that purpose. In the event of the Secretary's absence or disability, the Chair shall designate another member to be responsible for keeping of minutes during the Secretary's absence and for their inclusion in the Minute Book. When so directed by the Chair, the Secretary shall cause all notices to be given in accordance with these By-Laws and other applicable laws; the Secretary shall be responsible for the proper care and custody of all records pertaining to JEA affairs and for custody of the Seal of JEA. The Secretary shall be responsible for the Register of the address of each Board member and of such other persons as may be designated by the Chair or by the Executive Committee. The Secretary shall perform such other duties as from time to time may be assigned by the Chair or by the Executive Committee.

ARTICLE IV **COMMITTEES**

Section 1. Executive Committee. There shall be an Executive Committee comprised of as many members of the JEA Board as may be determined by the Chair. The Executive Committee shall function for and on behalf of the seven (7) members of the JEA Board to the extent that such action may be lawfully delegated; however, the designation of the Executive Committee and delegation thereto of authority to act in proper circumstances for the full membership of the JEA Board shall not operate to relieve the members of any responsibility imposed upon them individually or collectively by law. The Chair of the JEA Board shall preside at meetings of the Executive Committee, and it shall meet from time to time at such times and places as the Chair may designate.

Section 2. Ordinary Committees.

(a) **Standing Committees.** The Chair may appoint standing committees from time to time which shall be composed of as many members of the JEA Board as determined by the Chair. The Chair shall name one of the committee members as committee chair and one as committee vice-chair. A standing committee shall continue until such time as it is terminated by the Chair.

(b) **Special Committees.** The Chair may appoint special committees from time to time, and the Chair may specify that one or more individuals who are not members of the JEA Board shall work with and assist the special committee. The Chair shall name one of the committee members as committee chair and one as committee vice-chair; both positions must be filled by current members of the JEA Board. When a special committee has fulfilled its function or when the best interests of JEA have been served, the committee shall be terminated without formal action.

Section 3. Term of Committee Members. Each member of a committee shall serve until the expiration of his/her term of office as a JEA Board member, until that member's successor is appointed and has accepted such appointment, or until the committee is terminated.

Section 4. Powers of the Committee and the Committee Chair. The committee chair, or vice-chair in the absence of the chair, shall have the power and authority to call meetings of the committee upon reasonable verbal or written notice to the members, and to set the date, time and place of such meetings. This function may also be performed by a majority of the remaining members of the committee upon inaction by the chair. A committee secretary may be designated by the committee chair. A committee may submit reports to the Chair and members of the JEA Board in writing as determined by the committee chair. Committee reports shall contain both majority and minority reports of committee members. A committee may by motion recommend to the JEA Board that action be taken on matters under consideration by the committee. Matters under consideration by the committee may include resolutions or other proposed actions presented to the committee by the JEA Managing Director.

Section 5. Committee Vacancies. The Chair shall fill vacancies in the membership of any committee. Should the Chair of the JEA Board fail to fill a vacancy within a reasonable length of time after such a vacancy occurs, then such vacancy may be filled by a majority of the members of the JEA Board acting in any regular or special meeting.

Section 6. Conduct of Committee Business. A majority of the entire membership of the committee shall constitute a quorum, and an act of the majority of the committee present at any meeting shall constitute the act of the committee. Should a quorum not be present at a scheduled meeting, the committee chair, or vice-chair in the absence of the chair, may appoint as many JEA Board members as necessary to constitute a quorum. Such appointment is for the purpose of that meeting only. All JEA Board members may attend and participate in any committee meeting, but only committee members have the right to make motions and to vote. Except as provided otherwise herein, Roberts Rules of Order shall govern the conduct of committee business, unless the majority of the committee present at such meeting shall elect to utilize other rules or procedures consistent with applicable law and these By-Laws.

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.

Section 2. Special Meetings. Special meetings of the members may be called by the Chair or by any three (3) members and shall be held 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.

Section 3. Notice of Special Meetings and Purpose. Notice of each special meeting of the members shall be given by the Chair or by the three (3) members who may have called such special meeting. Such notice shall be in writing and shall be provided to every member not less than two (2) working days before the meeting and shall state the purpose, time and place of the special meeting. Attendance by a member at a special meeting shall constitute waiver of notice. A member may, however, appear at a meeting for the sole purpose of objecting to the transaction of any business on the ground that the meeting was not lawfully called without losing the right to object to improper notice. No business shall be transacted at any special meeting other than the purpose specified in the notice unless a majority of the members in attendance at such special meeting agree to transact other business.

Section 4. Teleconference or Videoconference Meetings. The Chair may allow Board member(s) to attend a regular or special meeting by teleconference or videoconference, provided that all JEA Board members attending the meeting and all other persons participating in the meeting may hear (or if by videoconference, see and hear) each other at the same time. Whenever any Board member attends a meeting by teleconference or videoconference, the Chair shall conduct the meeting in a manner so as to allow, to the fullest extent possible, simultaneous communication. A Board member or other person wishing to speak must first identify himself/herself to the Chair and request recognition from the Chair before speaking. Visual presentations shall be described in detail for any Board member attending by teleconference who is unable to view the presentation. It is the Board's preference that meetings be held with a quorum physically present except, on occasion, when the Board needs to transact business for a special matter typically conducted at a special meeting.

Section 5. Quorum and Votes Required for Action. The majority of the Board members shall constitute a quorum for the purpose of meeting and transacting business. Four (4) affirmative votes shall be required to accomplish an act of business. Pursuant to Chapter 286, Florida Statutes, no member who is present at any Board meeting may abstain from voting except when there is, or appears to be, a possible conflict of interest. In such case, the abstaining Board member shall comply with the disclosure requirements of Chapter 112, Florida Statutes.

Section 6. Vacancies. Any vacancy occurring in the office of a member of the JEA Board shall be filled for the unexpired term in the manner provided in Article 21, Charter of the City of Jacksonville, as amended.

Section 7. Rules and Procedures. Except as provided otherwise herein, Robert's Rules of Order shall govern the conduct of the JEA Board business, unless the majority of members shall elect to utilize other rules or procedures consistent with applicable law and these By-Laws.

ARTICLE VI
AMENDMENTS TO BY-LAWS

These By-Laws may be amended, repealed or altered, in whole or in part, by the affirmative votes of four (4) members at any regular or special meeting, provided such subject has been included in an agenda item.

ARTICLE VII
EFFECT OF BY-LAWS

Noncompliance with these By-Laws shall not operate to invalidate any JEA Board action otherwise valid under applicable law.

APPROVED BY THE BOARD

Date: _____

Form Approved :

Office of General Counsel

JEA Board Governance and Transparency Committee Charter

Role of the JEA Board Governance Committee

The JEA Board Governance Committee (the “Committee”) is appointed by the Board Chair, and is a special committee of the JEA Board of Directors. The Committee’s primary function is to assist the Board in updating the JEA Board governance documents, primarily the JEA Board Policy Manual and the JEA By-Laws. The Committee shall review and approve relevant agenda items, provide periodic reports and make recommendations to the JEA Board for final approval of the governance documents. The Committee will keep the full JEA Board apprised of its activities.

Membership

The Committee shall consist of at least three Board members, appointed by the Board Chair. The Board Chair shall appoint one of the Committee members as Chairperson.

Meetings

The Committee will meet on an as needed basis. The Committee may invite members of Management and/or others to attend meetings and provide pertinent information, as necessary. Meetings shall be subject to open meetings and public information laws.

Responsibilities

The Committee shall:

- Ensure that the Board Policy Manual and the JEA By-Laws are consistent with the JEA Charter, other provisions of the City of Jacksonville Charter, ordinances, policies and procedures, and current Florida statutes.
- Restructure the JEA Board Policy Manual to facilitate comprehension, cross referencing and transparency.
- Prepare an updated JEA Board Policy Manual to reflect the current JEA mission, values and goals.
- Prepare updated JEA By-Laws that reflect current JEA Board membership and governance procedures.
- Conduct Committee meetings to discuss suggested changes to the JEA governance documents on an as needed basis and in accordance with Sunshine Laws
- Report Committee summaries, actions and recommendations to the full Board



“GOVERNING FOR EXCELLENCE: RAISING THE BAR ON PUBLIC POWER GOVERNANCE”

A hard copy of the APPA publication “Governing for Excellence: Raising the Bar on Public Power Governance” was distributed to all Board Members as part of their orientation material in April 2020. They also received a link from APPA in July 2020 to access the publication electronically.

JEA Board of Directors
Policies and Other Documents Requiring Board Approval / Review

DRAFT

	<u>Document Name</u>	<u>Doc Type</u>	<u>Board Review / Approval?</u>	<u>Board Compliance?</u>	<u>Last Review Date</u>	<u>Review Cycle</u>	<u>Next Review Date</u>
1	JEA Board-Management Delegation of Authority Policy <i>(Originally presented to, but not approved by, Board on 6/11/18 & 12/11/18)</i>	Policy	X	X	12/11/2018 <i>(review on ly)</i>	Annual	9/22/2020 & 10/27/20
2	Electric Compliance Policy	Policy	X			Annual	11/17/2020
3	JEA Charter <i>(Article 21 scheduled for final City Council Action & Adoption on 12/8/20)</i>	Policy		X		Annual	12/15/2020 or 1/26/2021
13	JEA Code of Conduct / Code of Ethics (New) <i>(Scheduled for approval by the Finance & Audit Committee on 12/11/20)</i>	Policy		X		Annual	12/15/2020 or 1/26/2021
4	Enterprise Risk & Compliance Policy <i>(Tentatively scheduled for Finance & Audit Committee approval on 12/11/20).</i>	Policy	X	X		Bi-Annual	12/15/2020 or 1/26/2021
5	Identity Theft Protection Program (FACTA) Annual Risk Assessment <i>(presented annually to the Finance & Audit Committee; next on 12/11/20)</i>	Policy	X <i>(Initial Approval Only)</i>		12/9/2019	Annual	1/26/2021
6	Energy Market Risk Management Policy <i>(Approved March 2014; report presented quarterly to the Finance & Audit Committee)</i>	Policy	X		2/11/2020	Annual, or As Revised	2/23/2021
7	Pricing Policy	Policy	X	X	6/23/2020	Annual	6/22/2021
8	Investment Policy	Policy	X	X	7/28/2020	Annual	7/27/2021
9	Debt Management Policy	Policy	X	X	7/28/2020	Annual	7/27/2021
10	Internal Audit Charter <i>(Approved by Finance & Audit Committee annually)</i>	Policy			8/25/2020	Annual	8/16/2021
11	Board Education & Development Policy <i>(Approved November 2013)</i>	Policy	X	X	8/25/2020	Bi-Annual	8/25/2022
12	Travel Policy and Procedures	Policy		X	8/25/2020	Bi-Annual	8/25/2022
14	Board Policy Manual <i>(Updated and reviewed by the Governance Committee; monthly reviews tentatively scheduled through December 2020)</i>	Manual	X <i>(If Revisions)</i>	X	9/15/2020	Annual, or As Revised	As Revised
15	JEA By-Laws <i>(incorporated into Board Policy Manual in September 2020)</i>	Policy		X	9/15/2020	Annual	As Revised

JEA Board of Directors
Policies and Other Documents Requiring Board Approval / Review

DRAFT

	<u>Document Name</u>	<u>Doc Type</u>	<u>Board Review / Approval?</u>	<u>Board Compliance?</u>	<u>Last Review Date</u>	<u>Review Cycle</u>	<u>Next Review Date</u>
16	Form 1 - Statement of Financial Interests - Must be filed with the County Supervisor of Elections each July 1 for the previous calendar year.	Disclosure Form		X			
17	Form 1F - Final Statement of Financial Interests - Must be filed with the County Supervisor of Elections for the final year / partial year on the Board.	Disclosure Form		X			
18	Sunshine Law - Florida Statute, Sec. 286.001	State Statute					
19	Public Records Law - Florida Statute Chapter 119	State Statute					
20	Jacksonville Ethics Code – Chapter 602	Municipal Ordinance		X			
21	• Gifts – 602 Part 7;			X			
22	• Conflicts of Interest – 602 Part 4			X			
23	• Misuse of Public Position – 602.601			X			
24	Florida Ethics Policy – Chapter 112.311-326	State Policy		X			
25	• Gifts – Sec 112.3148, 3139			X			
26	• Conflicts of Interest – Sec. 112.313			X			
27	• Nepotism – 112.3133			X			
28	• Misuse of Public Position – 112.313			X			
29	Dual Office Holding - Florida Constitution, Article II, SA	State Law		X			

Board Governance Manual Compliance & Update Assessment

Policy Ref #	Requirement	Frequency	Current Activities	Suggested Changes	Board Feedback		
					Changes Approved	Changes Not Approved	Additional Suggested Changes
POLICY 1.1.1 QUALITY OF ELECTRIC SERVICE	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	Annual	<p>The CEO participates in the development of the Annual Resource Master Plans. The Electric System IRP examining multiple growth scenarios in order to develop the most robust generation plan with a thirty year look-ahead.</p> <p>This long term planning study used a scenario approach to address key issues of uncertainty faced by JEA, including carbon emissions, RES/CES, economy, load growth, fuel costs, and other potential environmental regulations. The IRP produced multiple generation resource plans over a 30 year planning horizon depending on the six scenarios evaluated. The IRP was completed in October 2012.</p>				
1.1.1a	Develop resources or agreements to ensure that JEA's electric energy supply is 10% nuclear by 2017.	Ongoing	<p>The CEO strongly supports the increased use of nuclear power. Nuclear Generation Business Manager to oversee MEAG PPA and Lee Option. Senior level Working Group is in place to assess the impact of JEA's potential expansion into nuclear power generation, and establishing criteria for exercising JEA's nuclear ownership option.</p> <p>Generation Capacity Analysis Continue to monitor and evaluate the drivers for JEA decision for additional nuclear generation capacity ranging from zero percent to some amount between 5%-20% (approx. 110MW-440MW) of the proposed Duke Lee nuclear station</p>	1.1.1a states that 10% of JEA's energy supply must be nuclear by 2017. Whether this is achievable or not, this statement should be removed as it is too specific to be included in a Board document.			

Board Governance Manual Compliance & Update Assessment

Policy Ref #	Requirement	Frequency	Current Activities	Suggested Changes	Board Feedback		
					Changes Approved	Changes Not Approved	Additional Suggested Changes
1.1.2	Minimize the frequency of electric distribution system outages and report status through the System Average Interruption Frequency Index (SAIFI-2).	Ongoing	The System Average Interruption Frequency Index (SAIFI-2) report is generated and monitored by senior management.	1.1.2 – 1.1.4. Naming specific reports in these sections is too detailed to be included in a Board document. These sections should state that JEA will monitor the frequency and duration of electric outages using industry related reports, with a goal of minimizing them.			
1.1.3	Minimize the frequency of electric distribution system voltage sags and report status through the System Average Root Mean Square Frequency Index (SARFI-80).	Ongoing	The System Average Root Mean Square Frequency Index (SARFI-80) report is generated and monitored by senior management.	See 1.1.2 Above			
1.1.4	Minimize the duration of electric distribution system outages and report status through the System Average Interruption Duration Index (SAIDI).	Ongoing	The System Average Interruption Duration Index (SAIDI) and CEMI 5 reports are generated and monitored by senior management.	See 1.1.2 Above			
1.2.1 : QUALITY OF WATER SERVICE	Annually update a Total Water Management Plan (TWMP) to ensure consumers’ future water supply needs are met at the lowest evaluated cost while also ensuring water resources are available for future generations.	Annual	The Total Water Management Plan (TWMP) identifies long term water needs and assesses alternate water sources. The TWMP, developed in 2007, is reassessed on an annual basis. Key recommendations include increasing water conservation, an increase in the amount of reclaimed water used, and construction of a north to south pipeline for the transfer of potable water to the Southside.				

Board Governance Manual Compliance & Update Assessment

Policy Ref #	Requirement	Frequency	Current Activities	Suggested Changes	Board Feedback		
					Changes Approved	Changes Not Approved	Additional Suggested Changes
1.2.2	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.	Ongoing	Low pressure status is reported to the Board every other month.				
1.2.3	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.	Ongoing	JEA maintains a dedicated Laboratory to perform all required water testing in compliance with applicable regulatory obligations of federal, state, local government agencies. NELAC and other industry certifications of the laboratory and its personnel. NELAC certified personnel and the lab are audited by NELAC annually for competency functions, equipment availability and condition, and documentation. Quality Assurance process is in place ensuring all records, documentation, and support are complete, accurate, and timely for applicable government agencies and certification organizations.				
1.3.1 QUALITY OF SEWER SERVICE	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	Ongoing	JEA maintains a robust SSO infrastructure maintenance prevention and incident management program, which incorporates established industry control elements. The program includes a response team to respond and mitigate SSOs and a root cause analyses conducted for every SSO event. The number of SSOs has steadily been reduced over the past 10 years and has been below industry standards.				
1.3.2	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	Ongoing	JEA has a comprehensive Total Maximum Daily Load (TMDL) program and ongoing initiatives meet current discharge requirements and are expected				

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	<p>Department of Environmental Protection (FDEP) Total Maximum Daily Load (TMDL) allocation.</p> <p>b. Increase the amount of reclaimed water produced and distributed</p>		to be deemed sufficient to comply with the EPA's Numeric Nutrient Criteria (NNC). Strategy and resources are in place to assess, mitigate and minimizing the impact of proposed regulatory mandates. Programs are also in place to increase the use of reclaimed water.				
1.4.1 COST OF SERVICE	<p>All utility services are to be reasonably priced.</p> <p>a. Pricing for all utility services is to be frequently benchmarked against other state and regional utilities to demonstrate competitiveness.</p>	Frequent intervals	JEA performs periodic rate studies with consideration of the financial needs of the company versus maintaining a competitive rate structure that considers the financial burden to our ratepayers. Charts benchmarking JEA's rates to other Florida utilities are provided to the Board monthly. Processes consider the total costs of maintaining services and focuses on controlling costs while maintaining the reliability of our services infrastructure.				
	<p>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.</p>	5 year intervals	Cost of Service studies are regularly conducted every 5 years. Pricing is based on the cost to serve each consumer class. In addition, costs are now also calculated based on the total cost of providing electricity and water/wastewater services				
1.4.2	<p>Minimize the number of consumer bills mailed to customers 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.</p>	Ongoing	<p>A quality assurance process is in place to verify JEA meets our quality standards of accuracy and timeliness.</p> <p>The quality rate is periodically provided to the Board.</p>	<p>This section should specify that the quality indicators refer to the bills that go out to the customers after they are fixed, not what is originally produced from the system. Proposed wording changes are in red.</p>			
1.5.1 : ENVIRONMENTALLY SOUND	<p>The CEO is expected to comply with all existing environmental regulations that apply</p>	Ongoing	JEA has a coordinated environmental compliance infrastructure which includes operational processes for				

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			compliance with all existing environmental requirements, and monitoring by an independent area to verify adherence to the requirements.				
1.5.2	<p>Conservation: Pursue all options to communicate and incentivize customer conservation and efficiency while avoiding excessive customer cost.</p> <p>a. Electric System: Establish an 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.</p>	Ongoing	<p>DSM Steering committee is in place and providing oversight by JEA's executives. This committee sets ongoing DSM policy and strategies. Policies regulating DSM objectives are approved by JEA's Board.</p> <p>Various conservation programs have been successfully implemented and are yielding the anticipated results, including but not limited to CFLs, Neighborhood Energy Efficiency Program and Green built Home Solar program, energy audits, etc.</p>				
1.5.3	<p>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.</p>	Ongoing	<p>JEA staff has reviewed the feasibility and potential use of a number of potential renewable energy sources, such as biomass, solar (solar PV and solar thermal), landfill gas, and wastewater treatment gas. A process is in place to monitor legislation and the marketplace in order to reevaluate feasibility as standards are changed, become mandatory, or other opportunities arise.</p>	<p>Suggested wording changes:</p> <p>Renewable Energy Supply: Explore options for a renewable energy supply while avoiding excessive customer cost. Comply with state or federal Renewable Energy Standards (RES) if and when they become effective.</p>			
1.6 INFORMATIVE COMMUNICA- TION	<p>1.6. Effectively communicate with consumers and other stakeholders.</p> <p>1.6.1 To influence consumer paradigms of utility expectations.</p> <p>1.6.2 To influence public dialogue on local, state and national energy and water and sewer issues.</p>	Ongoing	<p>JEA continues its Customer Satisfaction initiative, engaging employees from all levels in the organization on various concurrent initiatives to create an improved customer experience. For 2nd Qtr of FY 2013, JEA kicked off 18 improvement initiatives and</p>				

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	<p>1.6.3 To inform consumers of as well as the reasons for significant potential or pending changes to utility services or charges.</p> <p>1.6.4 To inform consumers of conservation incentives and other activities that if implemented would reduce their consumption and, therefore result in lower utility cost than if the incentives or activities were not employed.</p>		<p>completed 15. For Qtr 3, 20 new initiatives are underway. JEA subscribes to the JD Power Customer Satisfaction Survey. Wave 3 data of the Survey has been reported and JEA continues to make positive movement upward in customer satisfaction. JEA anticipates ending 2013 in the 3rd quartile, improving from last year's 4th quartile</p> <p>JEA.com contains a wealth of information about conservation and how it can impact a customer's bill. JEA.com also describes leveled billing, and prepaid billing, and provides a mechanism for enrolling for them.</p>				
2.0 GENERAL EXECUTIVE CONSTRAINT	<p>The CEO shall not knowingly cause or allow any organizational practice, activity, decision, or circumstance that is either unlawful, imprudent, and/or in violation of commonly accepted business and professional ethics and practices.</p> <p>Accordingly, the CEO will not:</p>			<p>Add wording changes noted in red and add the following statement:</p> <p>It is understood that the CEO will be delegating most of the duties described below to staff, but the CEO will ultimately be responsible for the company's results.</p>			
2.1	<p>Treatment of Consumers: With respect to interactions with consumers or those applying to be consumers, the CEO shall not knowingly cause or allow conditions, procedures, or decisions that are unsafe, untimely, undignified, or unnecessarily intrusive.</p> <p>Accordingly, the CEO will not:</p>						
2.1.1	<ul style="list-style-type: none"> Elicit information for which there is no clear necessity 	Ongoing	Current processes only request information that is deemed necessary to fulfill the customer's				

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			request for services and assess the customer's credit risk.				
2.1.2	<ul style="list-style-type: none"> Use methods of collecting, reviewing, transmitting, or storing client information that fail to reasonably protect against improper access. 	Ongoing	JEA maintains strong systems access and cyber security protocols and protects unauthorized access to both customer and corporate data. Further enhancements are underway including optimizing our customer system hardware footprint, enhancing our hardware infrastructure, and addressing the increasing cyber security threats to JEA's systems and network.	Suggested wording changes noted in red.			
2.1.3	<ul style="list-style-type: none"> Fail to operate facilities with appropriate accessibility and privacy. 	Ongoing	See 2.1.2 above. Also. All major JEA facilities require badge access. Badge readers are also being installed at substations that don't have them and a new more sophisticated badging system has been implemented.				
2.1.4	<ul style="list-style-type: none"> Fail to establish with consumers a clear understanding of what may be expected and what may not be expected from service offered. 	Ongoing	JEA has updated its mission/vision statement and it has been posted on JEA.com. It communicate what customers should expect from JEA.	Proposed changes to focus on the expectations, not what we can't do: Fail to communicate with consumers of what may be expected from services offered.			
2.1.5	<ul style="list-style-type: none"> Fail to operate without clearly established and updated Customer Service procedures and internally published rules and regulations for service. 	Ongoing	JEA maintains clearly established and up to date Customer Service policies and procedures, as well as regulatory requirements that impact customer services.	Suggested wording changes noted in red.			
2.1.6	<ul style="list-style-type: none"> Fail to operate without mechanisms for collecting consumer complaints that provide for resolution at the lowest staff level and also include prompt response when warranted 	Ongoing	JEA has an established Customer Services Call Center, to address and where applicable all customer complaints. A dedicated Key Customer Accounts function is in place to address the needs of our commercial accounts.				
2.2	Treatment of Staff: With respect to the treatment of staff, the CEO may not cause or	Ongoing					

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	allow conditions that are unfair, unsafe, undignified, disorganized, or unclear. Accordingly, the CEO will not:						
2.2.1	Operate without written personnel rules and regulations that: a. clarify rules for staff b. provide for effective handling of grievances c. protect against wrongful conditions such as nepotism and grossly preferential treatment for personal reasons. d. allow for volunteerism in the community e. require high ethical standards f. recognize the need for work/life balance	Ongoing	JEA maintains clearly established and up to date personnel policies and procedures including: a. Bargaining union and appointed staff agreements. b. Documented and effective grievance process. c. Employment and corporate policies to ensure a fair and equitable working environment. d. Policies that encourage employee to volunteer in the community; including paid leave for volunteer opportunities; JEA sponsored volunteer opportunities; and charitable events, such as United Way fundraising. e. Formal Ethics policy/standards are in place, with required annual training, and an anonymous Ethics Hotline. f. Employees and management are encouraged to maintain a work/life balance. Employees are provided with a significant number of leave days to help balance work/life issues. JEA offers a free Employee Assistance Program to assist employees in various stress/life issues.				
2.2.2	Operate without written job descriptions and performance requirements and reviews that a. characterize the nature of work to be performed b. identify technical, behavioral and physical skills required	Ongoing	A job description is in place for each job position at JEA. The completion and quality of performance reviews are monitored by HR.				

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	c. identify clear standards of accountability						
2.2.3	Fail to provide a safe work environment.	Ongoing	JEA has a comprehensive and effective Employee and public safety program, mandatory training and incentives for maintaining a safe work environment. Specific programs include: 1. Various JEA wide programs are in place that addresses safety issues (e.g., "Lock-out - Tag Out" program addresses controls over sources of hazardous energy). 2. Safety Specialist representatives monitor adherence to safety procedures. 3. Required training class for managers on compliance with safety protocols. (e.g., Real Safety for Leaders).	Suggested wording changes: Fail to authorize providing for a safe work environment.			
2.2.4	Fail to identify and provide training necessary to accomplish the quality of work expected.	Ongoing	JEA has a comprehensive training program which provides a number of mandatory internal and external training opportunities to achieve technical skills, soft skills and employee development. Job function processes and procedures are documented to ensure consistency of effective operations and knowledge retention.	Suggested wording changes: Fail to authorize identification and providing for training necessary to accomplish the quality of work expected.			
2.2.5	Allow any known discrimination or retaliation against any staff member for non-disruptive expression of dissent.	Ongoing	Personnel policies and procedures prohibit discrimination and retaliation against staff members who express non-disruptive expression of dissent. JEA encourages open communication and discussion of all activities. A Committee based structure is in place to solicit input from all employees in decision making processes. An anonymous Ethics				

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			Hotline is in place for employee to report actual or perceived discrimination and or retaliation.				
2.2.6	Fail to acquaint staff with the CEO's interpretation of their protections under this policy.	Ongoing	<p>Personnel policies and procedures Bargaining Union agreements and Appointed job plans clearly define employee's and management responsibilities. Grievance protocols are in place.</p> <p>The CEO's interpretation is imparted to staff via monthly management meetings and annual Town Hall meetings.</p>	<p>Suggested wording changes :</p> <p>Fail to communicate the CEO's interpretation of staff's protections under this policy.</p>			
2.2.7	Allow staff to be under prepared to deal with emergency situations.	Ongoing	<p>Process in place for ongoing evaluation of a Comprehensive Emergency Management Plan (CEMP) which includes clearly defined roles and responsibilities for all employees and job functions.</p> <p>A process is in place to continue testing and assessing storm related disaster recovery plans.</p> <p>Development of a more robust and comprehensive Business Continuity plan is in progress.</p> <p>The CEO recently created a separate Emergency Preparedness department to bring more focus on this function. A presentation to the Board recently occurred.</p>	<p>Suggested wording changes :</p> <p>Fail to authorize an effective process to prepare staff to deal with emergency situations.</p>			
2.2.8	Fail to insure that the company's Core Values are routinely communicated and reinforced to all employees.	Ongoing	<p>The Company's Core Values are included in the Ethics Guidelines and on-line Ethics Training. All employees are required to take this training annually.</p> <p>JEA's core values have recently been revised and re-communicated to all employees.</p>	<p>Suggest adding the following statement:</p> <p>The JEA's Ethics Officer monitors the completion of the annual ethics training by all employees.</p>			

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2.3	Financial Planning/Budgeting: The CEO shall not cause or allow financial planning for any fiscal year or the remaining part of any fiscal year to deviate materially from the Board’s Ends priorities, to risk financial jeopardy, or fail to be derived from a multiyear plan. Accordingly, the CEO will not:	Ongoing	Budgeting process is in place to establish both a capital and O&M budget. Continuous monitoring of expenses occurs to ensure adherence to established budget criteria. Capital Allocation process ensures that capital and funding is allocated in a risk based approach, to ensure regulatory compliance, operational excellence and reliable services to our customers. .				
2.3.1	Risk incurring those situations or conditions described as unacceptable in the Board policy “Financial Condition and Activities.”	Ongoing	CEO significantly strengthened JEA’s financial condition while he was CFO, and has hired a new CFO to continue that trend. The Board policy mentioned is not included in this document.	Board policies should be converted to digital documents and posted on the Corporate tab of Quest, or made an addendum to this document.			
2.3.2	Fail to include credible projection of revenues and expenses, separation of capital and operational items, cash (liquidity) flow, and disclosure of planning and budgeting assumptions.	Ongoing	The Board reviews and approves all proposed budgets, and receives financial projections throughout the fiscal year.	Suggested wording changes noted in red.			
2.3.3	Fail to identify the source for capital expenditures (e.g. internally generated cash, new debt, carry over funds from previous fiscal year).	Annually	Corporate policies define source of funding (internal revenue or debt) for all projects. Capital and O&M allocation and accounting processes ensures adherence to these standards.				
2.3.4	Fail to adhere to approved tariff rates and fees.	Ongoing	JEA adheres to approved tariffs and fees. Any proposed changes go before the Board for approval.				
2.3.5	Fail to set and follow an annual budgeting process that results in a final budget submittal to City Council by July 1 proceeding the budgeted fiscal year.	Annually	The Annual Budget process and close senior management oversight assures timely submittal to City Council by July 1.				
2.3.6	Provide less for Board prerogatives during the year than is set forth in the “Cost of Governance” policy.	Annually	When Board members want to attend a conference or travel on business, the requested expense is	Board policies should be posted on Quest or SharePoint, or included as			

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			brought to the full Board for approval.	an addendum to this manual. Wording needs to define "Cost of Governance" policy. See also Section 4.10.			
2.4	Financial Condition and Activities: With respect to the actual, ongoing financial conditions and activities, the CEO shall not cause or allow the development of financial jeopardy or material deviation of actual expenditures from Board priorities established in Ends policies. Accordingly, the CEO will not:	Ongoing					
2.4.1	Fail to operate within the budget established for the fiscal year.	Annually	The budget process and management oversight are in place to assure JEA operates within the established budget				
2.4.2	Make budget transfers in excess of \$5,000,000 without Board approval.	Ongoing	The budget process and management oversight are in place to assure this condition is met.				
2.4.3	Fail to inform the Board in monitoring reports when reserves are required to meet current expenditures.	Ongoing	The budget process and management oversight are in place to assure this condition is met. Financial presentations are regularly made to the Board.				
2.4.4	Fail to maintain financial and accounting separation between electric, water and wastewater, and District Energy funds as required by regulatory agencies and bond covenants.	Ongoing	Financial Reporting, Accounting, and Treasury process and management oversight are in place to assure this condition is met.				
2.4.5	Fail to operate within established financial parameters nor fail to engage the board when established parameters are considered inadequate to affect a desired bond rating. Current financial parameters: a. Debt Service Coverage b. Fixed Charge coverage c. Cash on Hand d. Working Capital	Ongoing	Budget and Treasury processes and management oversight are in place to assure this condition is met. Financial presentations are regularly made to the Board.				

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	e. Line of Credit f. Fuel Rate Reserve The Board Book reports should be checked for these factors to make sure they are included.						
2.4.6	Operate in violation of JEA's Debt Management Policies.	Ongoing	JEA has a formal Debt Management Policy. Treasury processes and management oversight are in place to assure this condition is met.				
2.4.7	Fail to settle payroll and debts in a timely manner.	Ongoing	Payroll and Treasury processes and management oversight are in place to assure this condition is met.				
2.4.8	Allow tax payments or other government-ordered payments or filings to be overdue or inaccurately filed.	Ongoing	JEA has a dedicated Tax Administration area. Control processes and management oversight are in place to assure this condition is met.				
2.4.9	Fail to establish reasonable security measures to protect against loss of receivables.	Ongoing	JEA has an established reserve for receivables write-offs in an amount recommended by the external auditors.				
2.4.10	Fail to aggressively pursue receivables after a reasonable grace period.	Ongoing	JEA has a dedicated Collections area. Control processes and management oversight are in place to assure this condition is met.				
2.5	Workforce Readiness and Succession Planning: The CEO shall not knowingly allow the workforce to be unprepared to meet current or future business demands. Accordingly, the CEO will not:	Ongoing		Suggested wording changes noted in red.			
2.5.1	Permit there to be fewer than two other executives sufficiently familiar with Board and CEO issues and processes to enable either to take over with reasonable proficiency as an interim successor to protect the Board from sudden loss of CEO services.	Ongoing		Suggest that the CEO discuss with the Board Chairperson at least 2 potential interim successors in the event of an emergency situation.			
2.5.2	Fail to prepare for long term CEO succession.	Ongoing	Formal CEO succession planning is in place which includes direct and full participation of JEA's Board of				

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			Directors. (This statement needs to be confirmed).				
2.5.3	Fail to prepare for Executive Team succession.	Ongoing	Formal succession planning and knowledge transfer processes are in place. Potential future leaders are identified and extensive formal and informal training is provided (e.g., Leadership Academy, Tuition reimbursement program).				
2.5.4	Operate without strategic and tactical plans to have and maintain the right people, in the right place, with the right talent, skills and knowledge.	Ongoing	See comments on 2.5.3 above. Also, one of JEA's strategic indicatives for FY 2014 pertains to hiring and retaining an unbeatable team.				
2.5.5	Fail to develop a workforce that recognizes the value of cultural diversity in internal operations and in serving customers.	Ongoing	JEA has a Cultural Diversity program, and participate in a number of cultural awareness initiatives and celebrations (e.g., black history month).				
2.6	Asset Protection: The CEO shall not knowingly cause or allow corporate assets to be unprotected, inadequately maintained, or unnecessarily risked. Accordingly, the CEO will not:	Ongoing					
2.6.1	Fail to insure adequately against theft and casualty and against liability and losses to Board members, staff, and the organization itself.	Ongoing	JEA employs a number of measures to assure these conditions are met including but not limited to: physical and systems security; manual and systematic fraud prevention controls, formal fraud/ethics training; robust Ethics program/hotline; a comprehensive self-insurance and liability coverage for JEA's facilities and personnel, and collaborating with JEA's insurance carrier to implement their recommendations for better securing our assets while				

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			saving money on insurance premiums.				
2.6.2	Allow unbonded personnel access to material amounts of funds.	Ongoing	All applicable employees are required to be bonded. Control processes and management oversight assures adherence to this standard. Need to validate this statement.				
2.6.3	Subject facilities and equipment to improper wear and tear or insufficient maintenance.	Ongoing	JEA's operations areas, for both our water/wastewater and electric facilities, have an extensive infrastructure maintenance program. Annual budget allocation processes assure funding is directed to the critical area of operations. A formal Enterprise Asset Management system is being developed to more effectively manage assets, maintenance and costs.	Suggested wording changes: Fail to authorize staff to adequately maintain facilities and equipment.			
2.6.4	Unnecessarily expose the organization, the Board, or its staff to claims of liability.	Ongoing	JEA maintains liability insurance for all its senior management team.				
2.6.5	Operate without written claims policies that address fair treatment of claimants, legal liability, ratepayer costs and sound business practices.	Ongoing	JEA has a dedicated Risk Management liability insurance area and an area that handles third party claims. Brand Management, claims, Security, Facilities, Information Security and Records Management all participate in protecting these assets. Control processes and management oversight are in place to assure this condition is met.				
2.6.6	Fail to protect corporate assets including, but not limited to, property rights, corporate image, physical assets, intangible assets, intellectual property, information, and files from loss or significant damage.	Ongoing	See 2.6.5 above.				
2.6.7	Receive, process, or disburse funds without sufficient controls.	Ongoing	Treasury functions, control processes and management oversight is in place to assure this condition is met.	Suggested wording changes:			

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				Allow inadequate controls over the receiving, processing, or disbursement of funds.			
2.6.8	Invest funds in violation of JEA’s Investment Policies.	Ongoing	JEA has a formal Investment policy. Treasury functions, control processes and management oversight is in place to assure this condition is met.				
2.6.9	Fail to ensure that all employees and outsourced contract service providers understand their responsibility to comply with all applicable laws and regulations and JEA’s Code of Ethics.	Ongoing	All employees who receive a JEA check are required to take mandatory ethics and safety training and agree to abide by it. Procurement policies, bids and contracts also have provisions to assure external contractors adhere to the noted standards. Contractors are agreeing to JEA’s Code of Ethics when they accept the contract/purchase order.	Suggested wording changes: Fail to ensure that the responsibility to comply with all applicable laws and regulations and JEA’s Code of Ethics has been communicated and agreed to by all employees and outsourced contract service providers.			
2.7	Compensation and Benefits: With respect to employment, compensation, and benefits to employees, consultants, contract workers, and volunteers, the CEO shall not cause or allow jeopardy to financial integrity or to public image. Accordingly, the CEO will not:	Ongoing					
2.7.1	Change the CEO’s own compensation and benefits, except as those benefits are consistent with a package for other appointed employees.	Ongoing	The CEO’s compensation and benefits package is contractual and is approved by the Board. However, if for example, a company-wide change was made to JEA’s health benefits carrier, the CEO would participate in that change.				
2.7.2	Promise or imply unconditional permanent or guaranteed employment.	Ongoing	JEA policies and practices assure adherence to this standard, within the provision of the Bargaining Agreements, the Appointed Pay Plan and employment contracts.				
2.7.3	Administer compensation and benefits that fail to address individual accountability,	Ongoing	JEA’s compensation program is currently undergoing an				

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	motivate and reward for knowledge and skills that encourage organizational flexibility and responsiveness or are inconsistent with the geographic and professional market for the skills employed.		assessment, and changes will be made based on the results. One of the CEO's strategies for 2013 and beyond is to hire and retain "unbeatable talent".				
2.8	Communication and Support to Board: The CEO shall not cause or allow the Board to be uninformed or unsupported in its work. Accordingly, the CEO will not:	Ongoing					
2.8.1	Neglect to submit monitoring data required by the Board in Board-Management Delegation policy "Monitoring CEO Performance" (Section 3.4 of this manual) in a timely, accurate, and understandable fashion, directly addressing provisions of Board policies being monitored, and including CEO interpretations consistent with Board-Management Delegation policy "Delegation to the CEO," (Section 3.3 of this manual) as well as relevant data.	Ongoing	See Section 3.3 and 3.4 of this manual	Suggested wording changes are in red. In addition, the CEO may want to consider an annual report specifically addressing the Board ends. See also section 3.3, 3.4, and 3.4.5 below. The policies referenced here are not clearly defined or described.			
2.8.2	Allow the Board to be unaware of any actual or anticipated noncompliance with any Ends or Executive Limitations policy of the Board regardless of the Board's monitoring schedule.	Ongoing	See also section 3.3, 3.4, and 3.4.5 below.				
2.8.3	Allow the Board to be without decision information required periodically by the Board or let the Board be unaware of relevant trends.	Ongoing	The Board is kept aware of relevant risk trends via the Top Corporate Risks reports provided quarterly to the Finance & Audit Committee of the Board. Operations, financial and regulatory trends are included in the monthly Board Report.				
2.8.4	Let the Board be unaware of any significant incidental information it requires including anticipated media coverage, threatened or pending lawsuits, and material internal and external changes.	Ongoing	Anticipated media coverage would be identified by JEA's media department, who would pass it along to the CEO who in turn would notify the Board members. Also, reputation risk (External				

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			<p>Stakeholder Risk) is discussed at FAC meetings.</p> <p>At the CEO's direction, potential/pending lawsuit activity is discussed at least annually at an FAC meeting, by an OGC attorney. Also, the process to handle fraud risk is being revised centralize and improve communications in the event of a significant fraud.</p> <p>The CEO worked closely with the Board Chair regarding the change to embrace JD Power as the main company measure of customer satisfaction.</p>				
2.8.5	Allow the Board to be unaware that, in the CEO's opinion, the Board is not in compliance with its own policies on Governance Process and Board-Management Delegation, particularly in the case of Board behavior that is detrimental to the work relationship between the Board and the CEO.	Ongoing	The new CEO requested this review of the Governance Manual by audit Services to determine if there was a gap in Board compliance and/or in CEO compliance. This item is being addressed by this document.				
2.8.6	Present information in unnecessarily complex or lengthy form or in a form that fails to differentiate among information of three types: monitoring, decision preparation, and other.	Ongoing	<p>The CEO and senior staff consistently make an effort to present information in a concise yet complete and clear manner. Operations reports were recently reformatted to make them more succinct.</p> <p>All items on the board and F&AC agendas are identified as information only (I) or an Action (A). "Monitoring" and "Other" would be information only items. "Decision preparation" would be "Action" items.</p>				

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2.8.7	Allow the Board to be without a workable mechanism for official Board, officer, or committee communications.	Ongoing	The Board and FAC receive their books of information pertaining to the upcoming meeting a week in advance to allow time for them to look it over. The information is now also available electronically for download by Board members' laptops and tablets. The CEO meets with the Chair individually, and may meet with other Board members individually as needed. Board members can individually always contact the CEO.				
2.8.8	Deal with the Board in a way that favors or privileges certain Board members over others, except when (a) fulfilling individual requests for information or (b) responding to officers or committees duly charged by the Board.	Ongoing	All Board members' requests for information are given equally high priority. The Chair of the Board and the Chair of the Finance & Audit Committee are consulted individually.				
2.8.9	Fail to submit to the Board a consent agenda containing items delegated to the CEO yet required by law, regulation, or contract to be Board-approved, along with applicable monitoring information.	Ongoing	Consent agendas are part of every Board agenda, and the necessary documents are always included. If the information was not complete or was not clear, a Board member could ask that the item in question be reviewed and voted on separately. That has not happened in recent memory.				
2.8.10	Fail to provide a process to retain relevant background information on previous Board policy decisions.	Ongoing	Approved minutes, agendas and supporting documents are kept for all Board meetings, executive sessions, and committee meetings, on the Board section of Quest.				
2.9	Regulatory/Legislative Requirements: The CEO will not fail to effect regulatory and legislative action favorable to the organization.	Ongoing	Legislative Affairs monitors all proposed/pending regulatory and legislative initiatives that may impact JEA. Processes are in place to evaluate the impact of each initiative and determine a course of action to minimize the impact and/or establish processes and infrastructure to ensure compliance, if required. Risk	Suggested wording changes: The CEO will not fail to work with industry and legislative groups to attempt to effect regulatory and legislative action favorable to the organization.			

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Policy Ref #	Requirement	Frequency	Current Activities	Suggested Changes	Board Feedback		
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			Committees (e.g., CIP, EPA rules) are in place to coordinate efforts.				
2.10	Enterprise Risk Management: The CEO shall not cause or allow conditions, procedures or decisions which fail to identify, measure, monitor and manage, within established risk tolerances, potential events that may affect achievement of the Ends. Accordingly, the CEO will not:						
2.10.1	Fail to establish and maintain a written Enterprise Risk Management (ERM) Plan and an ERM program that includes management-level policies, procedures and process controls to help ensure that the enterprise-wide business risk exposures are properly identified, managed and, when appropriate, reported to the Board.	Ongoing	JEA has established the formal, Board approved Enterprise Compliance and Risk Policy and program. Dedicated resources have been assigned to facilitate the program which is managed through the Enterprise Compliance & Risk Committee (ECRC) made up of the SLT. Top corporate risks are reported to F&AC of the Board quarterly.				
2.11.	Procurement Activities: The CEO shall not fail to develop procurement policies and procedures that adhere to all applicable federal, state and local laws and ordinances and provide for increased public confidence in the procurement activities of JEA. Accordingly, the CEO will not:			Suggested wording changes: Procurement Activities: The CEO shall not fail to authorize development of procurement policies and procedures that adhere to all applicable federal, state and local laws and ordinances and encourage or facilitate increased public confidence in the procurement activities of JEA.			
2.11.1	Fail to authorize development and implementation and disseminate simple, clear and up-to-date rules for all procurement	Ongoing	The Procurement code, policies and procedures are in place to clearly define and establish rules for JEA's procurement process. JEA requirements are communicated to all JEA employees and potential vendors.	Suggested wording changes are noted in red.			

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Policy Ref #	Requirement	Frequency	Current Activities	Suggested Changes	Board Feedback		
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2.11.2	Fail to ensure the fair and equitable treatment of all persons who deal with the JEA procurement system.	Ongoing	Procurement code and management review/oversight verifies the integrity and quality of the procurement process. Vendor's have the ability to bring complaints and/or bid protests.	Suggested wording changes: Fail to authorize a procurement process that provides fair and equitable treatment.			
2.11.3	Fail to provide increased economy in all procurement activities and to maximize to the fullest extent practicable the purchasing value of JEA funds.	Ongoing	Procurement Code and processes allows the bid evaluation process to include both quantitative (cost factor) and qualitative criteria in vendor selection. All awards are approved by the CEO after approval by the Awards Committee.	Suggested wording changes: Fail to direct that all procurement activities maximize to the fullest extent practicable the purchasing value of JEA funds.			
2.11.4	Fail to direct the procurement process to foster effective, broad-based competition within the free enterprise system	Ongoing	See comments on 2.11.4 above.	Suggested wording changes are noted in red.			
2.11.5	Fail to provide safeguards for the maintenance of the procurement system quality and integrity.	Ongoing	Procurement code and management review/oversight verifies the integrity and quality of the procurement process. Vendor's have to ability to bring grievances and/or bid protests. All awards are approved by the CEO after approval by the Awards Committee.				
2.11.6	Fail to direct the procurement process to provide a clear and timely administrative remedy process to all those aggrieved during any phase of the procurement process.	Ongoing	Procurement code and administrative processes are in place to address any vendor complaints and/or bid protests during the procurement process.	Suggested wording changes noted in red.			
2.11.7	Fail to provide effective access for Small and Emerging Local Businesses.	Ongoing	Formal Small Emerging Business Program is in place that allow local small businesses to participate in JEA's procurement .	Suggested wording changes: Fail to provide procurement opportunities for Small and Emerging Local Businesses			
3.0 GLOBAL BOARD-MANAGEMENT DELEGATION	The Board's sole official connection to the operational organization, its achievements, and conduct will be through a chief executive officer titled Managing Director / CEO,						

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Policy Ref #	Requirement	Frequency	Current Activities	Suggested Changes	Board Feedback		
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	referred to within this document simply as CEO.						
3.1 UNITY OF CONTROL	Unity of Control: Only officially passed motions of the Board are binding on the CEO.						
3.1.1	Decisions or instructions of individual Board members, officers, or committees are not binding on the CEO.	Ongoing	Board Responsibility				
3.1.2	In the case of Board members or committees requesting information or assistance without Board authorization, the CEO can refuse such requests that require, in the CEO's opinion, a material amount of staff time or funds, or are disruptive. The CEO shall promptly inform the Board if requests from Board members or committees are refused.	Ongoing	Board/CEO Responsibility Past Board members have individually requested documents that have taken substantial amounts of staff time, but the former CEO felt it was a worthwhile effort. The current CEO also understands this is his call, and will do so if/when necessary.	Suggest the Board Chair remind Board members of provisions 3.1.1 and 3.1.2.			
3.2 ACCOUNTABILITY OF CEO	Accountability of the CEO: The CEO is the Board's only link to operational achievement and conduct, so that all authority and accountability of staff, as far as the Board is concerned, is considered the authority and accountability of the CEO.	Ongoing	Board Responsibility This provision is being complied with by both the Board and the CEO. Although operational, financial, and compliance/control/risk reports are presented by staff, and the Board may ask questions of staff while they are presenting, it is understood that the CEO is accountable to the Board for the results.				
3.2.1	The Board as a body and individual Board members will never give instructions to persons who report directly or indirectly to the CEO.	Ongoing	Board Responsibility The Board complies with this provision. However, the Finance & Audit Committee can give instructions to the Director, Audit Services as provided for by the FAC Policy.				

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Policy Ref #	Requirement	Frequency	Current Activities	Suggested Changes	Board Feedback		
					Changes Approved	Changes Not Approved	Additional Suggested Changes
3.2.2.	The Board will not evaluate, either formally or informally, any staff other than the CEO. However, the CEO will discuss his evaluation of the executives identified as potential interim CEO successors, with the Chair of the Board . (refer to 2.5.2)	Ongoing	Board Responsibility The Board does not evaluate any JEA employees other than the CEO.	Wording changes noted in red suggest the CEO discuss his evaluation of potential interim or emergency CEO successors with the Chair of the Board.			
3.2.3	The Board will view CEO performance as identical to organizational performance so that organizational accomplishment of Board-stated Ends and avoidance of Board-described means will be viewed as successful CEO performance.	Ongoing	Board Responsibility The Board has formally evaluated CEO performance. The Board determined that the process used for FY 2014 should be better defined.	Suggest the evaluation process be defined in a separate document, instead of in the Governance Manual, and just referred to here. The separate document should equate CEO performance with JEA's performance on its key strategic objectives, as stated in 3.2.3.			
3.3 DELEGATION TO THE CEO	Delegation to the CEO: The Board will instruct the CEO through written policies that prescribe the organizational Ends to be achieved and describe organizational situations and actions to be avoided, allowing the CEO to use any reasonable interpretation of these policies.	Ongoing	Board Responsibility Sections 1 and 2 of this manual describe the organizational ends to be achieved, and the situations to be avoided.				
3.3.1	The Board will develop policies instructing the CEO to achieve specified results, for specified recipients, at a specified cost. These policies will be developed systematically from the broadest, most general level to more defined levels and will be called Ends policies. All issues that are not ends issues as defined here are means issues.	Ongoing	Board Responsibility Sections 1 and 2 of this manual describe the organizational ends to be achieved, and the situations to be avoided. Strategic objectives for the organization are set prior to the start of each fiscal year.	Suggest the ends and means terminology be eliminated, and just refer to Sections 1 and 2, or refer to current Board-approved strategic objectives. In general, the Board does not develop policies, management does, and submits them to the Board for approval. Also, policies are usually broad, not as specific as indicated in 3.3.1. However, policy statements are contained in this Manual.			

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Policy Ref #	Requirement	Frequency	Current Activities	Suggested Changes	Board Feedback		
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3.3.2	The Board will develop policies that limit the latitude the CEO may exercise in choosing the organizational means. These limiting policies will describe those practices, activities, decisions and circumstances that would be unacceptable to the Board even if they were to be effective. Policies will be developed systematically from the broadest, most general level to more defined levels, and they will be called Executive Limitations policies. The Board will never prescribe organizational means delegated to the CEO.	Ongoing	Board Responsibility Sections 1 and 2 already contain policy statements that limit activities.	See suggestions for 3.3.1 above.			
3.3.3	As long as the CEO uses <i>any reasonable interpretation</i> of the Board's Ends and Executive Limitations policies, the CEO is authorized to establish all further policies, make all decisions, take all actions, establish all practices, and pursue all activities. Such decisions of the CEO shall have full force and authority as if decided by the Board.	Ongoing	Board Responsibility The CEO does establish policies, and authorizes staff to develop policies on his behalf.				
3.3.4	The Board may change its Ends and Executive Limitations policies, thereby shifting the boundary between Board and CEO domains. By doing so, the Board changes the latitude of choice given to the CEO. However, as long as any particular delegation is in place, the Board will respect and support the CEO's choices.	Ongoing	Board Responsibility The Board has not changed its policies since this manual was created and approved, except for the delegation of authority for issuing bonds, which is periodically revised and renewed. The Finance & Audit Committee Policy has also been periodically revised.				
3.3.5	Should the CEO violate a Board policy, he or she shall promptly inform the Board. Informing is simply to guarantee no violation may be intentionally kept from the Board, not to request approval. Board response, either approving or disapproving, does not exempt the CEO from subsequent Board judgment of the action nor does it curtail any executive decision.	Ongoing	The CEO regularly consults with the Board Chair, and also with the FAC Chair as necessary and appropriate. Difficult information is not withheld from the Board, as demonstrated by communication about JEA's Top Corporate Risks.				

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3.4 MONITORING CEO PERFORMANCE	Monitoring CEO Performance: Systematic monitoring of CEO job performance will be solely against the only expected CEO job achievements: organizational accomplishment of Board policies on Ends and organizational operation within the boundaries established in Board policies on Executive Limitations.	Ongoing	Board Responsibility	Rather than “expected CEO job achievements” suggest using “CEO goals that correlate with JEA strategic goals and are mutually agreed to by the Board and the CEO”.			
3.4.1	Monitoring is simply to determine the degree to which Board policies are being met. Data or information that does not do this will not be considered to be monitoring information.	Ongoing	Board Responsibility				
3.4.2	The Board will acquire monitoring information by one or more of these methods: <ul style="list-style-type: none"> • By internal report, in which the CEO discloses interpretations and compliance information to the Board. • By external report, in which an external, disinterested and independent third party selected by the Board assesses compliance with Board policies (e.g. external financial audit). • By direct Board inspection, in which a designated member or members of the Board assess compliance with the appropriate policy criteria. 	Ongoing	Board Responsibility The Board regularly receives various operational, financial, regulatory compliance, and other reports pertaining to JEA’s strategic objectives, but these reports do not necessarily correlate to the Ends in this manual.	Suggest that a document be prepared summarizing all the reports currently provided to the Board, and mapping them to their Ends (or policy statements), JEA’s strategic objectives, and other items in the 3.4.5 Schedule below. If any gaps are identified, consider developing additional reports as needed.			
3.4.3	In every case, the Board will judge (a) the reasonableness of the CEO’s interpretation and (b) whether data demonstrate accomplishment of the interpretation.	Ongoing	Board Responsibility At every Board meeting, Board members have the opportunity to ask questions and make requests for more information.	Sections 3.4.3 – 3.4.4 are somewhat repetitive. Suggest they be combined and condensed.			
3.4.4	The standard of compliance shall be any reasonable CEO interpretation of the Board policy being monitored. The Board is the final arbiter of reasonableness.	Ongoing	Board/CEO Responsibility	See 3.4.3 above.			
3.4.5	All policies that instruct the CEO will be monitored at a frequency and by a method chosen by the Board. The Board can monitor	Ongoing	Board/CEO Responsibility				

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	any policy at any time by any method, but will ordinarily depend on a routine schedule:						
3.4.5 Schedule 1 Policies	<ul style="list-style-type: none"> • Ends – Internal • Treatment of Customers – Internal • Treatment of Staff – Internal • Financial Planning/Budgeting – Internal • Financial Condition & Activities – Internal/External • Asset Protection – Internal • Emergency CEO Succession – Internal • Communication and Support to Board – Internal 	Annually Annually Annually End of Qtr./ Fiscal YE Annually Annually Annually	The Board receives numerous reports addressing these topics throughout the year. In the Manual, there is a footnote appearing just above the schedule at left that states the final schedule will be set after policies are developed. We are not aware of any subsequent Board policies being developed.	Suggest adopting this schedule as final. Also, see suggestion in 3.4.2 above. This schedule could replace 3.3.1 above.			
3.4.5 Schedule 2 Reports	In addition to the monitoring reports above, the Board must receive the following information each month. It is understood that this data is supplemental, not monitoring: <ul style="list-style-type: none"> • Financial Report– Internal • Operational Report– Monthly End of Month	End of Month	CEO Responsibility These reports are provided to the Board each month, and are presented at Board meetings every other month.				
3.5	CEO Remuneration: Salary and benefits and other terms of employment for the CEO will be determined by contract.	Ongoing	Board Responsibility A CEO contract is currently in force, and a Board committee has been formed to negotiate a new one in the coming months.				
4.1 GOVERNING STYLE	The Board will govern in accordance with legal requirements, observing the principles of the Policy Governance model, with an emphasis on (a) outward vision rather than internal preoccupation, (b) encouragement of	Ongoing	Board Responsibility The Board is regularly required to spend time on current activities such as budget, labor, and bond deal approvals. The Board	Suggest that the Board Chair remind Board members of this and all other governance requirements.			

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	diversity in viewpoints, (c) strategic leadership more than administrative detail, (d) clear distinction of Board and chief executive roles, (e) collective rather than individual decisions, (f) future more so than past or present, and (g) proactivity rather than reactivity.		receives frequent status reports on JD Power results, an outward, customer facing initiative. The Board has also formed the EPA committee to monitor pending environmental regulations that will have a significant impact on JEA.				
4.1.1	Unique Requirements of Florida Law for Public Boards: In conducting its duties as a Board in Florida, the Board is required to comply with the Florida Sunshine Law, which prohibits any two or more members of the Board from meeting unless the meeting has been properly noticed and conducted in accordance with the legal requirements. In addition, Florida Law contains requirements regarding Public Records, conflicts of interest and voting which must be followed in the conduct of the Board's business.	Ongoing	Board Responsibility All public records, and conflict of interest requirements are adhered to by the Board, and periodic training/refreshers are provided on these topics by OGC. JEA observes all public meeting requirements.				
4.1.2	The Board will cultivate a sense of group responsibility and will be a proactive Board versus a reactive Board. The Board, not the staff, will be responsible for excellence in governing. As appropriate, the Board will suggest topics for policies to staff who will perform the research and flesh out the policy for Board approval. The Board will use the expertise of individual members to enhance the ability of the Board as a body rather than to substitute the individual judgments for the Board's values.	Ongoing	Board Responsibility The Board has not generally initiated policy. The Board reviews and approves policies brought by staff. In the last few years Board member turnover has been substantial, and Board members are not industry experts. It is especially difficult for newer Board members to initiate and formulate policies. One exception – in 2008, the Board did initiate the creation of an audit committee.	Consider revising this section as shown at left in red, or delete it.			
4.1.3	The Board will direct, control, and inspire the organization through the careful establishment of broad written policies reflecting the Board's values and perspectives. The Board's major policy focus will be on the intended long-term impacts outside the staff organization, not on the administrative or	Ongoing	Board Responsibility The Board approved and implemented the establishment of this Governance Manual, which contains substantial policy type statements.				

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	programmatic means of attaining those effects		The CEO arranges for staff to regularly present topics to the Board involving outside long term impacts. In addition, Board members receive quarterly ERM reports which focus on the company's biggest risks, many of which are external.				
4.1.4	The Board will enforce upon itself whatever discipline is needed to govern with excellence. Discipline will apply to matters such as attendance, preparation for meetings, policymaking principles, respect of roles, and ensuring the continuance of governance capability. Although the Board can change its Governance Process policies at any time, it will diligently observe those currently in force.	Ongoing	Board Responsibility	When there is a vacancy on the Board, suggest that existing Board members clearly communicate the expectations of the job to the Mayor's office, and encourage the Mayor to select candidates who will willingly meet those expectations.			
4.1.5	Continual Board development will include orientation of new Board members in the Board's governance process and periodic Board discussion of governance process improvement.	Ongoing	Board/CEO Responsibility Current practice is to assign new Board members to the Finance & Audit Committee, which has been effective in providing a crash course in certain JEA functions and processes. In addition, the CFO, Treasurer, Controller, and Chief Auditor provide an orientation session for new members of the Finance & Audit Committee.	Provide more structured training for new Board members at the start of their tenure, especially in public records, restraint in front of the media, conflict of interest and other ethics issues, and regulatory reporting requirements for Board members. Training should include appropriate documents that they can refer back to should the need arise.			
4.1.6	The Board will allow no officer, individual, or committee of the Board to hinder or serve as an excuse for the Board not fulfilling its commitments.	Ongoing	Board Responsibility The Board is in compliant with this provision.				
4.1.7	Each member of the Board will respect the final determination of the Board concerning any particular matter, regardless of the member's personal position concerning such matter.	Ongoing	Board Responsibility There has been some apparent discord among Board members on several occasions, even in the recent past, which created some controversy, and could have negatively impacted the ability of	Suggest that Board members be reminded by their Chair that they must show respect to fellow Board members, and also that during Board meetings, all comments are subject to			

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			Board members to perform their duties and reach decisions.	public scrutiny by the media.			
4.2 BOARD JOB DESCRIPTION	Specific responsibilities of the Board are those that ensure appropriate organizational performance.						
4.2.1	The Board is the authoritative link between the organization and the ownership.	Ongoing	Board Responsibility The Board is the official link between COJ and JEA, but the term "authoritative link" could be better defined. The CEO is the individual whom city officials would most likely contact when needing a decision or information.	Suggest revising 4.2.1 to more accurately define the roles and responsibilities, as noted below. The Board is the official link between JEA and COJ, and is the final authority on decisions within its purview. JEA's CEO is the main contact for COJ on normal business matters.			
4.2.2	The Board will provide governing policies that realistically address the broadest levels of all organizational decisions and situations: a. Ends: The organizational outcomes to its recipients including the relative worth of such outcomes in cost or priority. (What good for which recipients at what cost) b Executive Limitations: Constraints on executive authority that establish the prudence and ethics boundaries within which all executive activity and decisions must take place. c. Board-Management Delegation: Specification of how power is delegated and its proper use monitored; clarity on the CEO's role, authority, and accountability. d. Governance Process: Specification of how the Board develops, carries out, and monitors its own responsibilities.	Ongoing	Board Responsibility The Board Governance Manual fulfills the purpose outlined at left. However, the Manual contains policy statements, not actual policies in the normal sense.				
4.2.3	The Board will measure the CEO's performance against its Ends and Executive Limitations Policies.	Ongoing	Board Responsibility The Board has handled this with respect to the past CEO and is expected to continue with the current CEO.	Since there continue to be new Board members, they may need some guidance on this process, including tools/forms to be used. Also, suggest that CEO			

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				<p>performance be measured against the CEO's goals and JEA's strategic objectives, as mutually agreed to by the CEO and the Board. See suggested wording changes below.</p> <p>The Board will measure the CEO's performance against the CEO's goals and JEA's strategic objectives, which would address the Board's Ends and Executive Limitations, and which would be mutually agreed to by the CEO and the Board.</p> <p>Also, this item seems duplicative with section 3.4 Monitoring CEO Performance. Suggest one of them be eliminated.</p>			
4.2.4	The Board will measure its own performance against its Governance Process and Board-Management Delegation Policies quarterly.	Ongoing	<p>Board Responsibility</p> <p>To our knowledge, the Board has not measured its own performance, either quarterly, or with any other frequency. There has been significant turnover on the Board for the past few years, with vacancies lasting for months before being filled by the Mayor and City Council.</p> <p>The Finance & Audit Committee performs its own self-assessment annually.</p>	<p>The FAC recommended that the full Board also perform a self-assessment process similar to what the Finance & Audit Committee uses.</p> <p>In addition, it is suggested that the Board review past Board turnover and evaluate the reasons to determine if there are trends that need to be addressed by changes to this Manual.</p>			
4.2.5	Board members will respect their fiduciary responsibilities to protect and enhance the value of JEA as a citizen-owned enterprise	Ongoing	Board Responsibility	The JEA Board may want to consider developing desirable skills profiles for			

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	with due diligence using sound business judgment consistent with JEA's legislative charter.		Board members do fulfill their fiduciary responsibilities, some of which are delegated to the Finance & Audit Committee. The current Board has a good balance of the skillsets identified at right.	Board members so that there is representation from the fields of finance, law, marketing/communications, community service/nonprofit, and internal/external auditing and accounting. These profiles could be provided to the Mayor's office to assist in identifying candidates.			
4.3 AGENDA PLANNING	To accomplish its responsibilities with a governance style consistent with Board policies, the Board will follow an annual agenda that (a) completes a re-exploration of Ends policies at least annually and (b) continually improves Board performance through education and deliberation.		The Board has not reassessed this Manual since it was approved in 2010.	The changes suggested in this document may assist with a reassessment process.			
4.3.1	The Board will establish its annual agenda during an annual retreat to be scheduled around March of each year. a. The Board will review and re-establish its Ends policies as often as necessary with review always taking place at least during the annual retreat. b. Consultations with selected groups in the ownership, or other methods of gaining ownership input, will be scheduled as part of the annual agenda. c. Governance education and education related to Ends determination (presentations by futurist, demographers, advocacy groups, staff, etc.) will be scheduled as part of the annual agenda.	Ongoing	Board/CEO responsibility Board workshops are held at least annually to review and approve JEA's strategic objectives each fiscal year. Workshops are also held periodically to address a Board need for more detailed information on a particular subject that would be too time-consuming for a regular Board meeting. However, these workshops do not typically address reviewing the Ends policies in this manual.	Suggest revising this section to more accurately reflect what actually takes place.			
4.3.2	The agenda for the Board's monthly meeting will be established through consultation with the Chair and the CEO. a. The agenda along with supporting item documentation will be made available to	Ongoing	Board/CEO Responsibility Section 4.3.2 is being adhered to.	For part c., two weeks (only one week for JEA staff) may not be long enough to develop a presentation on a complex subject.			

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	<p>Board members seven days prior to monthly Board meetings.</p> <p>b. The Board will attend to consent agenda items as expeditiously as possible.</p> <p>c. A Board member may bring up new business at the appropriate time on the agenda during any meeting; however, if a formal response or presentation is necessary, a request should be made to the CEO no later than two weeks before the Board meeting to allow others on the Board to receive information in advance.</p> <p>d. CEO monitoring will be on the agenda if reports have been received since the previous meeting, if plans must be made for direct inspection monitoring, or if arrangements for third-party monitoring must be prepared.</p>			<p>Part d. Since CEO goals should be closely aligned with JEA strategic objectives, suggest part d. focus on monitoring strategic objectives via reports received from management.</p>			
4.4 BOARD OFFICERS	<p>Board officers assure the integrity of the Board's process and record's. Board officers are: Chairman, Vice-Chairman, Secretary & Assistant Secretary.</p>	Ongoing	Board Responsibility				
4.4.1	<p>The Chairman, a specially empowered member of the Board, ensures the integrity of the Board's process and, secondarily, occasionally represents the Board to outside parties.</p> <p>a. The Chairman's role is to see that the Board behaves consistently within its own rules and those rules and regulations imposed upon it from outside the organization.</p> <p>(1) Meeting discussion content will consist of issues that clearly belong to the Board to decide Board/CEO responsibility or to monitor according to Board policy.</p> <p>(2) Information that is neither for monitoring performance nor for Board decisions will be avoided or minimized and always noted as such.</p> <p>(3) Deliberation will be fair, open, and thorough but also timely, orderly, and kept to the point.</p> <p>b. The authority of the Chairman consists in making decisions that fall within topics covered by Board policies on Governance</p>	Ongoing	<p>Board/CEO Responsibility</p> <p>Board Chairs have been complying with the provisions of this section.</p> <p>The CEO works closely with the Board Chair when developing meeting agendas.</p>	<p>Change the term Chairman at left to Chair, since the Chair has been female on multiple occasions.</p> <p>New or prospective Board Chairs and Vice Chairs, depending on their experience level, may need coaching on how to interact with the media, how to bring the discussion back to the subject at hand, and/or when to bring the discussion to a close if it has gone on long enough.</p>			

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	<p>Process and Board-Management Delegation, with the exception of (a) employment or termination of the CEO and (b) areas where the Board specifically delegates portions of this authority to others. The Chairman is authorized to use any reasonable interpretation of provisions in these policies.</p> <p>(1) The Chairman is empowered to chair Board meetings with all the commonly accepted powers of that position, such as ruling and recognizing.</p> <p>(2) The Chairman has no authority to make decisions about policies created by the Board within Ends and Executive Limitations policy areas.</p> <p>(3) The Chairman may represent the Board to outside parties in announcing Board-stated positions and in stating Chairman decisions and interpretations within the area delegated to that role.</p> <p>(4) The Chairman may delegate this authority but remains accountable for its use.</p> <p>(5) The Chairman may appoint members and a Chairman for each Board committee, unless otherwise stipulated by Board policies or the organization's Bylaws.</p> <p>c. Expected Traits for chairman: (Does the Board want to include some basic core traits for the chair?)</p>			4.4.1.c. Basic core traits for the Chair have never been defined. Suggest this item be deleted.			
4.4.2	The Vice-Chairman or, in the absence of the Vice-Chairman, the immediate Past-Chairman will serve as Chair in the absence of the Chairman.	Ongoing	Board Responsibility This provision is being adhered to.				
4.4.3	The Board Secretary is an officer of the Board whose purpose is to ensure the integrity of the Board's documents.	Ongoing	Board/CEO Responsibility	Board members, or at least the Secretary, may need training on the Charter, By-			

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	<p>a. The Secretary's role is to see to it that all Board documents and records are accurate and timely.</p> <p>(1) Policies will be current in their reflection of Board decisions. Decisions upon which no subsequent decisions are to be based, such as consent agenda decisions, motions to adjourn, and staff or Board member recognitions, need not be placed in policy.</p> <p>(2) Policy Governance principles will be followed in policy development.</p> <p>(3) Board policies and By-laws are to be consistent with the legal requirements of Florida Law, Ordinances of the City of Jacksonville and the JEA Charter and are to be known by the Board.</p> <p>(4) Board expectations for format, brevity, and accuracy of Board minutes will be known to the CEO.</p> <p>b. The authority of the secretary is access to and control over Board documents and records.</p>		<p>There is not process in place to assure that 4.4.3.a.1-3 are being adhered to.</p>	<p>laws, Ordinances, etc., and on the role of the Secretary.</p> <p>This is a critical position for the Board and should not be passed around from member to member. Someone from JEA may need to be appointed as an assistant to the Secretary (not Assistant Secretary as shown in 4.4.4 below) to help with compliance issues.</p> <p>Also, when a significant Board decision is to be made, it should be vetted against the policy statements in this manual, and other pertinent policies, to determine if changes are needed either to the decision or to existing policies. A component could be added to the Agenda Item Summary form to address this, or item 4.4.3 should be revised or deleted.</p>			
4.4.4	The Assistant Secretary will serve as Secretary in the absence of the Secretary.	Ongoing	<p>Board/CEO Responsibility</p> <p>Currently an Assistant Secretary has not been appointed.</p>	<p>A Board member should be appointed as Assistant Secretary, or if this is no longer felt to be needed, this item should be deleted, and any other applicable Board documents should be updated accordingly.</p>			
4.5. RULES OF ORDER	Board meetings will be conducted in an orderly and fair process consistent with the requirements of Florida Law, Ordinances of the City of Jacksonville, the JEA Charter, Bylaws and these governance policies. Meetings will be led by the Chairman, or, in	Ongoing	<p>Board Responsibility</p> <p>4.4.2 above states that in the absence of the Chair and Vice Chair, meetings will be chaired by the former Chair.</p>	<p>4.5 should be revised to match 4.4.2 above.</p>			

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	the absence of the Chairman, the Vice-Chairman, or, in the absence of both, by the Chairman's designee.						
4.5.1	Board meetings will be conducted with punctuality and order. a. Board meetings shall be called to order at the time specified in the notice of meeting and upon satisfaction of a quorum. b. Meeting order shall be maintained and all members treated with dignity, respect, courtesy, and fairness during discussion and debate and in all other respects. c. Board members must keep their comments relevant to the issue under consideration. d. In order to conduct business, a quorum of four (4) board members must be present. Four affirmative votes are required to decide all motions before the Board regardless of number in attendance.	Ongoing	Board Responsibility	The Board Chair should bring the discussion back to the subject at hand and/or curtail it if it strays to other subjects, becomes repetitive, or is no longer productive.			
4.5.2	Board meetings will be conducted at a level of informality considered appropriate by the Chairman yet with predictable discipline. a. Discussion of a matter not on the previously distributed agenda may occur only after Board consent that the matter be heard. b. Proposals that the Board take action, or decide a particular matter, shall (unless otherwise agreed to by unanimous consent) be made by main motion of a Board member, discussed, and then voted on. Motions require a second to proceed to discussion and subsequent vote. c. The Chair may not make motions but can engage in debate and is required to vote. d. A motion to amend a main motion may be amended but third level amendments are not to be heard. e. A motion to refer to a committee, postpone, or table, may be made with respect to a pending main motion, shall take precedence over the pending motion and, if carried, shall set the main motion (the initial proposal) aside accordingly.	Ongoing	Board Responsibility In general, the Board is adhering to these provisions, with the possible exception of d. and e. which have not occurred in recent memory to our knowledge.				

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	<p>f. Board members may speak to a pending motion on as many occasions, and at such length, as the Chair may reasonably allow.</p> <p>g. A vote on a motion shall be taken when discussion ends, but any Board member may, during the course of debate, move for an immediate vote (close debate or call the question) which, if carried, shall end discussion and the vote on the main motion shall then be taken. Votes may be made by voice vote or by roll call. All members of the Board are required to vote unless a conflict of interest is declared.</p> <p>h. A motion to adjourn a Board meeting may be offered by any Board member or, on the conclusion of all business, adjournment of the meeting may be declared by the Chair.</p>						
4.5.3	When further rules of order are to be developed by the Board, the Board will consider the Standard Code of Parliamentary Procedure (Robert's Rules of Order) as a resource guide. The representative from the Office of General Council may serve the Board as a resource on Parliamentary Procedure.	Ongoing	Board Responsibility 4.5.3. is being adhered to, and OGC does regularly assist as needed..				
4.6 BOARD MEMBER'S CODE OF CONDUCT	The Board commits itself to lawful, ethical and businesslike conduct, following all requirements of Florida Law, Ordinances of the City of Jacksonville, and the JEA Charter including proper use of its authority and appropriate decorum when acting as Board members.	Ongoing	Board Responsibility	Suggest that Board members periodically receive a refresher from OGC on applicable state and local laws, and the JEA Charter.			
4.6.1	Members are expected to represent the interests of the ownership. This accountability supersedes any conflicting loyalty such as that to advocacy or interest groups and membership on other Boards or staffs. It also supersedes the personal interest of any Board member acting as a consumer of the organization's services.	Ongoing	Board Responsibility In general, this is being adhered to. Ownership is assumed to mean the citizens of Duval County, not necessarily the COJ administration or City Council. Board members seem to be acutely aware of this and are regularly reminded by JEA management.	This section should be clarified to define ownership as the citizens of Jacksonville			
4.6.2	Members must avoid conflict of interest with respect to their fiduciary responsibility. Such	Ongoing	Board Responsibility	New Board members should be informed of these requirements, and all Board			

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	<p>conflicts of interest include but are not limited to the following:</p> <p>a. There will be no self-dealing or business by a member with the organization. Members will annually disclose their involvements with other organizations or with vendors and any associations that might be reasonably seen as representing a conflict of interest.</p> <p>b. When the Board is to decide upon an issue about which a member has an unavoidable conflict of interest, that member shall announce and declare publicly any conflict of interest and withdraw without comment not only from the vote but also from the deliberation.</p> <p>c. Board members will not use their Board position to obtain employment in the organization for themselves, family members, or close associates. Any such existing relationship is expected to be disclosed to the Board. A Board member who applies for employment must first resign from the Board.</p>		<p>4.6.2.a. Board members must submit Form 1, Statement of Financial Interests, to the Duval County Supervisor of Elections by July 1 every year. Former Board members must submit Form 1F, Final Statement of Financial Interests, also to the Supervisor of Elections. The Supervisor of Elections monitors whether the forms have been received, and if not, will notify the Board member and JEA. After a certain period, a fine will begin accruing if the form is not submitted.</p> <p>4.6.2.b. Board members do withdraw from voting when the vote involves a financial transaction pertaining to their company.</p> <p>4.6.2.c. A relative of a Board member currently works for JEA. We do not recall seeing this disclosed to the Board in an official fashion. We do not know if it was informally disclosed. The Board member involved will shortly be leaving the Board due to term limits.</p>	members should be reminded prior to July 1 to submit their completed forms.			
4.6.3	<p>Members may not attempt to exercise individual authority over the organization except as explicitly set forth in Board policies.</p> <p>a. Members' interaction with the CEO or with staff must recognize the lack of authority vested in individuals except when explicitly authorized by the Board.</p> <p>b. Members' interaction with the public, the press, or other entities must recognize the same limitation and the inability of any Board</p>	Ongoing	<p>Board/CEO Responsibility</p> <p>4.6.3.a. In recent years all Board contact has been with the CEO (or a designated backup). As an exception, the FAC Policy allows the FAC Chair to contact the Chief Audit Executive (Director, Audit Services) directly, if necessary.</p>				

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	member to speak for the Board except to repeat explicitly stated Board decisions. c. Except for participation in Board deliberation about whether the CEO has achieved any reasonable interpretation of Board policy, members will not express individual judgments of negative performance of employees or the CEO.		4.6.3.c. There have been instances where this provision was not complied with.	Part c. Suggest that the Board Chair reiterate Part c to the Board members. Also suggest part c be reworded to say "deliberation regarding the CEO's annual performance evaluation" instead of the existing "achieving any reasonable interpretation of Board policy".			
4.6.4	Members will respect the confidentiality appropriate to issues of a sensitive nature.	Ongoing	Board Responsibility Confidential matters may be discussed individually with one member at a time, but other than Shade meetings for labor issues, all other meetings are in the sunshine.				
4.6.5	Members will be properly prepared for Board deliberation.	Ongoing	Board Responsibility	Suggest that the Board Chair reiterate this provision with all Board members, perhaps on an annual basis.			
4.6.6	Members are expected to support the legitimacy and authority of the final determination of the Board on any matter, without regard to the member's personal position on the issue.	Ongoing	Board Responsibility At times in the past, it has been apparent that certain Board members have not fully supported Board decisions with which they did not agree.	Suggest that the Board Chair reiterate this provision with all Board members.			
4.6.7	Members who have any question about the appropriateness of their conduct should consult with the Office of General Counsel or appropriate Ethics offices for information.	Ongoing	Board Responsibility Board members properly consult with OGC as needed and appropriate.				
4.7 DIRECTORS' INDIVIDUAL RESPONSIBILITY	The leadership success of the Board is a direct result of the individual and collegial participation of its members. Therefore, each Board member is expected to participate in the following ways:	Ongoing					

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4.7.1	<p>Time Investment to Accomplish Board Responsibilities - As Board contemplation, deliberation and decision-making are processes which require wholeness, collaboration and participation, attendance at Board meetings is expected of Board members.</p> <p>a. Expected Commitments: (1) Monthly Board Meetings (2) Annual Team Building (3) Quarterly Review (4) Bond Rating Agency Trip, 3 days (Board Chair is expected to attend. However, full participation is highly encouraged.)</p> <p>b. Optional Involvement: (1) Internal educational meetings with staff upon request (2) Industry related seminars and conferences (3) Visit other utilities and related industries</p>	Ongoing	Board Responsibility	<p>Suggest that the Board Chair reiterate time investment responsibilities to the current members, and to the Mayor's office if/when they are selecting a new Board member.</p> <p>Add membership in committees such as FAC and EPA.</p> <p>Delete Annual Team Building and Quarterly Review?</p>			
4.7.2	<p>Preparation and Participation - Board members will prepare for Board and committee meetings and will participate productively in discussions, always within the boundaries of discipline established by the Board. Each member will contribute his or her own knowledge, skills and expertise to the Board's efforts to fulfill its responsibilities.</p>	Ongoing	Board Responsibility	Duplicative with 4.6.5. Suggest removing 4.6.5.			
4.7.3	<p>Members as Individuals - The CEO is accountable only to the Board as an organization, and not to individual Board members. Accordingly, the relationship between the CEO and individual members of the Board, including the Chairman, is collegial, not hierarchical.</p>	Ongoing	Board/CEO Responsibility	The Board Chair should reiterate this policy to Board members.			
4.8 BOARD COMMITTEE PRINCIPLES	<p>Board committees, when used, will be assigned so as to reinforce the wholeness of the Board's job and not to interfere with delegation from the Board to the CEO.</p>	Ongoing					
4.8.1	<p>Board committees are to help the Board accomplish its responsibilities and are not assigned to perform staff functions. Committees ordinarily will assist the Board by preparing policy alternatives and implications for Board deliberation. In keeping with the</p>	Ongoing	Board Responsibility				

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	Board's broader focus, Board committees will normally not have direct dealings with current staff operations unless specifically outlined in committee objectives.						
4.8.2	Board committees may not speak or act for the Board except when formally given such authority for specific purposes. Expectations and authority will be carefully stated in order to prevent conflict with authority delegated to the CEO.	Ongoing	Board Responsibility				
4.8.3	Board committees cannot exercise authority over staff. The CEO works for the full Board, and will therefore not be required to obtain the approval of a Board committee before an executive action.	Ongoing	Board/CEO Responsibility The Finance & Audit Committee does exercise some authority over the Audit Director.	Consider updating this provision accordingly.			
4.8.4	Committees will be formed for a specific purpose only. Its purpose and function will be documented in a written charge. All committees are accountable to the Board as a whole.	Ongoing	Board Responsibility				
4.8.5	This policy applies to any group that is formed by Board action, whether or not it is called a committee and regardless of whether the group includes Board members, it does not apply to committees formed under the authority of the CEO.	Ongoing	Board Responsibility				
4.9 BOARD COMMITTEE STRUCTURE	A committee is a Board committee only if its existence and charge come from the Board, regardless of whether Board members sit on the committee. The only standing Board committees are those which are set forth in the Bylaws or in this policy. Unless otherwise stated, a committee ceases to exist as soon as its task is complete. The CEO will attend meetings of each committee, but shall not have a vote.	Ongoing	Board/CEO Responsibility The CEO is in compliance with this provision. Neither the EPA Committee nor the Workforce Management Committee are mentioned here.	If these two committees are going to be long term standing committees, they should be included in this section.			
4.9.1	Nominating Committee: The purpose of the Nominating committee is to recommend Board officers for election by the Board as a whole. a. The Nominating Committee will be comprised of three members. The current Chairman (which shall serve as chair of the committee) and the two most immediate past	Ongoing	Board Responsibility Nominating Committee members have nominated themselves for a Board office. 4.9.1 does not address this one way or the other.	Suggest clarifying wording in 4.9.1 to address whether Nominating Committee members can nominate themselves.			

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	Chairman still remaining on the Board will constitute the committee. If one or more past chairman is no longer serving on the Board, the Chairman shall select Board members to fill out a committee of three. b. The Nominating Committee shall be formed no later than January of each year and will make its recommendation to the Board for action at its March meeting.			4.9.1.b should be adjusted to say at the February meeting (when most Board member terms usually end), or say "by the March meeting", which could then mean Feb. or March. Most recent nominations were announced and voted on at the Feb. meeting.			
4.9.2	Finance and Audit Committee: The purpose of the Finance and Audit committee is to assist the Board in fulfilling its oversight responsibilities by reviewing financial information, systems of internal controls, and audit process, including a high level review of the operating and capital budgets. The committee will provide an open avenue of communication between the Board, Management, Audit Services, and external auditors. a. The Finance and Audit committee will be comprised of three members appointed annually by the chair and confirmed by the Board. Two members will constitute a quorum. b. The committee will meet at least four times per year. A schedule of regular meetings will be established by the committee annually. Special meetings may be called by any committee member. Meeting dates, times and location will be announced to the entire Board. c. The committee shall oversee: (1) Internal controls and risk assessment (2) Internal Audit Services (3) Compliance with laws, regulations and code of conduct (4) Financial Reporting d. The committee will oversee the External Auditor	Ongoing	Board Responsibility The FAC is in compliance with this provision.	A slight wording change is needed. Highlighted words should say "at least three" to agree with the current FAC Policy. Also add Treasury transactions to the list in 4.9.2.c.			
4.9.3	Other Committees may be established as designated by the Chair.	Ongoing	Board Responsibility				

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4.10 COST OF GOVERNANCE	The Board will invest in continuous improvement in its governance capacity.	Ongoing					
4.10.1	The Board will use appropriate methods to improve its governing skills. a. Training and retraining will be used liberally to orient new members as well as to maintain and increase existing members’ skills and understandings. b. Outside monitoring assistance will be arranged so that the Board can exercise confident control over organizational performance. This includes but is not limited to a financial audit. c. Outreach mechanisms will be used as needed to ensure the Board’s ability to listen to owner viewpoints and values. d. Knowledgeable industry experts will be made available to the Board in various ways to continuously improve the Board’s awareness of emerging utility industry issues.	Ongoing	Board/CEO Responsibility 4.10.1.a. New Board members may need additional training. 4.10.1.b. Also, outside monitoring assistance includes the external financial audit, and an outside consultant to help with the strategic initiative planning process. With staff assistance, the consultant developed an in depth assessment of JEA’s strengths and developmental areas. The strategy development process was discussed with the Board. 4.10.1.c. JD Power survey results are now being brought before the Board on a regular basis. 4.10.1.d. Knowledgeable industry experts within JEA provide periodic presentations to the Board during regular meetings, at post-meeting workshops, and to the EPA Committee.	As stated above, suggest considering additional training for Board members.			
4.10.2	Costs for appropriate Board governance will be included during annual budget preparations. Any expenditure required will be in accordance with JEA procurement policies. Items may include but not be limited to the following as annually decided by the Board: a. training b. attendance at conferences, industry site visits and Rating Agency presentations c. audit and other third-party monitoring of organizational performance	Ongoing	Board/CEO Responsibility Board governance costs are not included in the annual budget as a separate line item, but the money is set aside within the appropriate business group cost center. When requests for funds for trips or training come up, they are brought before the full Board for approval. Any cost request involving a Purchase Order or contract would				

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	d. surveys, focus groups, opinion analysis, and meeting costs.		follow the JEA procurement process.				
CEO COMPETENCIES ES 3.6 Appendix	Models Integrity <ul style="list-style-type: none"> • Demonstrates high ethical 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 • Is a fair person who does not manipulate or take advantage of others • Tells the truth even when it is difficult • Utilizes values and principles to guide his/her decisions • Builds respect and trust from others by following through on commitments • Represents information accurately and completely • Assumes responsibility for own behavior; admits to mistakes 	Ongoing	<p>CEO has made the difficult staffing decisions when necessary, and gives management and staff the truth about tough issues.</p> <p>CEO does not make exceptions for himself regarding following the rules, even though it may sometimes be inconvenient.</p>	Suggest that this entire section be revised and pared down to the essentials. It is not reasonable for any CEO to have to demonstrate every competency listed in this section, nor can any Board be in a position to accurately assess all these competencies or spend the time necessary to do so.			
	Makes Quality Decisions <ul style="list-style-type: none"> • Examines and integrates data from a variety of sources to make quality decisions • Prioritizes decisions and initiatives in ways that ensures the highest value for the organization • Makes educated and effective decisions in a timely manner, even when data is limited • 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 	Ongoing	<p>CEO makes data-driven decisions and is very knowledgeable about the utility industry.</p> <p>Decisions pertaining to the reorganization and customer initiatives were timely and announced as planned.</p> <p>Regarding long term strategic initiatives, the CEO sought input from various levels of management prior to making decisions, and engaged a consultant to assist with the process.</p>				
	Takes Initiative <ul style="list-style-type: none"> • Assumes full ownership and accountability for own performance 	Ongoing	CEO took on the stretch challenge of significantly improving JEA's score on the JD Power surveys within a very tight timeframe,				

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	<ul style="list-style-type: none"> Takes on challenging work, even in the face of obstacles Initiates action on projects without being pressured from others to do so 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 		<p>while maintaining operational and financial excellence. This effort has been very successful.</p> <p>CEO is passionate about improving customer satisfaction and JEA's reputation in the community. This is communicated to employees in written announcements, video presentations, management meetings and town hall meetings. He also speaks to groups all over the city to help them get a better understanding of the utility business.</p>				
	<p>Communicates Effectively</p> <ul style="list-style-type: none"> 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 Communicates through appropriate channels Identifies sources of motivation and appeals directly to co-workers in a language meaningful to them Is engaging with others and demonstrates professionalism through body language, including eye-contact, confidence, and focus 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 	Ongoing	<p>Through the customer satisfaction initiative, SJRPP pension reform, and more recently, City pension issues, the CEO has demonstrated his willingness to tackle difficult problems and perceptions.</p> <p>Due to the CEO's effective communication skills, monthly management meetings are virtually standing room only.</p>				
	<p>Drives Results</p> <ul style="list-style-type: none"> 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 	Ongoing	<p>Through the goal setting process, the strategy initiative process and CTAs, the CEO is demonstrating driving for results.</p>				

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	<ul style="list-style-type: none"> Sets strategic goals and measurable performance expectations for defining success Drives execution with speed and discipline, and delivers on personal and organizational commitments Demonstrates ownership for performance of entire organization, and holds self and organization accountable for decisions and results Assesses financial implications of initiatives; allocates resources to improve results while maintaining financial discipline Actively monitors performance of self and others relative to performance objectives 		Then CEO fulfills personal commitments, and inspires that same level of accountability in his subordinates.				
	<p>Focuses on the Customer</p> <ul style="list-style-type: none"> Places high priority on identifying and meeting internal and external customer needs Provides high quality, valuable and consistent service to customers Ensures that customers understand and receive the fullest value possible from the products and services of the organization Assures that products and services meet customer needs and expectations Adapts and personalizes services to meet individual customer needs Anticipates changing customer needs and develops ways to meet or exceed those needs Utilizes follow-up procedures to ensure consistency and determine where improvements can be made to maintain high customer satisfaction 	Ongoing	The CEO initiated the most comprehensive customer satisfaction initiative in the JEA's history, and hired JD Power to measure our progress. He also hired a Chief Customer Officer from another utility that was tier 1 in customer satisfaction.				
	<p>Fosters Teamwork</p> <ul style="list-style-type: none"> Shares relevant expertise and knowledge to ensure team members have adequate information to make decisions and achieve objectives Identifies and removes barriers that interfere with the team's success and 	Ongoing	<p>The CEO has hired executives from outside JEA who excel at teamwork to fill vacant SLT positions.</p> <p>CEO embraces JEA's multi-cultural events and has pledged to continue supporting these events.</p>				

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	<p>provides suggestions to enhance team effectiveness</p> <ul style="list-style-type: none"> 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 Exhibits willingness to listen to others' views even if not same as own Does not take conflicts personally; handles conflict in a positive manner and seeks mutual understanding Directly confronts behaviors that undermine team effectiveness 		<p>He has also emphasized diversity in hiring practices.</p> <p>Works effectively and positively with board members, including those who may not always agree.</p>				
	<p>Manages and Supports Change</p> <ul style="list-style-type: none"> Effectively copes with changing environments, tasks and responsibilities Facilitates the acceptance and implementation of change to enhance the organization Encourages others to embrace change and use it as an opportunity to be creative and improve performance Identifies the changes necessary to move the organization forward Embraces and promotes change initiatives with a positive and enthusiastic attitude Ensures that change initiatives are aligned with strategic initiatives, values, and mission of the organization Leads change initiatives with frequent and consistent two-way communication Leverages resources to promote and sustain change efforts 	Ongoing	<p>The CEO has been generating change, not just managing and supporting it. He is leading the change initiatives by promoting them and communicating at monthly management meetings. Also, new SLT members brought in a fresh perspective from other companies, as well as enthusiasm, and the willingness to promote further changes. Consultant helped to identify the changes necessary to move the organization forward. That process has now transitioned to JEA personnel.</p>				
	<p>Visionary Strategist</p> <ul style="list-style-type: none"> Develops the strategies and actions needed to accomplish desired organizational objectives Communicates the organization's vision in a way that is meaningful and actionable for employees 	Ongoing	<p>To develop strategies for JEA's future, and make sure they were inclusive and had buy-in from the entire management team, CEO hired a consultant to work with the SLT, ELT, and appointed staff, rolling the process out to every employee in the company. The</p>				

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	<ul style="list-style-type: none"> Researches and analyzes marketplace, political, economic, and other external influences to formulate vision and strategy, and position the organization in the marketplace 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 Considers both short and long-term implications of a strategy Accurately anticipates the implications of events or decisions for various stakeholders in the organization and plans strategy accordingly 		<p>process resulting in strategic initiatives and specific Commitments To Action (CTAs). While the consultant is gone, the process is still going strong and has been imbedded into the culture. In addition, since the process was so successful in improving our JD Power customer satisfaction results, at the CEO's direction, the methodology is now being expanded to tackle employee satisfaction.</p>				
	<p>Manages Performance</p> <ul style="list-style-type: none"> Motivates others to achieve results through both respect and holding them accountable Provides others with constructive feedback, guidance, and coaching for improving performance Sets clear performance expectations and strategic goals, regularly monitors performance, and provides accurate evaluations Encourages the use of development activities (e.g., workshops, mentoring), to improve performance and achieve desired results for the organization Identifies and provides important assignments to facilitate the development of key personnel Balances levels of support, direction, and autonomy based on employee needs and level of experience 	Ongoing	<p>CEO sets clear performance goals and expectations for the senior leadership team, which cascades down to the Directors and Managers. Accountability is provided by individual scorecards, company metrics, business reviews, and specific CTA measures.</p>				
	<p>Delegates to Others</p> <ul style="list-style-type: none"> Plans delegated assignments to ensure an optimal match between value of task and value of the resource attached to it 	Ongoing	<p>CEO restructured JEA's organization to provide better delegation of responsibilities, and</p>				

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					Changes Approved	Changes Not Approved	Additional Suggested Changes
	<ul style="list-style-type: none"> Determines when to assign responsibilities to others and clarifies expectations to ensure effectiveness 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 Recognizes individuals who are successful in completing delegated assignments 		accountability for results. As part of the reorganization, certain employees were promoted into senior leadership roles, demonstrating employee development and recognition of successful individuals.				
	Maintains Positive Public Relations <ul style="list-style-type: none"> 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 Treats others outside the organization in an accepting, respectful manner Understands the needs of the cities, board members and the community, and leverages this information to shape policies and initiatives Represents the organization with credibility to print and media sources (includes providing information, clarifying facts, etc.) Researches constituencies to determine the best way to communicate to them Ensures that customers experience and understand the full value they derive from the organization 	Ongoing	CEO spends substantial time in the community talking with civic groups, City Council representatives, City Hall, and customers to strengthen JEA's reputation. CEO is also proactive in doing interviews with local media, and has participated on JEA's weekly radio show answering questions from customers. CEO meets regularly with other utility leaders via LPPC and APPA meetings and conferences. CEO has also represented the utility industry by testifying before Congress.				
	Actively Supports Board of Directors <ul style="list-style-type: none"> 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 	Ongoing	CEO performs all of the duties at left through ongoing interactions with the Board during pre-Board meetings, board meetings, workshops, Finance and Audit Committee meetings, and one-on-				

Board Governance Manual Compliance & Update Assessment

Policy Ref #	Requirement	Frequency	Current Activities	Suggested Changes	Board Feedback		
					Changes Approved	Changes Not Approved	Additional Suggested Changes
	<ul style="list-style-type: none"> Maintains a cordial, productive relationship with each board member 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” 		one meetings/ conversations with board members.				
	<p>Leads Others Effectively</p> <ul style="list-style-type: none"> Develops and communicates compelling rationales that build commitment and support for one’s perspectives, strategies, and initiatives Builds diverse, high-performing teams that accomplish organizational changes, goals, and priorities Listens to the diverse ideas, perspectives, and contributions of others across the organization 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 maximizes performance Leads with a vision that inspires others to adopt the goals of the organization as their own Ability to interact and get along with employees at all levels 	Ongoing	<p>CEO discusses perspectives, strategies and initiatives at Town Hall and monthly Management meetings.</p> <p>One of JEA’s strategic initiatives for 2015 is to assign multiple teams of employees from every segment of the company to work on ways to significantly improve employee satisfaction.</p> <p>CEO meets with various union leaders and groups to obtain their perspective, address their questions and concerns, and let them know his perspective and plans for JEA.</p>				
	<ul style="list-style-type: none"> Leverages Industry Acumen Monitors and analyzes financial data and key cost drivers (e.g., personnel) to evaluate options and make decisions Understands overall financial and operational performance of an organization in order to effectively position it in the marketplace Establishes and maintains realistic budgets in accordance with the organizations policies 	Ongoing	<p>The CEO receives budget versus actual reports as well as other financial reports.</p> <p>The CEO was formerly the CFO and has extensive financial knowledge and expertise. In addition, he was very instrumental in the presentation of previous budgets to the City Council, all of which were approved without substantive changes.</p>				

Board Governance Manual Compliance & Update Assessment

Policy Ref #	Requirement	Frequency	Current Activities	Suggested Changes	Board Feedback		
					Changes Approved	Changes Not Approved	Additional Suggested Changes
	<ul style="list-style-type: none"> Follows appropriate legal and fiduciary requirements when reconciling and reporting financial transactions Considers multiple options for reducing costs and keeping the organization as efficient as possible Seeks to develop financial acumen and understand key financial related issues Grows continuously in business knowledge and experience 		<p>The CEO formed a Compliance Department as part of the reorganization in late 2012.</p> <p>The CEO also initiated an expense containment initiative at the company.</p>				
	<ul style="list-style-type: none"> Plans for the Future Identifies and balances risks and benefits when developing plans Assesses financial implications of projects and initiatives; allocates resources to improve results while maintaining financial discipline Provides the information, resources, implementation time, and talent needed to make plans and their implementation successful Identifies need for and ensures contingency plans are developed Assigns or directly monitors and evaluates the external environment when developing plans Aligns and allocates resources and time according to strategic priorities and company interests 	Ongoing	<p>CEO strongly supports JEA's ERM program, and participates in the monthly ECRC meetings as well as certain risk subcommittees such as the TPC, where risks and cost/benefit are considered.</p> <p>CEO initiated company-wide strategic planning process which includes a talent/competency component, i. e. IDPs and Talent Assessments.</p> <p>The CEO appointed a new Director of Emergency Preparedness to focus more attention on addressing business continuity risk, preparation, and remediation.</p>				
	<ul style="list-style-type: none"> Embraces Diversity Promotes the active recruiting of diverse individuals Communicates and clarifies the link between diversity and achieving the organization's strategic goals Demonstrates visible support for programs that remove barriers (e.g., stereotypes) between diverse individuals Actively monitors organization to ensure equality and fairness for all members; objectively allocates compensation, rewards, and opportunities 	Ongoing	<p>SLT hires in 2012 and 2013 included both women and minorities.</p> <p>CEO established diversity as an overall company goal.</p> <p>CEO reviews all appointed promotions, new hires, and transfers.</p>				

Board Governance Manual Compliance & Update Assessment

Policy Ref #	Requirement	Frequency	Current Activities	Suggested Changes	Board Feedback		
					Changes Approved	Changes Not Approved	Additional Suggested Changes
	<ul style="list-style-type: none"> Promotes an inclusive culture where different viewpoints are valued and encouraged 						
	<ul style="list-style-type: none"> Negotiates Collaboratively Strives to understand each party's position by asking in-depth questions and probing for specific needs and issues Defines and evaluates specific points of agreement and disagreement Seeks win-win solutions that meet the underlying interests of all parties 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 	Ongoing	<p>This section is mostly subjective and perception.</p> <p>In negotiations with the unions, and customer/employee complaint resolution, the CEO seeks win/win solutions.</p> <p>CEO demonstrates disclosing appropriate information and building trust at both Town Hall and monthly Management meetings where he shares the information employees need and want.</p>				
	<ul style="list-style-type: none"> Manages Politics Accurately discerns unspoken feelings and motivations, and leverages to determine what to say or how to proceed Adapts dress and demeanor as appropriate to a situation Appropriately manages impressions of oneself, one's department and the organization Keenly aware of and adheres to the norms and practices of the organization's culture Leverages appropriate channels of influence to more efficiently gain resources and accomplish goals Creates and maintains both formal and informal networks within the organization that facilitate the achievement of goals Chooses battles wisely and matches urgency to the importance of the concerns under discussion 	Ongoing	<p>No measurable criteria. Assessment would be totally subjective and a matter of perception.</p> <p>CEO conducts annual Town Hall meetings which help create and maintain informal networks.</p> <p>Inter-local agreement with the City administration in response to the very sensitive Police and Fire pension issue, demonstrates CEO's innovative ability to negotiate a win/win for the City and JEA.</p>				

Board Governance Manual Compliance & Update Assessment

Policy Ref #	Requirement	Frequency	Current Activities	Suggested Changes	Board Feedback		
					Changes Approved	Changes Not Approved	Additional Suggested Changes



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POLICY TYPE: ENDS

POLICY 1.0

POLICY TITLE: GLOBAL ENDS

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.

- 1.1 **Quality of Electric Service:** Provide clean, safe and reliable electric service to all prescribed consumers.
- 1.2 **Quality of Water Service:** Provide clean, safe and reliable water service to all prescribed consumers.
- 1.3 **Quality of Sewer Services:** Provide clean, safe and reliable sewer services to all prescribed consumers.
- 1.4 **Cost of Service:** Provide all utility services at a reasonable and accurate cost.
- 1.5 **Environmentally Sound:** Provide all utility services in a manner that is environmentally sound and sustainable.
- 1.6 **Informative Communication:** Effectively communicate with consumers and other stakeholders.

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POLICY TYPE: ENDS

POLICY 1.1

POLICY TITLE: *QUALITY OF ELECTRIC SERVICE*

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

- 1.1.1 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.
 - a. Develop resources or agreements to ensure that JEA's electric energy supply is 10% nuclear by 2017.
- 1.1.2 Minimize the frequency of electric distribution system outages and report status through the System Average Interruption Frequency Index (SAIFI-2).
- 1.1.3 Minimize the frequency of electric distribution system voltage sags and report status through the System Average Root Mean Square Frequency Index (SARFI-80).
- 1.1.4 Minimize the duration of electric distribution system outages and report status through the System Average Interruption Duration Index (SAIDI).

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POLICY TYPE: ENDS

POLICY 1.2

POLICY TITLE: *QUALITY OF WATER SERVICE*

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

- 1.2.1 Annually update a Total Water Management Plan (TWMP) to ensure consumers' future water supply needs are met at the lowest evaluated cost while also ensuring water resources are available for future generations.
 - a. The TWMP is to include evaluation of water supply alternatives.
- 1.2.2 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.
- 1.2.3 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.

Adopted in its entirety by the JEA Board on February 16, 2010.

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POLICY TYPE: ENDS

POLICY 1.3

POLICY TITLE: *QUALITY OF SEWER SERVICE*

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

- 1.3.1 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
- 1.3.2 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 amount of reclaimed water produced and distributed.

Adopted in its entirety by the JEA Board on February 16, 2010.

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POLICY TYPE: ENDS

POLICY 1.4

POLICY TITLE: *COST OF SERVICE*

Provide all utility services at a reasonable and accurate cost.

- 1.4.1 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.
- 1.4.2 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.

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POLICY TYPE: ENDS

POLICY 1.5

POLICY TITLE: ENVIRONMENTALLY SOUND

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

- 1.5.1 The CEO is expected to comply with all existing environmental regulations that apply.
- 1.5.2 Conservation: Pursue all options to communicate and incentivize customer conservation and efficiency while avoiding excessive customer cost.
 - a. Electric System: Establish an 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.
- 1.5.3 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.

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POLICY TYPE: ENDS

POLICY 1.6

POLICY TITLE: INFORMATIVE COMMUNICATION

Effectively communicate with consumers and other stakeholders.

- 1.6.1 To influence consumer paradigms of utility expectations.
- 1.6.2 To influence public dialogue on local, state and national energy and water and sewer issues.
- 1.6.3 To inform consumers of as well as the reasons for significant potential or pending changes to utility services or charges.
- 1.6.4 To inform consumers of conservation incentives and other activities that if implemented would reduce their consumption and, therefore, result in higher or lower utility cost than if the incentives or activities were not employed.

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POLICY TYPE: EXECUTIVE LIMITATIONS

POLICY 2.0

POLICY TITLE: *GENERAL EXECUTIVE CONSTRAINT*

The CEO shall not cause or allow any organizational practice, activity, decision, or circumstance that is either unlawful, imprudent, or in violation of commonly accepted business and professional ethics and practices.

- 2.1 **Treatment of Consumers:** With respect to interactions with consumers or those applying to be consumers, the CEO shall not cause or allow conditions, procedures, or decisions that are unsafe, untimely, undignified, or unnecessarily intrusive.
- 2.2 **Treatment of Staff:** With respect to the treatment of staff, the CEO may not cause or allow conditions that are unfair, unsafe, undignified, disorganized, or unclear.
- 2.3 **Financial Planning/Budgeting:** The CEO shall not cause or allow financial planning for any fiscal year or the remaining part of any fiscal year to deviate materially from the Board's Ends priorities, risk financial jeopardy, or fail to be derived from a multiyear plan.
- 2.4 **Financial Condition and Activities:** With respect to the actual, ongoing financial conditions and activities, the CEO shall not cause or allow the development of financial jeopardy or material deviation of actual expenditures from Board priorities established in Ends policies.
- 2.5 **Workforce Readiness and Succession Planning:** The CEO shall not allow the workforce to be unprepared to meet current or future business demands.
- 2.6 **Asset Protection:** The CEO shall not cause or allow corporate assets to be unprotected, inadequately maintained, or unnecessarily risked.
- 2.7 **Compensation and Benefits:** With respect to employment, compensation, and benefits to employees, consultants, contract workers, and volunteers, the CEO shall not cause or allow jeopardy to financial integrity or to public image.
- 2.8 **Communication and Support to Board:** The CEO shall not cause or allow the Board to be uninformed or unsupported in its work.
- 2.9 **Regulatory/Legislative Requirements:** The CEO will not fail to effect regulatory and legislative action favorable to the organization.
- 2.10 **Enterprise Risk Management:** The CEO shall not cause or allow conditions, procedures or decisions which fail to identify, measure, monitor and manage, within established risk tolerances, potential events that may affect achievement of the Ends.
- 2.11 **Procurement Activities:** The CEO shall not fail to develop procurement policies and procedures that adhere to all applicable federal, state and local laws and ordinances and provide for increased public confidence in the procurement activities of JEA.

Adopted in its entirety by the JEA Board on February 16, 2010.

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POLICY TYPE: EXECUTIVE LIMITATIONS

POLICY 2.1

POLICY TITLE: *TREATMENT OF CONSUMERS*

With respect to interactions with consumers or those applying to be consumers, the CEO shall not cause or allow conditions, procedures, or decisions that are unsafe, untimely, undignified, or unnecessarily intrusive.

Accordingly, the CEO will not:

- 2.1.1 Elicit information for which there is no clear necessity.
- 2.1.2 Use methods of collecting, reviewing, transmitting, or storing client information that fail to protect against improper access.
- 2.1.3 Fail to operate facilities with appropriate accessibility and privacy.
- 2.1.4 Fail to establish with consumers a clear understanding of what may be expected and what may not be expected from service offered.
- 2.1.5 Fail to operate without clearly established and updated Customer Service procedures and published rules and regulations for service.
- 2.1.6 Fail to operate without mechanisms for collecting consumer complaints that provide for resolution at the lowest staff level and also include prompt response when warranted.

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POLICY TYPE: EXECUTIVE LIMITATIONS

POLICY 2.2

POLICY TITLE: *TREATMENT OF STAFF*

With respect to the treatment of paid and volunteer staff, the CEO may not cause or allow conditions that are unfair, unsafe, undignified, disorganized, or unclear.

Accordingly, the CEO will not:

- 2.2.1 Operate without written personnel rules and regulations that
 - a. clarify rules for staff
 - b. provide for effective handling of grievances
 - c. protect against wrongful conditions such as nepotism and grossly preferential treatment for personal reasons.
 - d. allow for volunteerism in the community
 - e. require high ethical standards
 - f. recognize the need for work/life balance
- 2.2.2 Operate without written job descriptions and performance requirements and reviews that
 - a. characterize the nature of work to be performed
 - b. identify technical, behavioral and physical skills required
 - c. identify clear standards of accountability
- 2.2.3 Fail to provide a safe work environment.
- 2.2.4 Fail to identify and provide training necessary to accomplish the quality of work expected.
- 2.2.5 Allow discrimination or retaliation against any staff member for non-disruptive expression of dissent.
- 2.2.6 Fail to acquaint staff with the CEO's interpretation of their protections under this policy.
- 2.2.7 Allow staff to be under prepared to deal with emergency situations.
- 2.2.8 Fail to insure that the company's Core Values are routinely communicated and reinforced to all employees.

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POLICY TYPE: EXECUTIVE LIMITATIONS

POLICY 2.3

POLICY TITLE: *FINANCIAL PLANNING/BUDGETING*

The CEO shall not cause or allow financial planning for any fiscal year or the remaining part of any fiscal year to deviate materially from the Board's Ends priorities, risk financial jeopardy, or fail to be derived from a multiyear plan.

Accordingly, the CEO will not:

- 2.3.1 Risk incurring those situations or conditions described as unacceptable in the Board policy "Financial Condition and Activities."
- 2.3.2 Fail to include credible projection of revenues and expenses, separation of capital and operational items, cash flow, and disclosure of planning and budgeting assumptions.
- 2.3.3 Fail to identify the source for capital expenditures (e.g. internally generated cash, new debt, carry over funds from previous fiscal year).
- 2.3.4 Fail to adhere to approved tariff rates and fees.
- 2.3.5 Fail to set and follow an annual budgeting process that results in a final budget submittal to City Council by July 1 proceeding the budgeted fiscal year.
- 2.3.6 Provide less for Board prerogatives during the year than is set forth in the "Cost of Governance" policy.

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POLICY TYPE: EXECUTIVE LIMITATIONS

POLICY 2.4

POLICY TITLE: *FINANCIAL CONDITION AND ACTIVITIES*

With respect to the actual, ongoing financial conditions and activities, the CEO shall not cause or allow the development of financial jeopardy or material deviation of actual expenditures from Board priorities established in Ends policies.

Accordingly, the CEO will not:

- 2.4.1 Fail to operate within the budget established for the fiscal year.
- 2.4.2 Make budget transfers in excess of \$5,000,000 without Board approval.
- 2.4.3 Fail to inform the Board in monitoring reports when reserves are required to meet current expenditures.
- 2.4.4 Fail to maintain financial and accounting separation between electric, water and wastewater, and District Energy funds as required by regulatory agencies and bond covenants.
- 2.4.5 Fail to operate within established financial parameters nor fail to engage the board when established parameters are considered inadequate to affect a desired bond rating.

Current financial parameters:

- a. Debt Service Coverage
 - b. Fixed Charge coverage
 - c. Cash on Hand
 - d. Working Capital
 - e. Line of Credit
 - f. Fuel Rate Reserve
- 2.4.6 Operate in violation of JEA's Debt Management Policies.
 - 2.4.7 Fail to settle payroll and debts in a timely manner.
 - 2.4.8 Allow tax payments or other government-ordered payments or filings to be overdue or inaccurately filed.
 - 2.4.9 Fail to establish reasonable security measures to protect against loss of receivables.
 - 2.4.10 Fail to aggressively pursue receivables after a reasonable grace period.

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POLICY TYPE: EXECUTIVE LIMITATIONS

POLICY 2.5 POLICY TITLE: *WORKFORCE READINESS AND SUCCESSION PLANNING*

The CEO shall not allow the workforce to be unprepared to meet current or future business demands.

Accordingly, the CEO will not

- 2.5.1 Permit there to be fewer than two other executives sufficiently familiar with Board and CEO issues and processes to enable either to take over with reasonable proficiency as an interim successor to protect the Board from sudden loss of CEO services.
- 2.5.2 Fail to prepare for long term CEO succession.
- 2.5.3 Fail to prepare for Executive Team succession.
- 2.5.4 Operate without strategic and tactical plans to have and maintain the right people, in the right place, with the right talent, skills and knowledge.
- 2.5.5 Fail to develop a workforce that recognizes the value of cultural diversity in internal operations and in serving customers.

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POLICY TYPE: EXECUTIVE LIMITATIONS

POLICY 2.6

POLICY TITLE: ASSET PROTECTION

The CEO shall not cause or allow corporate assets to be unprotected, inadequately maintained, or unnecessarily risked.

Accordingly, the CEO will not:

- 2.6.1 Fail to insure adequately against theft and casualty and against liability and losses to Board members, staff, and the organization itself.
- 2.6.2 Allow unbonded personnel access to material amounts of funds.
- 2.6.3 Subject facilities and equipment to improper wear and tear or insufficient maintenance.
- 2.6.4 Unnecessarily expose the organization, the Board, or its staff to claims of liability.
- 2.6.5 Operate without written claims policies that address fair treatment of claimants, legal liability, ratepayer costs and sound business practices.
- 2.6.6 Fail to protect corporate assets including, but not limited to, property rights, corporate image, physical assets, intangible assets, intellectual property, information, and files from loss or significant damage.
- 2.6.7 Receive, process, or disburse funds without sufficient controls.
- 2.6.8 Invest funds in violation of JEA's Investment Policies.
- 2.6.9 Fail to ensure that all employees and outsourced contract service providers understand their responsibility to comply with all applicable laws and regulations and JEA's Code of Ethics.

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POLICY TYPE: EXECUTIVE LIMITATIONS

POLICY 2.7

POLICY TITLE: COMPENSATION AND BENEFITS

With respect to employment, compensation, and benefits to employees, consultants, contract workers, and volunteers, the CEO shall not cause or allow jeopardy to financial integrity or to public image.

Accordingly, the CEO will not:

- 2.7.1 Change the CEO's own compensation and benefits, except as those benefits are consistent with a package for other appointed employees.
- 2.7.2 Promise or imply unconditional permanent or guaranteed employment.
- 2.7.3 ~~Administer compensation and benefits that fail to address individual accountability, motivate and reward for knowledge and skills, encourage organizational flexibility and responsiveness or are inconsistent with the geographic and professional market for the skills employed.~~

Promote a compensation philosophy that is contradictory to JEA's compensation philosophy of providing a total rewards package that encompasses salary/wages, retirement benefits, incentives, and health and welfare benefits. Salary/wages will meet the market (50% percentile), which is where the majority of companies in the geographic area reside. The 50th percentile pays competitively for behavior that meets expectations. Additional consideration will be given to behaviors that exceed expectations which are typically rewarded at the 75th percentile. Internal equity will be achieved by evaluating differences in skill, effort, responsibility, and working conditions among jobs

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POLICY TYPE: EXECUTIVE LIMITATIONS

POLICY 2.8

POLICY TITLE: *COMMUNICATION AND SUPPORT TO BOARD*

The CEO shall not cause or allow the Board to be uninformed or unsupported in its work.

Accordingly, the CEO will not:

- 2.8.1 Neglect to submit monitoring data required by the Board in Board-Management Delegation policy "Monitoring CEO Performance" in a timely, accurate, and understandable fashion, directly addressing provisions of Board policies being monitored, and including CEO interpretations consistent with Board-Management Delegation policy "Delegation to the CEO," as well as relevant data.
- 2.8.2 Allow the Board to be unaware of any actual or anticipated noncompliance with any Ends or Executive Limitations policy of the Board regardless of the Board's monitoring schedule.
- 2.8.3 Allow the Board to be without decision information required periodically by the Board or let the Board be unaware of relevant trends.
- 2.8.4 Let the Board be unaware of any significant incidental information it requires including anticipated media coverage, threatened or pending lawsuits, and material internal and external changes.
- 2.8.5 Allow the Board to be unaware that, in the CEO's opinion, the Board is not in compliance with its own policies on Governance Process and Board-Management Delegation, particularly in the case of Board behavior that is detrimental to the work relationship between the Board and the CEO.
- 2.8.6 Present information in unnecessarily complex or lengthy form or in a form that fails to differentiate among information of three types: monitoring, decision preparation, and other.
- 2.8.7 Allow the Board to be without a workable mechanism for official Board, officer, or committee communications.
- 2.8.8 Deal with the Board in a way that favors or privileges certain Board members over others, except when (a) fulfilling individual requests for information or (b) responding to officers or committees duly charged by the Board.
- 2.8.9 Fail to submit to the Board a consent agenda containing items delegated to the CEO yet required by law, regulation, or contract to be Board-approved, along with applicable monitoring information.
- 2.8.10 Fail to provide a process to retain relevant background information on previous Board policy decisions.

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POLICY TYPE: EXECUTIVE LIMITATIONS

POLICY 2.9

POLICY TITLE: REGULATORY/LEGISLATIVE REQUIREMENTS

The CEO will not fail to effect regulatory and legislative action favorable to the organization.

Adopted in its entirety by the JEA Board on February 16, 2010.

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POLICY TYPE: EXECUTIVE LIMITATIONS

POLICY 2.10

POLICY TITLE: ENTERPRISE RISK MANAGEMENT

The CEO shall not cause or allow conditions, procedures or decisions which fail to identify, measure, monitor and manage, within established risk tolerances, potential events that may affect achievement of the Ends.

Accordingly, the CEO will not

- 2.10.1 Fail to establish and maintain a written Enterprise Risk Management (ERM) Plan and an ERM program that includes management-level policies, procedures and process controls to help ensure that the enterprise-wide business risk exposures are properly identified, managed and, when appropriate, reported to the Board.

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POLICY TYPE: EXECUTIVE LIMITATIONS

POLICY 2.11

POLICY TITLE: *PROCUREMENT ACTIVITIES*

The CEO shall not fail to develop procurement policies and procedures that adhere to all applicable federal, state and local laws and ordinances and provide for increased public confidence in the procurement activities of JEA.

Accordingly, the CEO will not

- 2.11.1 Fail to develop and disseminate simple, clear and up-to-date rules for all procurement.
- 2.11.2 Fail to ensure the fair and equitable treatment of all persons who deal with the JEA procurement system.
- 2.11.3 Fail to provide increased economy in all procurement activities and to maximize to the fullest extent practicable the purchasing value of JEA funds.
- 2.11.4 Fail to foster effective, broad-based competition within the free enterprise system
- 2.11.5 Fail to provide safeguards for the maintenance of the procurement system quality and integrity.
- 2.11.6 Fail to provide a clear and timely administrative remedy process to all those aggrieved during any phase of the procurement process.
- 2.11.7 Fail to provide effective access for Small and Emerging Local Businesses

Adopted in its entirety by the JEA Board on February 16, 2010.

JEA Board Policy Manual

POLICY TYPE: BOARD MANAGEMENT DELEGATION

POLICY 3.0

POLICY TITLE: GLOBAL BOARD-MANAGEMENT DELEGATION

The Board's sole official connection to the operational organization, its achievements, and conduct will be through a chief executive officer titled Managing Director / CEO, referred to within this document simply as CEO.

- 3.1 **Unity of Control:** Only officially passed motions of the Board are binding on the CEO.
- 3.2 **Accountability of the CEO:** The CEO is the Board's only link to operational achievement and conduct, so that all authority and accountability of staff, as far as the Board is concerned, is considered the authority and accountability of the CEO.
- 3.3 **Delegation to the CEO:** The Board will instruct the CEO through written policies that prescribe the organizational Ends to be achieved and describe organizational situations and actions to be avoided, allowing the CEO to use any reasonable interpretation of these policies.
- 3.4 **Monitoring CEO Performance:** Systematic monitoring of CEO job performance will be solely against the only expected CEO job achievements: organizational accomplishment of Board policies on Ends and organizational operation within the boundaries established in Board policies on Executive Limitations.
- 3.5 **CEO Remuneration:** Salary and benefits and other terms of employment for the CEO will be determined by contract.
- 3.6 **Core Competencies:** Executive Core Competencies are included in the Appendix.

Adopted in its entirety by the JEA Board on February 16, 2010.

JEA Board Policy Manual

POLICY TYPE: BOARD MANAGEMENT DELEGATION

POLICY 3.1

POLICY TITLE: *UNITY OF CONTROL*

Only officially passed motions of the Board are binding on the CEO.

Accordingly,

- 3.1.1 Decisions or instructions of individual Board members, officers, or committees are not binding on the CEO.
- 3.1.2 In the case of Board members or committees requesting information or assistance without Board authorization, the CEO can refuse such requests that require, in the CEO's opinion, a material amount of staff time or funds, or are disruptive. The CEO shall promptly inform the Board if requests from Board members or committees are refused.

Adopted in its entirety by the JEA Board on February 16, 2010.

JEA Board Policy Manual

POLICY TYPE: BOARD MANAGEMENT DELEGATION

POLICY 3.2

POLICY TITLE: ACCOUNTABILITY OF CEO

The CEO is the Board's only link to operational achievement and conduct, so that all authority and accountability of staff, as far as the Board is concerned, is considered the authority and accountability of the CEO.

Accordingly,

- 3.2.1 The Board as a body and individual board members will never give instructions to persons who report directly or indirectly to the CEO.
- 3.2.2 The Board will not evaluate, either formally or informally, any staff other than the CEO. However, the CEO will discuss his evaluation with the Board of the executives identified as potential interim CEO successors (refer to 2.5.1)
- 3.2.3 The Board will view CEO performance as identical to organizational performance so that organizational accomplishment of Board-stated Ends and avoidance of Board-described means will be viewed as successful CEO performance.

Adopted in its entirety by the JEA Board on February 16, 2010.

JEA Board Policy Manual

POLICY TYPE: BOARD MANAGEMENT DELEGATION

POLICY 3.3

POLICY TITLE: *DELEGATION TO THE CEO*

The Board will instruct the CEO through written policies that prescribe the organizational Ends to be achieved and describe organizational situations and actions to be avoided, allowing the CEO to use any reasonable interpretation of these policies.

Accordingly,

- 3.3.1 The Board will develop policies instructing the CEO to achieve specified results, for specified recipients, at a specified cost. These policies will be developed systematically from the broadest, most general level to more defined levels and will be called Ends policies. All issues that are not ends issues as defined here are means issues.
- 3.3.2 The Board will develop policies that limit the latitude the CEO may exercise in choosing the organizational means. These limiting policies will describe those practices, activities, decisions and circumstances that would be unacceptable to the Board even if they were to be effective. Policies will be developed systematically from the broadest, most general level to more defined levels, and they will be called Executive Limitations policies. The Board will never prescribe organizational means delegated to the CEO.
- 3.3.3 As long as the CEO uses *any reasonable interpretation* of the Board's Ends and Executive Limitations policies, the CEO is authorized to establish all further policies, make all decisions, take all actions, establish all practices, and pursue all activities. Such decisions of the CEO shall have full force and authority as if decided by the Board.
- 3.3.4 The Board may change its Ends and Executive Limitations policies, thereby shifting the boundary between Board and CEO domains. By doing so, the Board changes the latitude of choice given to the CEO. However, as long as any particular delegation is in place, the Board will respect and support the CEO's choices.
- 3.3.5 Should the CEO violate a Board policy, he or she shall promptly inform the Board. Informing is simply to guarantee no violation may be intentionally kept from the Board, not to request approval. Board response, either approving or disapproving, does not exempt the CEO from subsequent Board judgment of the action nor does it curtail any executive decision.

Adopted in its entirety by the JEA Board on February 16, 2010.

JEA Board Policy Manual

POLICY TYPE: BOARD MANAGEMENT DELEGATION

POLICY 3.4

POLICY TITLE: MONITORING CEO PERFORMANCE

Systematic monitoring of CEO performance will be solely against the only expected CEO job achievements: organizational accomplishment of Board policies on Ends and organizational operation within the boundaries established in Board policies on Executive Limitations.

Accordingly,

- 3.4.1 Monitoring is simply to determine the degree to which Board policies are being met. Data or information that does not do this will not be considered to be monitoring information.
- 3.4.2 The Board will acquire monitoring information by one or more of these methods:
 - a. By internal report, in which the CEO discloses interpretations and compliance information to the Board.
 - b. By external report, in which an external, disinterested and independent third party selected by the Board assesses compliance with Board policies (e.g. external financial audit).
 - c. By direct Board inspection, in which a designated member or members of the Board assess compliance with the appropriate policy criteria.
- 3.4.3 In every case, the Board will judge (a) the reasonableness of the CEO's interpretation and (b) whether data demonstrate accomplishment of the interpretation.
- 3.4.4 The standard of compliance shall be any reasonable CEO interpretation of the Board policy being monitored. The Board is the final arbiter of reasonableness.
- 3.4.5 All policies that instruct the CEO will be monitored at a frequency and by a method chosen by the Board. The Board can monitor any policy at any time by any method, but will ordinarily depend on a routine schedule:

[Example of monitoring schedule] – (final schedule will be set after policies are developed)

<u>Policy</u>	<u>Method</u>	<u>Frequency</u>	<u>Schedule</u>
Ends	Internal	Annually	
Treatment of Customers	Internal	Annually	
Treatment of Staff	Internal	Annually	
Financial Planning/Budgeting	Internal	Quarterly	End of Qtr.
Financial Condition & Activities	Internal External	Quarterly Annually	End of Qtr. Close of Yr.
Asset Protection	Internal	Annually	
Emergency CEO Succession	Internal	Annually	
Communication and Support to Board	Internal	Annually	

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Compensation and Benefits	Internal	Annually
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In addition to the monitoring reports above, the Board must receive the following information each month. It is understood that this data is supplemental, not monitoring:

Financial Report	Internal	Monthly	End of Month
Operating Report	Internal	Monthly	End of Month

Adopted in its entirety by the JEA Board on February 16, 2010.

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JEA Board Policy Manual

POLICY TYPE: BOARD MANAGEMENT DELEGATION

POLICY 3.5

POLICY TITLE: *CEO REMUNERATION*

Salary and benefits and others terms of employment for the CEO will be determined by contract.

Adopted in its entirety by the JEA Board on February 16, 2010.

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JEA Board Policy Manual

POLICY TYPE: GOVERNANCE PROCESS

POLICY 4.0

POLICY TITLE: GLOBAL GOVERNANCE PROCESS

The purpose of the Board, on behalf of the owners of JEA, the citizens of Duval County, is to see to it that JEA (a) achieves appropriate results for appropriate persons for an appropriate cost (as specified in Board Ends policies) and (b) avoids unacceptable actions and situations (as prohibited in Board Executive Limitations policies).

- 4.1 **Governing Style:** The Board will govern in accordance with legal requirements, observing the principles of the Policy Governance model, with an emphasis on (a) outward vision rather than internal preoccupation, (b) encouragement of diversity in viewpoints, (c) strategic leadership more than administrative detail, (d) clear distinction of Board and chief executive roles, (e) collective rather than individual decisions, (f) future more so than past or present, and (g) proactivity rather than reactivity.
- 4.2 **Board Job Description:** Specific responsibilities of the Board as an informed agent of the ownership are those that ensure appropriate organizational performance.
- 4.3 **Agenda Planning:** To accomplish its responsibilities with a governance style consistent with Board policies, the Board will follow an annual agenda that (a) completes a re-exploration of Ends policies at least annually and (b) continually improves Board performance through education and deliberation.
- 4.4 **Board Officers:** Board officers assure the integrity of the Board's process and record's. Board officers are: Chairman, Vice-Chairman, Secretary & Assistant Secretary.
- 4.5 **Rules of Order:** Board meetings will be conducted in an orderly and fair process consistent with the requirements of Florida law, Ordinances of the City of Jacksonville, the JEA Charter, Bylaws and these governance policies. Meetings will be led by the Chairman, or, in the absence of the Chairman, the Vice-Chairman, or, in the absence of both, by the Chairman's designee.
- 4.6 **Board Member's Code of Conduct:** The Board commits itself to lawful, ethical and businesslike conduct, following all requirements of Florida Law, Ordinances of the City of Jacksonville, and the JEA Charter including proper use of its authority and appropriate decorum when acting as Board members.
- 4.7 **Board Member's Individual Responsibility:** The leadership success of the Board is a direct result of the individual and collegial participation of its members.
- 4.8 **Board Committee Principles:** Board committees, when used, will be assigned so as to reinforce the wholeness of the Board's job and not to interfere with delegation from the Board to the CEO.
- 4.9 **Board Committee Structure:** A committee is a Board committee only if its existence and charge come from the Board, regardless of whether Board members sit on the committee. The only Board committees are those which are set forth in the Bylaws or in this policy. Unless otherwise stated, a committee ceases to exist as soon as its task is complete. The CEO will attend meetings of each committee, but shall not have a vote.
- 4.10 **Cost of Governance:** The Board will invest in continuous improvement of its governance capacity.

Adopted in its entirety by the JEA Board on February 16, 2010.

JEA Board Policy Manual

POLICY TYPE: GOVERNANCE PROCESS

POLICY 4.1

POLICY TITLE: GOVERNING STYLE

The Board will govern in accordance with legal requirements, observing the principles of the Policy Governance model, with an emphasis on (a) outward vision rather than internal preoccupation, (b) encouragement of diversity in viewpoints, (c) strategic leadership more than administrative detail, (d) clear distinction of Board and chief executive roles, (e) collective rather than individual decisions, (f) future more so than past or present, and (g) proactivity rather than reactivity.

Accordingly,

- 4.1.1 Unique Requirements of Florida Law for Public Boards: In conducting its duties as a Board in Florida, the Board is required to comply with the Florida Sunshine Law, which prohibits any two or more members of the Board from meeting unless the meeting has been properly noticed and conducted in accordance with the legal requirements. In addition, Florida Law contains requirements regarding Public Records, conflicts of interest and voting which must be followed in the conduct of the Board's business.
- 4.1.2 The Board will cultivate a sense of group responsibility and will be a proactive Board versus a reactive Board. The Board, not the staff, will be responsible for excellence in governing. The Board will be the initiator of policy, not merely a reactor to staff initiatives. The Board will use the expertise of individual members to enhance the ability of the Board as a body rather than to substitute the individual judgments for the Board's values.
- 4.1.3 The Board will direct, control, and inspire the organization through the careful establishment of broad written policies reflecting the Board's values and perspectives. The Board's major policy focus will be on the intended long-term impacts outside the staff organization, not on the administrative or programmatic means of attaining those effects.
- 4.1.4 The Board will enforce upon itself whatever discipline is needed to govern with excellence. Discipline will apply to matters such as attendance, preparation for meetings, policymaking principles, respect of roles, and ensuring the continuance of governance capability. Although the Board can change its Governance Process policies at any time, it will diligently observe those currently in force.
- 4.1.5 Continual Board development will include orientation of new Board members in the Board's governance process and periodic Board discussion of governance process improvement.
- 4.1.6 The Board will allow no officer, individual, or committee of the Board to hinder or serve as an excuse for the Board not fulfilling its commitments.
- 4.1.7 Each member of the Board will respect the final determination of the Board concerning any particular matter, regardless of the member's personal position concerning such matter.

Adopted in its entirety by the JEA Board on February 16, 2010.

JEA Board Policy Manual

POLICY TYPE: GOVERNANCE PROCESS

POLICY 4.2

POLICY TITLE: BOARD JOB DESCRIPTION

Specific responsibilities of the Board are those that ensure appropriate organizational performance.

Accordingly,

- 4.2.1 The Board is the authoritative link between the organization and the ownership.
- 4.2.2 The Board will provide governing policies that realistically address the broadest levels of all organizational decisions and situations:
 - a. Ends: The organizational outcomes to its recipients including the relative worth of such outcomes in cost or priority. (What good for which recipients at what cost)
 - b. Executive Limitations: Constraints on executive authority that establish the prudence and ethics boundaries within which all executive activity and decisions must take place.
 - c. Board-Management Delegation: Specification of how power is delegated and its proper use monitored; clarity on the CEO's role, authority, and accountability.
 - d. Governance Process: Specification of how the Board develops, carries out, and monitors its own responsibilities.
- 4.2.3 The Board will measure the CEO's performance against its Ends and Executive Limitations Policies.
- 4.2.4 The Board will measure its own performance against its Governance Process and Board-Management Delegation Policies quarterly.
- 4.2.5 Board members will respect their fiduciary responsibilities to protect and enhance the value of JEA as a citizen-owned enterprise with due diligence using sound business judgment consistent with JEA's legislative charter.

Adopted in its entirety by the JEA Board on February 16, 2010.

JEA Board Policy Manual

POLICY TYPE: GOVERNANCE PROCESS

POLICY 4.3

POLICY TITLE: AGENDA PLANNING

To accomplish its responsibilities with a governance style consistent with Board policies, the Board will follow an annual agenda that (a) completes a re-exploration of Ends policies at least annually and (b) continually improves Board performance through education and deliberation.

Accordingly,

- 4.3.1 The Board will establish its annual agenda during an annual retreat to be scheduled around March of each year.
- a. The Board will review and re-establish its Ends policies as often as necessary with review always taking place at least during the annual retreat.
 - b. Consultations with selected groups in the ownership, or other methods of gaining ownership input, will be scheduled as part of the annual agenda.
 - c. Governance education and education related to Ends determination (presentations by futurist, demographers, advocacy groups, staff, etc.) will be scheduled as part of the annual agenda.
- 4.3.2 The agenda for the Board's monthly meeting will be established through consultation with the Chair and the CEO.
- a. The agenda along with supporting item documentation will be made available to Board members seven days prior to monthly Board meetings.
 - b. The Board will attend to consent agenda items as expeditiously as possible.
 - c. A Board member may bring up new business at the appropriate time on the agenda during any meeting, however, if a formal response or presentation is necessary, a request should be made to the CEO no later than two weeks before the Board meeting to allow others on the Board to receive information in advance.
 - d. CEO monitoring will be on the agenda if reports have been received since the previous meeting, if plans must be made for direct inspection monitoring, or if arrangements for third-party monitoring must be prepared.

Adopted in its entirety by the JEA Board on February 16, 2010.

JEA Board Policy Manual

POLICY TYPE: GOVERNANCE PROCESS

POLICY 4.4

POLICY TITLE: BOARD OFFICERS

Board officers assure the integrity of the Board's process and record's. Board officers are: Chairman, Vice-Chairman, Secretary & Assistant Secretary.

Accordingly,

- 4.4.1 The Chairman, a specially empowered member of the Board, ensures the integrity of the Board's process and, secondarily, occasionally represents the Board to outside parties.
- a. The Chairman's role is to see that the Board behaves consistently within its own rules and those rules and regulations imposed upon it from outside the organization.
 - (1) Meeting discussion content will consist of issues that clearly belong to the Board to decide or to monitor according to Board policy.
 - (2) Information that is neither for monitoring performance nor for Board decisions will be avoided or minimized and always noted as such.
 - (3) Deliberation will be fair, open, and thorough but also timely, orderly, and kept to the point.
 - b. The authority of the Chairman consists in making decisions that fall within topics covered by Board policies on Governance Process and Board-Management Delegation, with the exception of (a) employment or termination of the CEO and (b) areas where the Board specifically delegates portions of this authority to others. The Chairman is authorized to use any reasonable interpretation of provisions in these policies.
 - (1) The Chairman is empowered to chair Board meetings with all the commonly accepted powers of that position, such as ruling and recognizing.
 - (2) The Chairman has no authority to make decisions about policies created by the Board within Ends and Executive Limitations policy areas.
 - (3) The Chairman may represent the Board to outside parties in announcing Board-stated positions and in stating Chairman decisions and interpretations within the area delegated to that role.
 - (4) The Chairman may delegate this authority but remains accountable for its use.
 - (5) The Chairman may appoint members and a Chairman for each Board committee, unless otherwise stipulated by Board policies or the organization's Bylaws.
 - c. Expected Traits for chairman: *(Does the Board want to include some basic core traits for the chair?)*
- 4.4.2 The Vice-Chairman or, in the absence of the Vice-Chairman, the immediate Past-Chairman will serve as Chair in the absence of the Chairman.
- 4.4.3 The Board Secretary is an officer of the Board whose purpose is to ensure the integrity of the Board's documents.

Adopted in its entirety by the JEA Board on February 16, 2010.

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- a. The Secretary's role is to see to it that all Board documents and records are accurate and timely.
 - (1) Policies will be current in their reflection of Board decisions. Decisions upon which no subsequent decisions are to be based, such as consent agenda decisions, motions to adjourn, and staff or Board member recognitions, need not be placed in policy.
 - (2) Policy Governance principles will be followed in policy development.
 - (3) Board policies and By-laws are to be consistent with the legal requirements of Florida Law, Ordinances of the City of Jacksonville and the JEA Charter and are to be known by the Board.
 - (4) Board expectations for format, brevity, and accuracy of Board minutes will be known to the CEO.
 - b. The authority of the secretary is access to and control over Board documents and records.
- 4.4.4 The Assistant Secretary will serve as Secretary in the absence of the Secretary.
- 4.4.5 All Board officers are accountable to the Chairman unless otherwise determined by Board policy.

Adopted in its entirety by the JEA Board on February 16, 2010.

JEA Board Policy Manual

POLICY TYPE: GOVERNANCE PROCESS

POLICY 4.5

POLICY TITLE: *RULES OF ORDER*

Board meetings will be conducted in an orderly and fair process consistent with the requirements of Florida Law, Ordinances of the City of Jacksonville, the JEA Charter, Bylaws and these governance policies. Meetings will be led by the Chairman, or, in the absence of the Chairman, the Vice-Chairman, or, in the absence of both, by the Chairman's designee.

Accordingly,

- 4.5.1 Board meetings will be conducted with punctuality and order.
- a. Board meetings shall be called to order at the time specified in the notice of meeting and upon satisfaction of a quorum.
 - b. Meeting order shall be maintained and all members treated with dignity, respect, courtesy, and fairness during discussion and debate and in all other respects.
 - c. Board members must keep their comments relevant to the issue under consideration.
 - d. In order to conduct business, a quorum of four (4) board members must be present. Four affirmative votes are required to decide all motions before the Board regardless of number in attendance.
- 4.5.2 Board meetings will be conducted at a level of informality considered appropriate by the Chairman yet with predictable discipline.
- a. Discussion of a matter not on the previously distributed agenda may occur only after Board consent that the matter be heard.
 - b. Proposals that the Board take action, or decide a particular matter, shall (unless otherwise agreed to by unanimous consent) be made by main motion of a Board member, discussed, and then voted on. Motions require a second to proceed to discussion and subsequent vote.
 - c. The Chair may not make motions but can engage in debate and is required to vote.
 - d. A motion to amend a main motion may be amended but third level amendments are not to be heard.
 - e. A motion to refer to a committee, postpone, or table, may be made with respect to a pending main motion, shall take precedence over the pending motion and, if carried, shall set the main motion (the initial proposal) aside accordingly.
 - f. Board members may speak to a pending motion on as many occasions, and at such length, as the Chair may reasonably allow.
 - g. A vote on a motion shall be taken when discussion ends, but any Board member may, during the course of debate, move for an immediate vote (close debate or call the question) which, if carried, shall end discussion and the vote on the main motion shall then be taken. Votes may be made by voice vote or by roll call. All members of the Board are required to vote unless a conflict of interest is declared.

Adopted in its entirety by the JEA Board on February 16, 2010.

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- g. A motion to adjourn a Board meeting may be offered by any Board member or, on the conclusion of all business, adjournment of the meeting may be declared by the Chair.
- 4.5.3 When further rules of order are to be developed by the Board, the Board will consider the Standard Code of Parliamentary Procedure (Robert's Rules of Order) as a resource guide. The representative from the Office of General Council may serve the Board as a resource on Parliamentary Procedure.

Adopted in its entirety by the JEA Board on February 16, 2010.

JEA Board Policy Manual

POLICY TYPE: GOVERNANCE PROCESS

POLICY 4.6

POLICY TITLE: BOARD MEMBER'S CODE OF CONDUCT

The Board commits itself to lawful, ethical and businesslike conduct, following all requirements of Florida Law, Ordinances of the City of Jacksonville, and the JEA Charter including proper use of its authority and appropriate decorum when acting as Board members.

Accordingly,

- 4.6.1 Members are expected to represent the interests of the ownership. This accountability supersedes any conflicting loyalty such as that to advocacy or interest groups and membership on other Boards or staffs. It also supersedes the personal interest of any Board member acting as a consumer of the organization's services.
- 4.6.2 Members must avoid conflict of interest with respect to their fiduciary responsibility. Such conflicts of interest include but are not limited to the following:
 - a. There will be no self-dealing or business by a member with the organization. Members will annually disclose their involvements with other organizations or with vendors and any associations that might be reasonably seen as representing a conflict of interest.
 - b. When the Board is to decide upon an issue about which a member has an unavoidable conflict of interest, that member shall announce and declare publicly any conflict of interest and withdraw without comment not only from the vote but also from the deliberation.
 - c. Board members will not use their Board position to obtain employment in the organization for themselves, family members, or close associates. Any such existing relationship is expected to be disclosed to the Board. A Board member who applies for employment must first resign from the Board.
- 4.6.3 Members may not attempt to exercise individual authority over the organization except as explicitly set forth in Board policies.
 - a. Members' interaction with the CEO or with staff must recognize the lack of authority vested in individuals except when explicitly authorized by the Board.
 - b. Members' interaction with the public, the press, or other entities must recognize the same limitation and the inability of any Board member to speak for the Board except to repeat explicitly stated Board decisions.
 - c. Except for participation in Board deliberation about whether the CEO has achieved any reasonable interpretation of Board policy, members will not express individual judgments of negative performance of employees or the CEO.
- 4.6.4 Members will respect the confidentiality appropriate to issues of a sensitive nature.
- 4.6.5 Members will be properly prepared for Board deliberation.
- 4.6.6 Members are expected to support the legitimacy and authority of the final determination of the Board on any matter, without regard to the member's personal position on the issue.
- 4.6.7 Members who have any question about the appropriateness of their conduct should consult with the Office of General counsel or appropriate Ethics offices for information.

Adopted in its entirety by the JEA Board on February 16, 2010.

JEA Board Policy Manual

POLICY TYPE: GOVERNANCE PROCESS

POLICY 4.7

POLICY TITLE: *DIRECTORS' INDIVIDUAL RESPONSIBILITY*

The leadership success of the Board is a direct result of the individual and collegial participation of its members.

Therefore, each Board member is expected to participate in the following ways:

- 4.7.1 Time Investment to Accomplish Board Responsibilities - As Board contemplation, deliberation and decision-making are processes which require wholeness, collaboration and participation, attendance at Board meetings is expected of Board members.
- a. Expected Commitments:
 - (1) Monthly Board Meetings
 - (2) Annual Team Building
 - (3) Quarterly Review
 - (4) Bond Rating Agency Trip, 3 days (Board Chair is expected to attend. However, full participation is highly encouraged.)
 - b. Optional Involvement:
 - (1) Internal educational meetings with staff upon request
 - (2) Industry related seminars and conferences
 - (3) Visit other utilities and related industries
- 4.7.2 Preparation and Participation - Board members will prepare for Board and committee meetings and will participate productively in discussions, always within the boundaries of discipline established by the Board. Each member will contribute his or her own knowledge, skills and expertise to the Board's efforts to fulfill its responsibilities.
- 4.7.3 Members as Individuals - The CEO is accountable only to the Board as an organization, and not to individual Board members. Accordingly, the relationship between the CEO and individual members of the Board, including the Chairman, is collegial, not hierarchical.

Adopted in its entirety by the JEA Board on February 16, 2010.

JEA Board Policy Manual

POLICY TYPE: GOVERNANCE PROCESS

POLICY 4.8

POLICY TITLE: BOARD COMMITTEE PRINCIPLES

Board committees, when used, will be assigned so as to reinforce the wholeness of the Board's job and not to interfere with delegation from the Board to the CEO.

Accordingly,

- 4.8.1 Board committees are to help the Board accomplish its responsibilities and are not assigned to perform staff functions. Committees ordinarily will assist the Board by preparing policy alternatives and implications for Board deliberation. In keeping with the Board's broader focus, Board committees will normally not have direct dealings with current staff operations unless specifically outlined in committee objectives.
- 4.8.2 Board committees may not speak or act for the Board except when formally given such authority for specific purposes. Expectations and authority will be carefully stated in order to prevent conflict with authority delegated to the CEO.
- 4.8.3 Board committees cannot exercise authority over staff. The CEO works for the full Board, and will therefore not be required to obtain the approval of a Board committee before an executive action.
- 4.8.4 Committees will be formed for a specific purpose only. Its purpose and function will be documented in a written charge. All committees are accountable to the Board as a whole.
- 4.8.5 This policy applies to any group that is formed by Board action, whether or not it is called a committee and regardless of whether the group includes Board members, it does not apply to committees formed under the authority of the CEO.

Adopted in its entirety by the JEA Board on February 16, 2010.

JEA Board Policy Manual

POLICY TYPE: GOVERNANCE PROCESS

POLICY 4.9

POLICY TITLE: BOARD COMMITTEE STRUCTURE

A committee is a Board committee only if its existence and charge come from the Board, regardless of whether Board members sit on the committee. The only standing Board committees are those which are set forth in the Bylaws or in this policy. Unless otherwise stated, a committee ceases to exist as soon as its task is complete. The CEO will attend meetings of each committee, but shall not have a vote.

Accordingly,

- 4.9.1 Nominating Committee: The purpose of the Nominating committee is to recommend Board officers for election by the Board as a whole.
- a. The Nominating Committee will be comprised of three members. The current Chairman (which shall serve as chair of the committee) and the two most immediate past Chairman still remaining on the Board will constitute the committee. If one or more past chairman is no longer serving on the Board, the Chairman shall select Board members to fill out a committee of three.
 - b. The Nominating Committee shall be formed no later than January of each year and will make its recommendation to the Board for action at its March meeting.
- 4.9.2 Finance and Audit Committee: The purpose of the Finance and Audit committee is to assist the Board in fulfilling its oversight responsibilities by reviewing financial information, systems of internal controls, and audit process, including a high level review of the operating and capital budgets. The committee will provide an open avenue of communication between the Board, Management, Audit Services, and external auditors.
- a. The Finance and Audit committee will be comprised of three members appointed annually by the chair and confirmed by the Board. Two members will constitute a quorum.
 - b. The committee will meet at least four times per year. A schedule of regular meetings will be established by the committee annually. Special meetings may be called by any committee member. Meeting dates, times and location will be announced to the entire Board.
 - c. The committee shall oversee:
 - (1) Internal controls and risk assessment
 - (2) Internal Audit Services
 - (3) Compliance with laws, regulations and code of conduct
 - (4) Financial Reporting
 - d. The committee will oversee the External Auditor
- 4.9.3 Other Committees may be established as designated by the Chair.

Adopted in its entirety by the JEA Board on February 16, 2010.

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POLICY TYPE: GOVERNANCE PROCESS

POLICY 4.10

POLICY TITLE: COST OF GOVERNANCE

The Board will invest in continuous improvement in its governance capacity.

Accordingly,

- 4.10.1 The Board will use appropriate methods to improve its governing skills.
- a. Training and retraining will be used liberally to orient new members as well as to maintain and increase existing members' skills and understandings.
 - b. Outside monitoring assistance will be arranged so that the Board can exercise confident control over organizational performance. This includes but is not limited to a financial audit.
 - c. Outreach mechanisms will be used as needed to ensure the Board's ability to listen to owner viewpoints and values.
 - d. Knowledgeable industry experts will be made available to the Board in various ways to continuously improve the Board's awareness of emerging utility industry issues.
- 4.10.2 Costs for appropriate Board governance will be included during annual budget preparations. Any expenditure required will be in accordance with JEA procurement policies. Items may include but not be limited to the following as annually decided by the Board:
- a. training
 - b. attendance at conferences, industry site visits and Rating Agency presentations
 - c. audit and other third-party monitoring of organizational performance
 - d. surveys, focus groups, opinion analysis, and meeting costs.

Adopted in its entirety by the JEA Board on February 16, 2010.

Column A - JEA Board Policy Manual - Adopted on February 16, 2010

Column A - JEA Board Policy Manual - Adopted on February 16, 2010

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APPENDIX

- A1 Executive Core Competencies
- A2 JEA Charter (Article 21 of City of Jacksonville Ordinance Code)
- A3 By-Laws of JEA

Adopted in its entirety by the JEA Board on February 16, 2010.

Column A - JEA Board Policy Manual - Adopted on February 16, 2010

JEA Board Policy Manual

Executive Core Competencies

Models Integrity

- Demonstrates high ethical 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
- Is a fair person who does not manipulate or take advantage of others
- Tells the truth even when it is difficult
- Utilizes values and principles to guide his/her decisions
- Builds respect and trust from others by following through on commitments
- Represents information accurately and completely
- Assumes responsibility for own behavior; admits to mistakes

Makes Quality Decisions

- Examines and integrates data from a variety of sources to make quality decisions
- Prioritizes decisions and initiatives in ways that ensures the highest value for the organization
- Makes educated and effective decisions in a timely manner, even when data is limited
- 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

- Assumes full ownership and accountability for own performance
- Takes on challenging work, even in the face of obstacles
- Initiates action on projects without being pressured from others to do so
- 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

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
- Communicates through appropriate channels

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- Identifies sources of motivation and appeals directly to co-workers in a language meaningful to them
- Is engaging with others and demonstrates professionalism through body language, including eye-contact, confidence, and focus
- 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
- Drives execution with speed and discipline, and delivers on personal and organizational commitments
- Demonstrates ownership for performance of entire organization, and holds self and organization accountable for decisions and results
- Assesses financial implications of initiatives; allocates resources to improve results while maintaining financial discipline
- Actively monitors performance of self and others relative to performance objectives

Focuses on the Customer

- Places high priority on identifying and meeting internal and external customer needs
- Provides high quality, valuable and consistent service to customers
- Ensures that customers understand and receive the fullest value possible from the products and services of the organization
- Assures that products and services meet customer needs and expectations
- Adapts and personalizes services to meet individual customer needs
- Anticipates changing customer needs and develops ways to meet or exceed those needs
- 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
- Identifies and removes barriers that interfere with the team's success and provides suggestions to enhance team effectiveness
- Contributes to inclusive culture by valuing others' viewpoints, encouraging others to share ideas, and treating others in an accepting, respectful manner

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- Recognizes and capitalizes on the strengths of others to accomplish organizational objectives
- Exhibits willingness to listen to others' views even if not same as own
- Does not take conflicts personally; handles conflict in a positive manner and seeks mutual understanding
- Directly confronts behaviors that undermine team effectiveness

Manages and Supports Change

- Effectively copes with changing environments, tasks and responsibilities
- Facilitates the acceptance and implementation of change to enhance the organization
- Encourages others to embrace change and use it as an opportunity to be creative and improve performance
- Identifies the changes necessary to move the organization forward
- Embraces and promotes change initiatives with a positive and enthusiastic attitude
- Ensures that change initiatives are aligned with strategic initiatives, values, and mission of the organization
- Leads change initiatives with frequent and consistent two-way communication
- Leverages resources to promote and sustain change efforts

Visionary Strategist

- Develops the strategies and actions needed to accomplish desired organizational objectives
- Communicates the organization's vision in a way that is meaningful and actionable for employees
- Researches and analyzes marketplace, political, economic, and other external influences to formulate vision and strategy, and position the organization in the marketplace
- 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
- Considers both short and long-term implications of a strategy
- 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 through both respect and holding them accountable
- Provides others with constructive feedback, guidance, and coaching for improving performance
- Sets clear performance expectations and strategic goals, regularly monitors performance, and provides accurate evaluations

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- Encourages the use of development activities (e.g., workshops, mentoring), to improve performance and achieve desired results for the organization
- Identifies and provides important assignments to facilitate the development of key personnel
- Balances levels of support, direction, and autonomy based on employee needs and level of experience

Delegates to Others

- Plans delegated assignments to ensure an optimal match between value of task and value of the resource attached to it
- Determines when to assign responsibilities to others and clarifies expectations to ensure effectiveness
- 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
- Recognizes individuals who are successful in completing delegated assignments

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
- Treats others outside the organization in an accepting, respectful manner
- Understands the needs of the cities, board members and the community, and leverages this information to shape policies and initiatives
- Represents the organization with credibility to print and media sources (includes providing information, clarifying facts, etc.)
- Researches constituencies to determine the best way to communicate to them
- Ensures that customers experience and understand the full value they derive from the organization

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
- Maintains a cordial, productive relationship with each board member
- 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”

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Leads Others Effectively

- Develops and communicates compelling rationales that build commitment and support for one's perspectives, strategies, and initiatives
- Builds diverse, high-performing teams that accomplish organizational changes, goals, and priorities
- Listens to the diverse ideas, perspectives, and contributions of others across the organization
- 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 maximizes performance
- Leads with a vision that inspires others to adopt the goals of the organization as their own
- Ability to interact and get along with employees at all levels

Leverages Industry Acumen

- Monitors and analyzes financial data and key cost drivers (e.g., personnel) to evaluate options and make decisions
- Understands overall financial and operational performance of an organization in order to effectively position it in the marketplace
- Establishes and maintains realistic budgets in accordance with the organizations policies
- Follows appropriate legal and fiduciary requirements when reconciling and reporting financial transactions
- Considers multiple options for reducing costs and keeping the organization as efficient as possible
- Seeks to develop financial acumen and understand key financial related issues
- Grows continuously in business knowledge and experience

Plans for the Future

- Identifies and balances risks and benefits when developing plans
- Assesses financial implications of projects and initiatives; allocates resources to improve results while maintaining financial discipline
- Provides the information, resources, implementation time, and talent needed to make plans and their implementation successful
- Identifies need for and ensures contingency plans are developed
- Assigns or directly monitors and evaluates the external environment when developing plans
- Aligns and allocates resources and time according to strategic priorities and company interests

Embraces Diversity

- Promotes the active recruiting of diverse individuals

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- Communicates and clarifies the link between diversity and achieving the organization's strategic goals
- Demonstrates visible support for programs that remove barriers (e.g., stereotypes) between diverse individuals
- 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
- Defines and evaluates specific points of agreement and disagreement
- Seeks win-win solutions that meet the underlying interests of all parties
- 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

Manages Politics

- Accurately discerns unspoken feelings and motivations, and leverages to determine what to say or how to proceed
- Adapts dress and demeanor as appropriate to a situation
- Appropriately manages impressions of oneself, one's department and the organization
- Keenly aware of and adheres to the norms and practices of the organization's culture
- Leverages appropriate channels of influence to more efficiently gain resources and accomplish goals
- Creates and maintains both formal and informal networks within the organization that facilitate the achievement of goals
- Chooses battles wisely and matches urgency to the importance of the concerns under discussion

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Comparison Rewrite V2 - Clean (Staff and Board Edits)

9-8-2020

4:19 pm



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POLICY TYPE: GOVERNANCE PROCESS

POLICY 1.0

POLICY TITLE: *BY-LAWS OF JEA*

ARTICLE I - OFFICES

The principal office of JEA shall be located in Jacksonville, Florida. Branch offices of JEA may be established at such places as JEA may designate from time to time.

ARTICLE II - MEMBERS OF JEA GOVERNING BODY

Section 1. General Powers. The affairs of JEA shall be managed by the JEA governing body ("Board") as provided in Article 21, Charter of the City of Jacksonville, as amended, and other applicable laws.

Section 2. Appointment, Number, Tenure, and Expense Reimbursement. The membership of the JEA Board shall be constituted in number, qualifications, manner of appointment and tenure as provided in Article 21, Charter of the City of Jacksonville, as amended. Members of the JEA Board shall receive reimbursement for all expenses incurred which are reimbursable by law.

ARTICLE III - OFFICERS

Section 1. Elections. The Officers of the JEA Board shall be a Chair, Vice-Chair, and a Secretary who shall be elected by the members and who shall serve as such officers for one year or until a successor is chosen. The Chair may serve for two consecutive one-year terms, which shall not include any period served as replacement Chair during the unexpired portion of the predecessor's term. Elections of Officers shall be conducted at the first regular meeting in March which may be preceded by a meeting of the nominating committee composed of the JEA Board acting as a whole or such other membership as the Chair may designate.

Section 2. Vacancies. A vacancy in any office because of death, illness, removal or otherwise, may be filled by the remaining members for the unexpired term.

Section 3. Chair. The Chair shall preside at all meetings of the JEA Board unless the Chair delegates otherwise. The Chair shall designate from time to time such special committees as the Chair deems appropriate and shall designate the subject matter assigned to each committee for consideration. In the event of the Chair's prolonged absence or disability, the Vice-Chair shall exercise all functions of the Chair for a period of up to thirty (30) days, at the expiration of which a special election shall be conducted by the JEA Board and a permanent Chair elected.

Section 4. Vice-Chair. The Vice-Chair shall perform such duties as are assigned by the Chair in addition to the functions for which the Vice-Chair is responsible under Section 3 above.

Section 5. Secretary. The Secretary shall cause the minutes to be kept of each meeting of the members in the Minute Book designated for that purpose. In the event of the Secretary's absence or disability, the Chair shall designate another member to be responsible for keeping of minutes during the Secretary's absence and for their inclusion in the Minute Book. When so directed by the Chair, the Secretary shall cause all notices to be given in accordance with these By-Laws and other applicable laws; the Secretary shall be responsible for the proper care and custody of all records pertaining to JEA affairs and for custody of the Seal of JEA. The Secretary shall be responsible for the Register of the address of each Board member and of such other persons as may be designated by the Chair or by the Executive Committee. The Secretary shall perform such other duties as from time to time may be assigned by the Chair or by the Executive Committee.

Adopted in its entirety by the JEA Board on February 16, 2010
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ARTICLE IV - COMMITTEES

Section 1. Executive Committee. There shall be an Executive Committee comprised of as many members of the JEA Board as may be determined by the Chair. The Executive Committee shall function for and on behalf of the seven (7) members of the JEA Board to the extent that such action may be lawfully delegated; however, the designation of the Executive Committee and delegation thereto of authority to act in proper circumstances for the full membership of the JEA Board shall not operate to relieve the members of any responsibility imposed upon them individually or collectively by law. The Chair of the JEA Board shall preside at meetings of the Executive Committee, and it shall meet from time to time at such times and places as the Chair may designate.

Section 2. Ordinary Committees.

(a) **Standing Committees.** The Chair may appoint standing committees from time to time which shall be composed of as many members of the JEA Board as determined by the Chair. The Chair shall name one of the committee members as committee chair and one as committee vice-chair. A standing committee shall continue until such time as it is terminated by the Chair.

(b) **Special Committees.** The Chair may appoint special committees from time to time, and the Chair may specify that one or more individuals who are not members of the JEA Board shall work with and assist the special committee. The Chair shall name one of the committee members as committee chair and one as committee vice-chair; both positions must be filled by current members of the JEA Board. When a special committee has fulfilled its function or when the best interests of JEA have been served, the committee shall be terminated without formal action.

Section 3. Term of Committee Members. Each member of a committee shall serve until the expiration of his/her term of office as a JEA Board member, until that member's successor is appointed and has accepted such appointment, or until the committee is terminated.

Section 4. Powers of the Committee and the Committee Chair. The committee chair, or vice-chair in the absence of the chair, shall have the power and authority to call meetings of the committee upon reasonable verbal or written notice to the members, and to set the date, time and place of such meetings. This function may also be performed by a majority of the remaining members of the committee upon inaction by the chair. A committee secretary may be designated by the committee chair. A committee may submit reports to the Chair and members of the JEA Board in writing as determined by the committee chair. Committee reports shall contain both majority and minority reports of committee members. A committee may by motion recommend to the JEA Board that action be taken on matters under consideration by the committee. Matters under consideration by the committee may include resolutions or other proposed actions presented to the committee by the JEA Managing Director.

Section 5. Committee Vacancies. The Chair shall fill vacancies in the membership of any committee. Should the Chair of the JEA Board fail to fill a vacancy within a reasonable length of time after such a vacancy occurs, then such vacancy may be filled by a majority of the members of the JEA Board acting in any regular or special meeting.

Section 6. Conduct of Committee Business. A majority of the entire membership of the committee shall constitute a quorum, and an act of the majority of the committee present at any meeting shall constitute the act of the committee. Should a quorum not be present at a scheduled meeting, the committee chair, or vice-chair in the absence of the chair, may appoint as many JEA Board members as necessary to constitute a quorum. Such appointment is for the purpose of that meeting only. All JEA Board members may attend and participate in any committee meeting, but only committee members have the right to make motions and to vote. Except as provided otherwise herein, Roberts Rules of Order shall govern the conduct of committee business, unless the majority of the committee present at such meeting shall elect to utilize other rules or procedures consistent with applicable law and these By-Laws.

Adopted in its entirety by the JEA Board on February 16, 2010
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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.

Section 2. Special Meetings. Special meetings of the members may be called by the Chair or by any three (3) members and shall be held 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.

Section 3. Notice of Special Meetings and Purpose. Notice of each special meeting of the members shall be given by the Chair or by the three (3) members who may have called such special meeting. Such notice shall be in writing and shall be provided to every member not less than two (2) working days before the meeting and shall state the purpose, time and place of the special meeting. Attendance by a member at a special meeting shall constitute waiver of notice. A member may, however, appear at a meeting for the sole purpose of objecting to the transaction of any business on the ground that the meeting was not lawfully called without losing the right to object to improper notice. No business shall be transacted at any special meeting other than the purpose specified in the notice unless a majority of the members in attendance at such special meeting agree to transact other business.

Section 4. Teleconference or Videoconference Meetings. The Chair may allow Board member(s) to attend a regular or special meeting by teleconference or videoconference, provided that all JEA Board members attending the meeting and all other persons participating in the meeting may hear (or if by videoconference, see and hear) each other at the same time. Whenever any Board member attends a meeting by teleconference or videoconference, the Chair shall conduct the meeting in a manner so as to allow, to the fullest extent possible, simultaneous communication. A Board member or other person wishing to speak must first identify himself/herself to the Chair and request recognition from the Chair before speaking. Visual presentations shall be described in detail for any Board member attending by teleconference who is unable to view the presentation. It is the Board's preference that meetings be held with a quorum physically present except, on occasion, when the Board needs to transact business for a special matter typically conducted at a special meeting.

Section 5. Quorum and Votes Required for Action. The majority of the Board members shall constitute a quorum for the purpose of meeting and transacting business. Four (4) affirmative votes shall be required to accomplish an act of business. Pursuant to Chapter 286, Florida Statutes, no member who is present at any Board meeting may abstain from voting except when there is, or appears to be, a possible conflict of interest. In such case, the abstaining Board member shall comply with the disclosure requirements of Chapter 112, Florida Statutes.

Section 6. Vacancies. Any vacancy occurring in the office of a member of the JEA Board shall be filled for the unexpired term in the manner provided in Article 21, Charter of the City of Jacksonville, as amended.

Section 7. Rules and Procedures. Except as provided otherwise herein, Robert's Rules of Order shall govern the conduct of the JEA Board business, unless the majority of members shall elect to utilize other rules or procedures consistent with applicable law and these By-Laws.

ARTICLE VI - AMENDMENTS TO BY-LAWS

These By-Laws may be amended, repealed or altered, in whole or in part, by the affirmative votes of four (4) members at any regular or special meeting, provided such subject has been included in an agenda item.

Adopted in its entirety by the JEA Board on February 16, 2010
and as Amended and Adopted by the JEA Board on _____.

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ARTICLE VII - EFFECT OF BY-LAWS

Noncompliance with these By-Laws shall not operate to invalidate any JEA Board action otherwise valid under applicable law.

APPROVED BY THE BOARD

Date: _____

Form Approved:

Office of General Counsel

Adopted in its entirety by the JEA Board on February 16, 2010
and as Amended and Adopted by the JEA Board on _____.

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JEA Board Policy Manual

POLICY TYPE: GOVERNANCE PROCESS

POLICY 1.1

POLICY TITLE: *JEA BOARD MISSION, VISION, VALUES, GOALS AND OBJECTIVES*

Mission

The JEA Board will exercise ownership, management and operate utilities systems for the City of Jacksonville and rate payers.

Vision

Make JEA the best in class for public utilities in the United States.

Values

- ❖ Leadership – Make the tough calls.
- ❖ Selfless Service – Do what is right for the community.
- ❖ Competency – Have a strategic understanding of the public utilities industry.
- ❖ Integrity – Adhere to a strict moral and ethical code and total transparency.

Goals & Objectives

- ❖ Be proactive in issuing important guidance and making timely decisions.
 - Objective: Maintain a planning horizon that is forward looking and anticipate key decisions to be made.
- ❖ Act in the best interest of the JEA workforce, rate payers and the citizens of Jacksonville.
 - Objective: Utilize the expertise of board members to enhance the ability of the board to act as a collective body.
- ❖ Exercise due diligence so well- informed decisions are made.
 - Objective: Use sound business judgement consistent with JEA's legislative charter.
- ❖ Secure the trust and confidence of the Jacksonville community and rate payers.
 - Objective: Strict adherence to Sunshine laws, JEA Charter, Florida & Jacksonville City Ethics Codes and JEA Code of Conduct.

Adopted in its entirety by the JEA Board on February 16, 2010
and as Amended and Adopted by the JEA Board on _____.

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JEA Board Policy Manual

POLICY TYPE: GOVERNANCE PROCESS

POLICY 1.2

POLICY TITLE: GLOBAL GOVERNANCE PROCESS

The mission of the JEA Board is to exercise ownership, management and operate utilities systems for the City of Jacksonville and rate payers and make JEA the best in class for public utilities in the United States.

- 1.2.1 **Governing Style:** The Board will govern in accordance with legal requirements, with an emphasis on (a) outward vision rather than internal preoccupation, (b) encouragement of diversity in viewpoints, (c) strategic leadership more than administrative detail, (d) clear distinction of Board and chief executive roles, (e) collective rather than individual decisions, (f) future more so than past or present, and (g) proactivity rather than reactivity.
- 1.2.2 **Board Job Description:** Specific responsibilities of the Board are those that ensure appropriate organizational performance.
- 1.2.3 **Agenda Planning:** To accomplish its responsibilities with a governance style consistent with Board policies, the Board will follow an annual agenda that (a) reviews the MOEs (measures of effectiveness) and (b) continually improves Board performance through education and deliberation.
- 1.2.4 **Board Officers:** Board officers assure the integrity of the Board's process and record's. Board officers are: Chairman, Vice-Chairman and Secretary.
- 1.2.5 **Rules of Order:** Board meetings will be conducted in an orderly and fair process consistent with the requirements of Florida law, Ordinances of the City of Jacksonville, the JEA Charter and these governance policies. Meetings will be led by the Chairman, or, in the absence of the Chairman, the Vice-Chairman, or, in the absence of both, by the Chairman's designee.
- 1.2.6 **Board Member's Code of Conduct:** The Board commits itself to lawful, ethical and businesslike conduct, following all requirements of Florida Law, Ordinances of the City of Jacksonville, and the JEA Charter including proper use of its authority and appropriate decorum when acting as Board members.
- 1.2.7 **Board Member's Individual Responsibility:** The leadership success of the Board is a direct result of the individual and collegial participation of its members. Board members will commit to preparation for all JEA related meetings and activities.
- 1.2.8 **Board Committee Principles:** Board committees, when used, will be assigned so as to reinforce the wholeness of the Board's job and not to interfere with delegation from the Board to the CEO.
- 1.2.9 **Board Committee Structure:** A committee is a Board committee only if its existence and charge come from the Board, regardless of whether Board members sit on the committee. The only Board committees are those which are set forth in in this policy. Unless otherwise stated, a committee ceases to exist as soon as its task is complete. The CEO will attend meetings of each committee, but shall not have a vote.
- 1.2.10 **New Board Members On-Boarding Requirements:** Incorporate applicable provisions found in "New JEA Board Member Checklist" Madricka sent us; ethics training as per OGC training requirements; Cyber and Tech services training and Security training as per JEA procedures;
- 1.2.11 **JEA Board Evaluation Criteria**

Adopted in its entirety by the JEA Board on February 16, 2010
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POLICY TYPE: GOVERNANCE PROCESS

POLICY 1.3

POLICY TITLE: GOVERNING STYLE

The Board will govern in accordance with legal requirements, observing the principles of the Policy Governance model, with an emphasis on (a) outward vision rather than internal preoccupation, (b) encouragement of diversity in viewpoints, (c) strategic leadership more than administrative detail, (d) clear distinction of Board and chief executive roles, (e) collective rather than individual decisions, (f) future more so than past or present, and (g) proactivity rather than reactivity.

Accordingly,

- 1.3.1 Unique Requirements of Florida Law for Public Boards: In conducting its duties as a Board in Florida, the Board is required to comply with the Florida Sunshine Law, which prohibits any two or more members of the Board from meeting unless the meeting has been properly noticed and conducted in accordance with the legal requirements. In addition, Florida Law contains requirements regarding Public Records, conflicts of interest and voting which must be followed in the conduct of the Board's business.
- 1.3.2 The Board will cultivate a sense of group responsibility and will be a proactive Board versus a reactive Board. The Board, not the staff, will be responsible for excellence in governing. The Board will be the initiator of policy, not merely a reactor to staff initiatives.
- 1.3.3 Although the Board can change its Governance Process policies at any time, it will diligently observe those currently in force.
- 1.3.4 Continual Board development will include orientation of new Board members in the Board's governance process and periodic Board discussion of governance process improvement.
- 1.3.5 The Board will allow no officer, individual, or committee of the Board to hinder or serve as an excuse for the Board not fulfilling its commitments.
- 1.3.6 Each member of the Board will respect the final determination of the Board concerning any particular matter, regardless of the member's personal position concerning such matter.

Adopted in its entirety by the JEA Board on February 16, 2010
and as Amended and Adopted by the JEA Board on _____.

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POLICY TYPE: GOVERNANCE PROCESS

POLICY 1.4

POLICY TITLE: *BOARD JOB DESCRIPTION*

Specific responsibilities of the Board are those that ensure appropriate organizational performance.

Accordingly,

- 1.4.1 The Board is the authoritative link between the organization and the ownership.
- 1.4.2 The Board will provide governing policies that realistically address the broadest levels of all organizational decisions and situations:
 - a. Governance Process: Specification of how the Board develops, carries out, and monitors its own responsibilities
 - b. Board-Management Delegation: Specification of how power is delegated and its proper use monitored; clarity on the CEO's role, authority, and accountability.
 - c. Executive Mandates: Constraints on executive authority that establish the prudence and ethics boundaries within which all executive activity and decisions must take place.
 - d. Measures of Effectiveness: The organizational outcomes to its recipients including the relative worth of such outcomes in cost or priority. (What good for which recipients at what cost)
- 1.4.3 The Board will evaluate the CEO's performance annually using appropriate measure of effectiveness derived from the Executive Mandates and Board-Management Delegation policies. This CEO annual evaluation will be done formally in person with the CEO and full board. CEO evaluation criteria as per Appendix A1 (with CEO core competencies)
- 1.4.4 The Board will measure its own performance against its Governance Process and Board-Management Delegation Policies annually.
- 1.4.5 Board members will respect their fiduciary responsibilities to protect and enhance the value of JEA as a citizen-owned enterprise with due diligence using sound business judgment consistent with JEA's legislative charter.

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POLICY TYPE: GOVERNANCE PROCESS

POLICY 1.5

POLICY TITLE: *AGENDA PLANNING*

To accomplish its responsibilities with a governance style consistent with Board policies, the Board will follow an annual agenda that (a) completes a re-exploration of the Measures of Effectiveness (MOEs) policies at least annually and (b) continually improves Board performance through education and deliberation.

Accordingly,

- 1.5.1 The Board will establish its annual agenda during an annual retreat to be scheduled around March of each year.
 - a. The Board will review the MOEs as often as necessary, but minimally once a year.
 - b. Consultations with selected groups in the ownership, or other methods of gaining ownership input, will be scheduled as part of the annual agenda.
 - c. Governance education and education related to the MOEs (presentations by futurist, demographers, advocacy groups, staff, etc.) will be scheduled as part of the annual agenda.
- 1.5.2 The agenda for the Board's monthly meeting will be established through consultation with the Chair and the CEO.
 - a. The agenda along with supporting item documentation will be made available to Board members minimally seven days prior to monthly Board meetings.
 - b. A Board member may bring up new business at the appropriate time on the agenda during any meeting, however, if a formal response or presentation is necessary, a request should be made to the CEO no later than two weeks before the Board meeting to allow others on the Board to receive information in advance.
 - c.

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POLICY TYPE: GOVERNANCE PROCESS

POLICY 1.6

POLICY TITLE: BOARD OFFICERS

Board officers assure the integrity of the Board's process and record's. Board officers are: Chairman, Vice-Chairman, and Secretary.

This makes no sense; we should not impede the flow of information just because it does not pertain to evaluation or bd decisions.

Accordingly,

- 1.6.1 The Chairman, a specially empowered member of the Board, ensures the integrity of the Board's process and, secondarily, occasionally represents the Board to outside parties.
- a. The Chairman's role is to see that the Board behaves consistently within its own rules and those rules and regulations imposed upon it from outside the organization.
 - (1) Meeting discussion content will consist of issues that clearly belong to the Board to decide or to monitor according to Board policy.
 - (2) Information that is not for monitoring performance or Board decisions should be avoided.
 - (3) Deliberation will be fair, open, and thorough but also timely, orderly, and kept to the point.
 - b. The authority of the Chairman consists in making decisions that fall within topics covered by Board policies on Governance Process and Board-Management Delegation, with the exception of (a) employment or termination of the CEO and (b) areas where the Board specifically delegates portions of this authority to others. The Chairman is authorized to use any reasonable interpretation of provisions in these policies.
 - (1) The Chairman is empowered to chair Board meetings with all the commonly accepted powers of that position, such as ruling and recognizing.
 - (2) The Chairman may represent the Board to outside parties in announcing Board-stated positions and in stating Chairman decisions and interpretations within the area delegated to that role.
 - (3) The Chairman may delegate this authority but remains accountable for its use.
 - (4) The Chairman may appoint members and a Chairman for each Board committee, unless otherwise stipulated by Board policies.
- 1.6.2 The Vice-Chairman or, in the absence of the Vice-Chairman, the immediate Past-Chairman will serve as Chair in the absence of the Chairman.
- 1.6.3 The Board Secretary is an officer of the Board whose purpose is to ensure the integrity of the Board's documents.

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- a. The Secretary's role is to see to it that all Board documents and records are accurate and timely.
 - (1) Policies will be current in their reflection of Board decisions. Decisions upon which no subsequent decisions are to be based, such as consent agenda decisions, motions to adjourn, and staff or Board member recognitions, need not be placed in policy.
 - (2) Board policies and By-laws are to be consistent with the legal requirements of Florida Law, Ordinances of the City of Jacksonville and the JEA Charter and are to be known by the Board.
 - b. The authority of the secretary is access to and control over Board documents and records
- 1.6.4 The Assistant Secretary will serve as Secretary in the absence of the Secretary.
- 1.6.5 All Board officers are accountable to the Chairman unless otherwise determined by Board policy.

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POLICY TYPE: GOVERNANCE PROCESS

POLICY 1.7

POLICY TITLE: RULES OF ORDER

Board meetings will be conducted in an orderly and fair process consistent with the requirements of Florida Law, Ordinances of the City of Jacksonville, the JEA Charter, Bylaws and these governance policies. Meetings will be led by the Chairman, or, in the absence of the Chairman, the Vice-Chairman, or, in the absence of both, by the Chairman's designee.

Accordingly,

- 1.7.1 Board meetings will be conducted with punctuality and order.
- a. Board meetings shall be called to order at the time specified in the notice of meeting and upon satisfaction of a quorum.
 - b. Meeting order shall be maintained and all members treated with dignity, respect, courtesy, and fairness during discussion and debate and in all other respects.
 - c. Board members must keep their comments relevant to the issue under consideration.
 - d. In order to conduct business, a quorum of four (4) board members must be present. Four affirmative votes are required to decide all motions before the Board regardless of number in attendance.
- 1.7.2 Board meetings will be conducted at a level of informality considered appropriate by the Chairman yet with predictable discipline.
- a. Discussion of a matter not on the previously distributed agenda may occur only after Board consent that the matter be heard.
 - b. Proposals that the Board take action, or decide a particular matter, shall (unless otherwise agreed to by unanimous consent) be made by main motion of a Board member, discussed, and then voted on. Motions require a second to proceed to discussion and subsequent vote.
 - c. The Chair may not make motions but can engage in debate and is required to vote.
 - d. A motion to amend a main motion may be amended but third level amendments are not to be heard.
 - e. A motion to refer to a committee, postpone, or table, may be made with respect to a pending main motion, shall take precedence over the pending motion and, if carried, shall set the main motion (the initial proposal) aside accordingly.
 - f. Board members may speak to a pending motion on as many occasions, and at such length, as the Chair may reasonably allow.
 - g. A vote on a motion shall be taken when discussion ends, but any Board member may, during the course of debate, move for an immediate vote (close debate or call the

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question) which, if carried, shall end discussion and the vote on the main motion shall then be taken. Votes may be made by voice vote or by roll call. All members of the Board are required to vote unless a conflict of interest is declared.

- h. A motion to adjourn a Board meeting may be offered by any Board member or, on the conclusion of all business, adjournment of the meeting may be declared by the Chair.

- 1.7.3 When further rules of order are to be developed by the Board, the Board will consider the Standard Code of Parliamentary Procedure (Robert's Rules of Order) as a resource guide. The representative from the Office of General Council may serve the Board as a resource on Parliamentary Procedure.

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POLICY TYPE: GOVERNANCE PROCESS

POLICY 1.8

POLICY TITLE: BOARD MEMBER'S CODE OF CONDUCT

The Board commits itself to lawful, ethical and businesslike conduct, following all requirements of Florida Law, Ordinances of the City of Jacksonville, and the JEA Charter including proper use of its authority and appropriate decorum when acting as Board members.

Accordingly,

- 1.8.1 Members are expected to represent the interests of the ownership. This accountability supersedes any conflicting loyalty such as that to advocacy or interest groups and membership on other Boards or staffs. It also supersedes the personal interest of any Board member acting as a consumer of the organization's services.
- 1.8.2 Members must avoid conflict of interest with respect to their fiduciary responsibility. Such conflicts of interest include but are not limited to the following:
 - a. There will be no self-dealing or business by a board member with any entity that might be reasonably seen as representing a conflict of interest.
 - b. When the Board is to decide upon an issue about which a member has an unavoidable conflict of interest, that member shall announce and declare publicly any conflict of interest and withdraw without comment not only from the vote but also from the deliberation.
 - c. No board member will have a contractual relationship with JEA (directly or indirectly) during their board tenure and for 2 years following member's date of termination from board membership.
- 1.8.3 Members may not attempt to exercise individual authority over the organization except as explicitly set forth in Board policies.
 - a. Members' interaction with the CEO or with staff must recognize the lack of authority vested in individuals except when explicitly authorized by the Board.
 - b. Members' interaction with the public, the press, or other entities must recognize the same limitation and the inability of any Board member to speak for the Board except to repeat explicitly stated Board decisions.
 - c. Except for participation in Board deliberation about whether the CEO has achieved any reasonable interpretation of Board policy, members will not express individual judgments of negative performance of employees or the CEO.
- 1.8.4 .
- 1.8.4 Members are expected to support the legitimacy and authority of the final determination of the Board on any matter, without regard to the member's personal position on the issue.

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- 1.8.5 Members who have any question about the appropriateness of their conduct should consult with the Office of General counsel or appropriate Ethics offices for information.

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POLICY TYPE: GOVERNANCE PROCESS

POLICY 1.9

POLICY TITLE: *DIRECTORS' INDIVIDUAL RESPONSIBILITY*

The leadership success of the Board is a direct result of the individual and collegial participation of its members.

Therefore, each Board member is expected to participate in the following ways:

1.9.1 Time Investment to Accomplish Board Responsibilities - As Board contemplation, deliberation and decision-making are processes which require wholeness, collaboration and participation, attendance at Board meetings is expected of Board members.

a. Expected Commitments:

- (1) Monthly Board Meetings
- (2) Annual Team Building
- (3) Quarterly Review
- (4) Bond Rating Agency Trip, 3 days (Board Chair is expected to attend. However, full participation is highly encouraged.)

b. Optional Involvement:

- (1) Internal educational meetings with staff upon request
- (2) Industry related seminars and conferences
- (3) Visit other utilities and related industries

1.9.2 Preparation and Participation - Board members will prepare for Board and committee meetings and will participate productively in discussions, always within the boundaries of discipline established by the Board. Each member will contribute his or her own knowledge, skills and expertise to the Board's efforts to fulfill its responsibilities.

1.9.3 Members as Individuals - The CEO is accountable only to the Board as an organization, and not to individual Board members. Accordingly, the relationship between the CEO and individual members of the Board, including the Chairman, is collegial, not hierarchical.

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POLICY TYPE: GOVERNANCE PROCESS

POLICY 1.10

POLICY TITLE: *BOARD COMMITTEE PRINCIPLES*

Board committees, when used, will be assigned so as to reinforce the wholeness of the Board's job and not to interfere with delegation from the Board to the CEO.

Accordingly,

- 1.10.1 Board committees are to help the Board accomplish its responsibilities and are not assigned to perform staff functions. Committees ordinarily will assist the Board by preparing policy alternatives and implications for Board deliberation. In keeping with the Board's broader focus, Board committees will normally not have direct dealings with current staff operations unless specifically outlined in committee objectives.
- 1.10.2 Board committees may not speak or act for the Board except when formally given such authority for specific purposes. Expectations and authority will be carefully stated in order to prevent conflict with authority delegated to the CEO.
- 1.10.3 Board committees cannot exercise authority over staff. The CEO works for the full Board, and will therefore not be required to obtain the approval of a Board committee before an executive action.
- 1.10.4 Committees will be formed for a specific purpose only. Its purpose and function will be documented in a written charge. All committees are accountable to the Board as a whole.
- 1.10.5 This policy applies to any group that is formed by Board action, whether or not it is called a committee and regardless of whether the group includes Board members, it does not apply to committees formed under the authority of the CEO.

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POLICY TYPE: GOVERNANCE PROCESS

POLICY 1.11

POLICY TITLE: BOARD COMMITTEE STRUCTURE

A committee is a Board committee only if its existence and charge come from the Board, regardless of whether Board members sit on the committee. The only standing Board committees are those which are set forth in this policy. Unless otherwise stated, a committee ceases to exist as soon as its task is complete. The CEO will attend meetings of each committee, but shall not have a vote.

Accordingly,

1.11.1 Nominating Committee: The purpose of the Nominating committee is to recommend Board officers for election by the Board as a whole.

- a. The Nominating Committee will be comprised of three members. The current Chairman (which shall serve as chair of the committee) and the two most immediate past Chairman still remaining on the Board will constitute the committee. If one or more past chairman is no longer serving on the Board, the Chairman shall select Board members to fill out a committee of three.
- b. The Nominating Committee shall be formed no later than January of each year and will make its recommendation to the Board for action at its March meeting.

1.11.2 Finance and Audit Committee: The purpose of the Finance and Audit committee is to assist the Board in fulfilling its oversight responsibilities by reviewing financial information, systems of internal controls, and audit process, including a high level review of the operating and capital budgets. The committee will provide an open avenue of communication between the Board, Management, Audit Services, and external auditors.

- a. The Finance and Audit Committee will be comprised of three members appointed annually by the chair and confirmed by the Board. Two members will constitute a quorum.
- b. The committee will meet at least four times per year. A schedule of regular meetings will be established by the committee annually. Special meetings may be called by any committee member. Meeting dates, times and location will be announced to the entire Board.
- c. The committee shall oversee:
 - (1) Internal controls and risk assessment
 - (2) Internal Audit Services
 - (3) Compliance with laws, regulations and code of conduct
 - (4) Financial Reporting
- d. The committee will oversee the External Auditor

1.11.3 Other Committees may be established as designated by the Chair.

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POLICY TYPE: GOVERNANCE PROCESS

POLICY 1.12

POLICY TITLE: *COST OF GOVERNANCE*

The Board will invest in continuous improvement in its governance capacity.

Accordingly,

- 1.12.1 The Board will use appropriate methods to improve its governing skills.
- a. Training and retraining will be used liberally to orient new members as well as to maintain and increase existing members' skills and understandings.
 - b. Outside monitoring assistance can be arranged so that the Board can exercise confident control over organizational performance. This includes but is not limited to a financial audit.
 - c. Outreach mechanisms can be used as needed to ensure the Board's ability to listen to owner viewpoints and values.
 - d. Knowledgeable industry experts can be made available to the Board in various ways to continuously improve the Board's awareness of emerging utility industry issues.
- 1.12.2 Costs for appropriate Board governance will be included during annual budget preparations. Any expenditure required will be in accordance with JEA procurement policies. Items may include but not be limited to the following as annually decided by the Board:
- a. training
 - b. attendance at conferences, industry site visits and Rating Agency presentations
 - c. audit and other third-party monitoring of organizational performance
 - d. surveys, focus groups, opinion analysis, and meeting costs.

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POLICY TYPE: BOARD MANAGEMENT DELEGATION

POLICY 2.0

POLICY TITLE: GLOBAL BOARD-MANAGEMENT DELEGATION

The Board's sole official connection to the operational organization, its achievements, and conduct will be through a chief executive officer titled Managing Director / CEO, referred to within this document simply as CEO.

- 2.0.1 **Unity of Control:** Only officially passed motions of the Board are binding on the CEO.
- 2.0.2 **Accountability of the CEO:** The CEO is the Board's only link to operational achievement and conduct, so that all authority and accountability of staff, as far as the Board is concerned, is considered the authority and accountability of the CEO.
- 2.0.3 **Delegation to the CEO:** The Board will instruct the CEO through written policies that prescribe the organizational MOEs (measures of effectiveness) to be achieved and describe organizational situations and actions to be avoided, allowing the CEO to use any reasonable interpretation of these policies.
- 2.0.4 ALREADY COVERED IN 1.2.3.
- 2.0.5 **CEO Remuneration:** Salary and benefits and other terms of employment for the CEO will be determined by contract.
- 2.0.6 **Core Competencies:** Executive Core Competencies are included in the Appendix.

TYPE: BOARD MANAGEMENT DELEGATION

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POLICY 2.1

POLICY TITLE: *UNITY OF CONTROL*

Only officially passed motions of the Board are binding on the CEO.

Accordingly,

- 2.1.1 Decisions or instructions of individual Board members, officers, or committees are not binding on the CEO.
- 2.1.2 In the case of Board members or committees requesting information or assistance without Board authorization, the CEO can refuse such requests that require, in the CEO's opinion, a material amount of staff time or funds, or are disruptive. The CEO shall promptly inform the Board if requests from Board members or committees are refused.

POLICY TYPE: BOARD MANAGEMENT DELEGATION

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POLICY 2.2

POLICY TITLE: ACCOUNTABILITY OF CEO

The CEO is the Board's only link to operational achievement and conduct, so that all authority and accountability of staff, as far as the Board is concerned, is considered the authority and accountability of the CEO.

Accordingly,

- 2.2.1 The Board as a body and individual board members will never give instructions to persons who report directly or indirectly to the CEO.
- 2.2.2 The Board will not evaluate, either formally or informally, any staff other than the CEO. However, the CEO will discuss his evaluation with the Board of the executives identified as potential interim CEO successors (refer to Policy3.5.1).

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POLICY TYPE: BOARD MANAGEMENT DELEGATION

POLICY 2.3

POLICY TITLE: *DELEGATION TO THE CEO*

The Board will instruct the CEO through written policies that prescribe the organizational MOEs to be achieved and describe organizational situations and actions to be avoided, allowing the CEO to use any reasonable interpretation of these policies.

Accordingly,

- 2.3.1 The Board will develop policies instructing the CEO to achieve specified results, for specified recipients, at a specified cost. These policies will be developed systematically from the broadest, most general level to more defined levels and will be captured in the MOEs (measures of effectiveness).
- 2.3.2 Should the CEO violate a Board policy, he or she shall promptly inform the Board. Informing is simply to guarantee no violation may be intentionally kept from the Board, not to request approval. Board response, either approving or disapproving, does not exempt the CEO from subsequent Board judgment of the action nor does it curtail any executive decision.

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POLICY TYPE: BOARD MANAGEMENT DELEGATION

POLICY 2.4

POLICY TITLE: *MONITORING CEO PERFORMANCE*

2.4.1 Board evaluation of the CEO will be done annually and based on App 1A, CEO Core competencies and CEO evaluation criteria.

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POLICY TYPE: BOARD MANAGEMENT DELEGATION

POLICY 2.5

POLICY TITLE: *CEO REMUNERATION*

Salary and benefits and others terms of employment for the CEO will be determined by contract.

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POLICY TYPE: EXECUTIVE MANDATES

POLICY 3.0 POLICY TITLE: GENERAL EXECUTIVE OVERSIGHT AND ASSURANCES

The CEO shall oversee and ensure that organizational practices, activities, decisions, and circumstances are lawful, prudent, and not in violation of commonly accepted business and professional ethics and practices.

- 3.0.1 **Treatment of Consumers:** With respect to interactions with consumers or those applying to be consumers, the CEO shall oversee and ensure conditions, procedures, and decisions that are safe, timely, dignified, and not unnecessarily intrusive.
- 3.0.2 **Treatment of Staff:** With respect to the treatment of staff, the CEO shall oversee and ensure conditions that are fair, safe, dignified, organized, and clear.
- 3.0.3 **Financial Planning/Budgeting:** The CEO shall oversee and ensure financial planning for any fiscal year or the remaining part of any fiscal year will not deviate materially from the Board's MOEs priorities, risk financial jeopardy, and will be derived from a multiyear plan.
- 3.0.4 **Financial Condition and Activities:** With respect to the actual, ongoing financial conditions and activities, the CEO shall oversee and ensure actual expenditures that will not result in financial jeopardy or materially deviate from Board priorities established in MOEs policies.
- 3.0.5 **Workforce Readiness and Succession Planning:** The CEO shall oversee and ensure a workforce that is prepared to meet current or future business demands.
- 3.0.6 **Asset Protection:** The CEO shall oversee and ensure corporate assets are protected, adequately maintained and not unnecessarily risked.
- 3.0.7 **Compensation and Benefits:** With respect to employment, compensation, and benefits to employees, consultants, contract workers, and volunteers, the CEO shall oversee and ensure no impairments to financial integrity or to public image.
- 3.0.8 **Communication and Support to Board:** The CEO shall oversee and ensure that the Board is informed and supported in its work.
- 3.0.9 **Regulatory/Legislative Requirements:** The CEO shall oversee and ensure regulatory and legislative actions that are favorable to the organization.
- 3.0.10 **Enterprise Risk Management:** The CEO shall oversee and ensure conditions, procedures and decisions that will identify, measure, monitor and manage, within established risk tolerances, potential events that may affect achievement of the MOEs.
- 3.0.11 **Procurement Activities:** The CEO shall oversee and ensure the development of procurement policies and procedures that adhere to all applicable federal, state and local laws and ordinances and provide for increased public confidence in the procurement activities of JEA.

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POLICY TYPE: EXECUTIVE MANDATES

POLICY 3.1

POLICY TITLE: *TREATMENT OF CONSUMERS*

With respect to interactions with consumers or those applying to be consumers, the CEO shall oversee and ensure conditions, procedures, or decisions that are safe, timely, dignified, and not unnecessarily intrusive.

Accordingly, the CEO will:

- 3.1.1 Elicit information for which there is a clear necessity.
- 3.1.2 Use methods of collecting, reviewing, transmitting, or storing client information that will protect against improper access.
- 3.1.3 Operate facilities with appropriate accessibility and privacy.
- 3.1.4 Articulate to consumers a clear understanding of what they can expect from services offered.
- 3.1.5 Operate with clearly established and updated Customer Service procedures and published rules and regulations for service.
- 3.1.6 Operate with mechanisms for collecting consumer complaints that provide for resolution at the lowest staff level and also include prompt response when warranted.

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POLICY TYPE: EXECUTIVE MANDATES

POLICY 3.2

POLICY TITLE: *TREATMENT OF STAFF*

With respect to the treatment of paid and volunteer staff, the CEO shall oversee and ensure conditions that are fair, safe, dignified, organized, and clear.

Accordingly, the CEO will:

- 3.2.1 Operate with written personnel rules and regulations that
 - a. clarify rules for staff
 - b. provide for effective handling of grievances
 - c. protect against wrongful conditions such as nepotism and grossly preferential treatment for personal reasons.
 - d. allow for volunteerism in the community
 - e. require high ethical standards
 - f. recognize the need for work/life balance
- 3.2.2 Operate with written job descriptions and performance requirements and reviews that
 - a. characterize the nature of work to be performed
 - b. identify technical, behavioral and physical skills required
 - c. identify clear standards of responsibilities, accountability and associated authorities.
- 3.2.3 Provide a safe work environment.
- 3.2.4 Identify and provide training necessary to accomplish the quality of work expected.
- 3.2.5 Not allow discrimination or retaliation against any staff member for non-disruptive expression of dissent.
- 3.2.6 Acquaint staff with the CEO's interpretation of their protections under this policy.
- 3.2.7 Allow staff to be prepared to deal with emergency situations.
- 3.2.8 Insure that the company's Core Values are routinely communicated and reinforced to all employees.

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POLICY TYPE: EXECUTIVE MANDATES

POLICY 3.3

POLICY TITLE: *FINANCIAL PLANNING/BUDGETING*

The CEO shall oversee and ensure financial planning for any fiscal year or the remaining part of any fiscal year will not deviate materially from the Board's MOEs priorities, risk financial jeopardy, and will be derived from a multiyear plan.

Accordingly, the CEO will:

- 3.3.1 Prevent the risk of incurring those situations or conditions described as unacceptable in the Board policy "Financial Condition and Activities (refer to Policy 3.4)."
- 3.3.2 Include credible projection of revenues and expenses, separation of capital and operational items, cash flow, and disclosure of planning and budgeting assumptions.
- 3.3.3 Identify the source for capital expenditures (e.g. internally generated cash, new debt, carry over funds from previous fiscal year).
- 3.3.4 Adhere to approved tariff rates and fees.
- 3.3.5 Set and follow an annual budgeting process that results in a final budget submittal to City Council by July 1 proceeding the budgeted fiscal year.
- 3.3.6 Not provide less for Board prerogatives during the year than is set forth in the "Cost of Governance" policy (refer to Policy 1.10).

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POLICY TYPE: EXECUTIVE MANDATES

POLICY 3.4

POLICY TITLE: FINANCIAL CONDITION AND ACTIVITIES

With respect to the actual, ongoing financial conditions and activities, the CEO shall oversee and ensure actual expenditures that will not result in financial jeopardy or materially deviate from Board priorities established in MOEs policies.

Accordingly, the CEO will:

- 3.4.1 Operate within the budget established for the fiscal year.
- 3.4.2 Not make budget transfers in excess of \$5,000,000 without Board approval.
- 3.4.3 Inform the Board in monitoring reports when reserves are required to meet current expenditures.
- 3.4.4 Maintain financial and accounting separation between electric, water and wastewater, and District Energy funds as required by regulatory agencies and bond covenants.
- 3.4.5 Operate within established financial parameters and will engage the Board when established parameters are considered inadequate to affect a desired bond rating.

Current financial parameters:

- a. Debt Service Coverage
 - b. Fixed Charge coverage
 - c. Cash on Hand
 - d. Working Capital
 - e. Line of Credit
 - f. Fuel Rate Reserve
- 3.4.6 Not operate in violation of JEA's Debt Management Policies.
 - 3.4.7 Settle payroll and debts in a timely manner.
 - 3.4.8 Ensure tax payments or other government-ordered payments or filings are not overdue or inaccurately filed.
 - 3.4.9 Establish reasonable security measures to protect against loss of receivables.
 - 3.4.10 Aggressively pursue receivables after a reasonable grace period.

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POLICY TYPE: EXECUTIVE MANDATES

POLICY 3.5 POLICY TITLE: *WORKFORCE READINESS AND SUCCESSION PLANNING*

The CEO shall oversee and ensure a workforce that is prepared to meet current or future business demands.

Accordingly, the CEO will:

- 3.5.1 Ensure that no fewer than two other executives are sufficiently familiar with Board and CEO issues and processes, which will enable either to take over with reasonable proficiency as an interim successor to protect the Board from sudden loss of CEO services.
- 3.5.2 Prepare for long-term CEO succession.
- 3.5.3 Prepare for Executive Team succession.
- 3.5.4 Operate with strategic and tactical plans to have and maintain the right people, in the right place, with the right talent, skills and knowledge.
- 3.5.5 Develop a workforce that recognizes the value of cultural diversity in internal operations and in serving customers.

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POLICY TYPE: EXECUTIVE MANDATES

POLICY 3.6

POLICY TITLE: ASSET PROTECTION

The CEO shall oversee and ensure that corporate assets are protected, adequately maintained, and not unnecessarily risked.

Accordingly, the CEO will:

- 3.6.1 Insure adequately against theft and casualty and against liability and losses to Board members, staff, and the organization itself.
- 3.6.2 Not allow personnel who are unbonded to have access to material amounts of funds.
- 3.6.3 Not subject facilities and equipment to improper wear and tear or insufficient maintenance.
- 3.6.4 Not unnecessarily expose the organization, the Board, or its staff to claims of liability.
- 3.6.5 Operate with written claims policies that address fair treatment of claimants, legal liability, ratepayer costs and sound business practices.
- 3.6.6 Protect corporate assets including, but not limited to, property rights, corporate image, physical assets, intangible assets, intellectual property, information, and files from loss or significant damage.
- 3.6.7 Receive, process, or disburse funds with sufficient controls.
- 3.6.8 Invest funds that are not in violation of JEA's Investment Policies.
- 3.6.9 Ensure that all employees and outsourced contract service providers understand their responsibility to comply with all applicable laws and regulations and JEA's Code of Ethics.

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POLICY TYPE: EXECUTIVE MANDATES

POLICY 3.7

POLICY TITLE: *COMPENSATION AND BENEFITS*

With respect to employment, compensation, and benefits to employees, consultants, contract workers, and volunteers, the CEO shall oversee and ensure no impairments to financial integrity or to public image.

Accordingly, the CEO will:

- 3.7.1 Not change the CEO's own compensation and benefits, except as those benefits are consistent with a package for other appointed employees.
- 3.7.2 Not promise or imply unconditional permanent or guaranteed employment.
- 3.7.3 Promote a compensation philosophy that is complementary to JEA's compensation philosophy of providing a total rewards package that encompasses salary/wages, retirement benefits, incentives, and health and welfare benefits. Salary/wages will meet the market (50% percentile), which is where the majority of companies in the geographic area reside. The 50th percentile pays competitively for behavior that meets expectations. Additional consideration will be given to behaviors that exceed expectations which are typically rewarded at the 75th percentile. Internal equity will be achieved by evaluating differences in skill, effort, responsibility, and working conditions among jobs.

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POLICY TYPE: EXECUTIVE MANDATES

POLICY 3.8

POLICY TITLE: *COMMUNICATION AND SUPPORT TO BOARD*

The CEO shall oversee and ensure that the Board is informed and supported in its work.

Accordingly, the CEO will ensure:

- 3.8.1 Submission of monitoring data required by the Board in Board-Management Delegation policy "Monitoring CEO Performance" in a timely, accurate, and understandable fashion, directly addressing provisions of Board policies being monitored, and including CEO interpretations consistent with Board-Management Delegation policy "Delegation to the CEO," as well as relevant data (refer to Policy 2.4).
- 3.8.2 The Board is aware of any actual or anticipated noncompliance with any MOEs or Executive Mandates policy of the Board regardless of the Board's monitoring schedule.
- 3.8.3 The Board receives decision information required periodically by the Board and keeps the Board aware of relevant trends.
- 3.8.4 The Board is aware of any significant incidental information it requires, including anticipated media coverage, threatened or pending lawsuits, and material internal and external changes.
- 3.8.5 The Board is aware that, in the CEO's opinion, the Board is not in compliance with its own policies on Governance Process and Board-Management Delegation, particularly in the case of Board behavior that is detrimental to the work relationship between the Board and the CEO (refer to Policy 2.0).
- 3.8.6 Information is not in an unnecessarily complex or lengthy form, or in a form that fails to differentiate among information of three types: monitoring, decision preparation, and other.
- 3.8.7 The Board is provided a workable mechanism for official Board, officer, or committee communications.
- 3.8.8 Dealings with the Board do not favor or privilege certain Board members over others, except when (a) fulfilling individual requests for information; or (b) responding to officers or committees duly charged by the Board.
- 3.8.9 Submission to the Board of a consent agenda containing items delegated to the CEO yet required by law, regulation, or contract to be Board-approved, along with applicable monitoring information.
- 3.8.10 Providing a process to retain relevant background information on previous Board policy decisions.

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POLICY TYPE: EXECUTIVE MANDATES

POLICY 3.9

POLICY TITLE: *REGULATORY/LEGISLATIVE REQUIREMENTS*

The CEO shall oversee and ensure regulatory and legislative actions that are favorable to the organization.

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POLICY TYPE: EXECUTIVE MANDATES

POLICY 3.10

POLICY TITLE: *ENTERPRISE RISK MANAGEMENT*

The CEO shall oversee and ensure conditions, procedures and decisions that will identify, measure, monitor and manage, within established risk tolerances, potential events that may affect achievement of the MOEs.

Accordingly, the CEO will:

- 3.10.1 Establish and maintain a written Enterprise Risk Management (ERM) Plan and an ERM program that includes management-level policies, procedures and process controls to help ensure that the enterprise-wide business risk exposures are properly identified, managed and, when appropriate, reported to the Board.

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POLICY TYPE: EXECUTIVE MANDATES

POLICY 3.11

POLICY TITLE: *PROCUREMENT ACTIVITIES*

The CEO shall oversee and ensure the development of procurement policies and procedures that adhere to all applicable federal, state and local laws and ordinances and provide for increased public confidence in the procurement activities of JEA.

Accordingly, the CEO will:

- 3.11.1 Develop and disseminate simple, clear and up-to-date rules for all procurement.
- 3.11.2 Ensure the fair and equitable treatment of all persons who deal with the JEA procurement system.
- 3.11.3 Provide increased economy in all procurement activities and to maximize to the fullest extent practicable the purchasing value of JEA funds.
- 3.11.4 Foster effective, broad-based competition within the free enterprise system.
- 3.11.5 Provide safeguards for the maintenance of the procurement system quality and integrity.
- 3.11.6 Provide a clear and timely administrative remedy process to all those aggrieved during any phase of the procurement process.
- 3.11.7 Provide effective access for Small and Emerging Local Businesses

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POLICY TYPE: Measures of Effectiveness (MOEs)

POLICY 4.0

POLICY TITLE: 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**
- 4.0.8 **Safety Standards:** need MOEs associated with recordable incident rates; time lost to injuries;
- 4.0.9 **Financial Resiliency:** need MOEs associated with credit rating objectives; debt service; debt/asset %; number of days of liquidity; etc.

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POLICY TYPE: MOEs

POLICY 4.1

POLICY TITLE: *QUALITY OF ELECTRIC SERVICE*

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

- 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.
 - a. Develop resources or agreements to ensure that JEA's electric energy supply is 10% nuclear by 2017. [REixton 7-17-20: This needs to be updated. Will discuss with Paul and Brian.]
- 4.1.2 Minimize the frequency of electric distribution system outages and report status through the System Average Interruption Frequency Index (SAIFI-2). [REixton 7-17-20: Recommend changing to 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). [REixton 7-17-20: Recommended adding Section 4.1.5]

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POLICY TYPE: MOEs

POLICY 4.2

POLICY TITLE: *QUALITY OF WATER SERVICE*

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

- 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.
 - a. The IWRP is to include 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.

CUP objectives

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POLICY TYPE: MOEs

POLICY 4.3

POLICY TITLE: *QUALITY OF SEWER SERVICE*

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

- 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.

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POLICY TYPE: MOEs

POLICY 4.4

POLICY TITLE: *COST OF SERVICE*

Provide all utility services at a reasonable and accurate cost.

- 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.

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POLICY TYPE: MOEs

POLICY 4.5

POLICY TITLE: ENVIRONMENTALLY SOUND

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

- 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: Establish an 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 **Need something on decreasing greenhouse gases and carbon footprint**

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POLICY TYPE: MOEs

POLICY 4.6

POLICY TITLE: INFORMATIVE COMMUNICATION

Effectively communicate with consumers and other stakeholders.

- 4.6.1 To accurately shape consumer paradigms of utility expectations.
- 4.6.2 To enable public dialogue on local, state and national energy and water and sewer issues.
- 4.6.3 To inform consumers of as well as the reasons for significant potential or pending changes to utility services or charges.
- 4.6.4 To inform consumers of conservation incentives and other activities that if implemented would reduce their consumption and, therefore, result in higher or lower utility cost than if the incentives or activities were not employed.

JDP customer satisfaction objs (residential & business);

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APPENDIX

- A1 Executive Core Competencies
- A2 JEA Charter (Article 21 of City of Jacksonville Ordinance Code)
- A3 JEA Board Evaluation Criteria

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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.

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

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- 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 the 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

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

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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 material early enough to 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.

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.

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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

CEO Evaluation Criteria

1. KPA's and associated KPIs as per Policy Category IV MOEs.
2. CEO ensures read ahead material is distributed to board members in a timely manner before all meetings to facilitate board meeting preparedness.
3. CEO complies with all applicable legal & fiduciary responsibilities.
4. CEO establishes a positive environment where the workforce is proud to be a member of JEA, knows their mission, and trusts the CEO and his senior leadership team.
5. CEO maintains a candid dialogue with the board and is completely transparent on all issues associated with JEA.
6. CEO has a viable succession plan.
7. CEO maintains safety as a top priority and executes an effective risk mitigation plan.
8. CEO keeps JEA on the right strategic path based on the most current strategic plan.
9. CEO maintains 100% compliance wrt Article 21 applicable provisions.
10. Complies with executive core competencies (as per app 1...).

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A2

**JEA Charter
(Article 21 of City of Jacksonville Ordinance Code)**

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A3

JEA Board Evaluation Criteria

1. JEA Board is evaluated annually by-----? Not sure who--- internally/externally?
2. The Board monitors JEA's organizational performance (KPA's & KPI's).
3. Formally evaluates the CEO and provides timely feedback to the CEO.
4. Complies with all applicable Art 21 provisions; by-laws; and --- what else?
5. Meet statutory and fiduciary requirements.
6. Participates in the development of the JEA strategic plan.
7. Meets all suspenses for budget submission and other mandatory reports.
8. Executes all cyclical Board meetings on time and with a quorum minimally.
9. All Board members adhere to the JEA Board values.
10. Board members comply with all on-boarding activities and orientations.
11. The Board maintains a current policy manual.
12. The Board makes timely decisions.
13. The Board interacts appropriately with the CEO and his/her staff.

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POLICY TYPE: GOVERNANCE PROCESS

POLICY 1.1

POLICY TITLE: BY-LAWS OF JEA

ARTICLE 1

OFFICES

The principal office of JEA shall be located in Jacksonville, Florida. Branch offices of JEA may be established at such places as JEA may designate from time to time.

ARTICLE II

MEMBERS OF JEA GOVERNING BODY

Section 1. General Powers. The affairs of JEA shall be managed by the JEA governing body ("Board") as provided in Article 21, Charter of the City of Jacksonville, as amended, and other applicable laws.

Section 2. Appointment, Number, Tenure, and Expense Reimbursement. The membership of the JEA Board shall be constituted in number, qualifications, manner of appointment and tenure as provided in Article 21, Charter of the City of Jacksonville, as amended. Members of the JEA Board shall receive reimbursement for all expenses incurred which are reimbursable by law.

ARTICLE III

OFFICERS

Section 1. Elections. The Officers of the JEA Board shall be a Chair, Vice-Chair, and a Secretary who shall be elected by the members and who shall serve as such officers for one year or until a successor is chosen. The Chair may serve for two consecutive one-year terms, which shall not include any period served as replacement Chair during the unexpired portion of the predecessor's term. Elections of Officers shall be conducted at the first regular meeting in March which may be preceded by a meeting of the nominating committee composed of the JEA Board acting as a whole or such other membership as the Chair may designate.

Section 2. Vacancies. A vacancy in any office because of death, illness, removal or otherwise, may be filled by the remaining members for the unexpired term.

Section 3. Chair. The Chair shall preside at all meetings of the JEA Board unless the Chair delegates otherwise. The Chair shall designate from time to time such special committees as the Chair deems appropriate and shall designate the subject matter assigned to each committee for consideration. In the event of the Chair's prolonged absence or disability, the Vice-Chair shall exercise all functions of the Chair for a period of up to thirty (30) days, at the expiration of which a special election shall be conducted by the JEA Board and a permanent Chair elected.

Section 4. Vice-Chair. The Vice-Chair shall perform such duties as are assigned by the Chair in addition to the functions for which the Vice-Chair is responsible under Section 3 above.

Section 5. Secretary. The Secretary shall cause the minutes to be kept of each meeting of the members in the Minute Book designated for that purpose. In the event of the Secretary's absence or disability, the Chair shall designate another member to be responsible for keeping of minutes during the Secretary's absence and for their inclusion in the Minute Book. When so directed by the Chair, the Secretary shall cause all notices to be given in accordance with these By-Laws and other applicable laws; the Secretary shall be responsible for the proper care and custody of all records pertaining to JEA affairs and for custody of the Seal of JEA. The Secretary shall be responsible for the Register of the address of each Board member and of such other persons as may be designated by the Chair or by the Executive

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Commented [JD1]: What does "cause" mean? Is it feasible for the secretary to record the minutes of bd meetings?

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Commented [JD2]: The secretary job description needs to be in synch with board manual policy letter 1.4.3; does the "Minute Book" exist?

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Commented [JD3]: Is it feasible for the secretary to be responsible for all records? What is the Seal of JEA?

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JEA Board Policy Manual

Committee. The Secretary shall perform such other duties as from time to time may be assigned by the Chair or by the Executive Committee.

ARTICLE IV COMMITTEES

Section 1. Executive Committee. There shall be an Executive Committee comprised of as many members of the JEA Board as may be determined by the Chair. The Executive Committee shall function for and on behalf of the seven (7) members of the JEA Board to the extent that such action may be lawfully delegated; however, the designation of the Executive Committee and delegation thereto of authority to act in proper circumstances for the full membership of the JEA Board shall not operate to relieve the members of any responsibility imposed upon them individually or collectively by law. The Chair of the JEA Board shall preside at meetings of the Executive Committee, and it shall meet from time to time at such times and places as the Chair may designate.

Section 2. Ordinary Committees.

(a) Standing Committees. The Chair may appoint standing committees from time to time which shall be composed of as many members of the JEA Board as determined by the Chair. The Chair shall name one of the committee members as committee chair and one as committee vice-chair. A standing committee shall continue until such time as it is terminated by the Chair.

(b) Special Committees. The Chair may appoint special committees from time to time, and the Chair may specify that one or more individuals who are not members of the JEA Board shall work with and assist the special committee. The Chair shall name one of the committee members as committee chair and one as committee vice-chair; both positions must be filled by current members of the JEA Board. When a special committee has fulfilled its function or when the best interests of JEA have been served, the committee shall be terminated without formal action.

Section 3. Term of Committee Members. Each member of a committee shall serve until the expiration of his/her term of office as a JEA Board member, until that member's successor is appointed and has accepted such appointment, or until the committee is terminated.

Section 4. Powers of the Committee and the Committee Chair. The committee chair, or vice-chair in the absence of the chair, shall have the power and authority to call meetings of the committee upon reasonable verbal or written notice to the members, and to set the date, time and place of such meetings. This function may also be performed by a majority of the remaining members of the committee upon inaction by the chair. A committee secretary may be designated by the committee chair. A committee may submit reports to the Chair and members of the JEA Board in writing as determined by the committee chair. Committee reports shall contain both majority and minority reports of committee members. A committee may by motion recommend to the JEA Board that action be taken on matters under consideration by the committee. Matters under consideration by the committee may include resolutions or other proposed actions presented to the committee by the JEA Managing Director.

Section 5. Committee Vacancies. The Chair shall fill vacancies in the membership of any committee. Should the Chair of the JEA Board fail to fill a vacancy within a reasonable length of time after such a vacancy occurs, then such vacancy may be filled by a majority of the members of the JEA Board acting in any regular or special meeting.

Section 6. Conduct of Committee Business. A majority of the entire membership of the committee shall constitute a quorum, and an act of the majority of the committee present at any meeting shall constitute the act of the committee. Should a quorum not be present at a scheduled meeting, the committee chair, or vice-chair in the absence of the chair, may appoint as many JEA Board members as necessary to constitute a quorum. Such appointment is for the purpose of that meeting only. All JEA Board members may attend and participate in any committee meeting, but only committee members have the right to make motions

Adopted in its entirety by the JEA Board on February 16, 2010
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Commented [JD4]: Not sure what the purpose of the executive committee is--?
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JEA Board Policy Manual

and to vote. Except as provided otherwise herein, Roberts Rules of Order shall govern the conduct of committee business, unless the majority of the committee present at such meeting shall elect to utilize other rules or procedures consistent with applicable law and these By-Laws.

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.

Section 2. Special Meetings. Special meetings of the members may be called by the Chair or by any three (3) members and shall be held 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.

Section 3. Notice of Special Meetings and Purpose. Notice of each special meeting of the members shall be given by the Chair or by the three (3) members who may have called such special meeting. Such notice shall be in writing and shall be provided to every member not less than two (2) working days before the meeting and shall state the purpose, time and place of the special meeting. Attendance by a member at a special meeting shall constitute waiver of notice. A member may, however, appear at a meeting for the sole purpose of objecting to the transaction of any business on the ground that the meeting was not lawfully called without losing the right to object to improper notice. No business shall be transacted at any special meeting other than the purpose specified in the notice unless a majority of the members in attendance at such special meeting agree to transact other business.

Section 4. Teleconference or Videoconference Meetings. The Chair may allow Board member(s) to attend a regular or special meeting by teleconference or videoconference, provided that all JEA Board members attending the meeting and all other persons participating in the meeting may hear (or if by videoconference, see and hear) each other at the same time. Whenever any Board member attends a meeting by teleconference or videoconference, the Chair shall conduct the meeting in a manner so as to allow, to the fullest extent possible, simultaneous communication. A Board member or other person wishing to speak must first identify himself/herself to the Chair and request recognition from the Chair before speaking. Visual presentations shall be described in detail for any Board member attending by teleconference who is unable to view the presentation. It is the Board's preference that meetings be held with a quorum physically present except, on occasion, when the Board needs to transact business for a special matter typically conducted at a special meeting.

Section 5. Quorum and Votes Required for Action. The majority of the Board members shall constitute a quorum for the purpose of meeting and transacting business. Four (4) affirmative votes shall be required to accomplish an act of business. Pursuant to Chapter 286, Florida Statutes, no member who is present at any Board meeting may abstain from voting except when there is, or appears to be, a possible conflict of interest. In such case, the abstaining Board member shall comply with the disclosure requirements of Chapter 112, Florida Statutes.

Section 6. Vacancies. Any vacancy occurring in the office of a member of the JEA Board shall be filled for the unexpired term in the manner provided in Article 21, Charter of the City of Jacksonville, as amended.

Section 7. Rules and Procedures. Except as provided otherwise herein, Robert's Rules of Order shall govern the conduct of the JEA Board business, unless the majority of members shall elect to utilize other rules or procedures consistent with applicable law and these By-Laws.

Adopted in its entirety by the JEA Board on February 16, 2010
and as Amended and Adopted by the JEA Board on _____.

- Commented [JD5]:** 2 day warning is not sufficient
- Formatted:** Font: (Default) Arial, 10 pt
- Formatted:** Font: (Default) Arial, 10 pt
- Commented [JD6]:** Don't understand this sentence.
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JEA Board Policy Manual

ARTICLE VI

AMENDMENTS TO BY-LAWS

These By-Laws may be amended, repealed or altered, in whole or in part, by the affirmative votes of four (4) members at any regular or special meeting, provided such subject has been included in an agenda item.

ARTICLE VII

EFFECT OF BY-LAWS

Noncompliance with these By-Laws shall not operate to invalidate any JEA Board action otherwise valid under applicable law.

APPROVED BY THE BOARD

Date:

Form Approved:

Office of General Counsel

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Adopted in its entirety by the JEA Board on February 16, 2010
and as Amended and Adopted by the JEA Board on _____.

JEA Board Policy Manual

POLICY TYPE: GOVERNANCE PROCESS

POLICY 1.1

POLICY TITLE: JEA BOARD MISSION, VISION, VALUES, GOALS & OBJECTIVES

Mission

The JEA Board will exercise ownership, management and operate utilities systems for the City of Jacksonville and rate payers.

Vision

Make JEA is the best in class for public utilities in the United States.

Values

- ❖ Leadership – Make the tough calls.
- ❖ Selfless Service – Do what is right for the community.
- ❖ Competency – Have a strategic understanding of the public utilities industry.
- ❖ Integrity – Adhere to a strict moral and ethical code and total transparency.

Goals & Objectives

- ❖ Be proactive in issuing important guidance and making timely decisions.
 - Objective: Maintain a planning horizon that is forward looking and anticipate key decisions to be made.
- ❖ Act in the best interest of the JEA workforce, rate payers and the citizens of Jacksonville.
 - Objective: Utilize the expertise of board members to enhance the ability of the board to act as a collective body.
- ❖ Exercise due diligence so well- informed decisions are made.
 - Objective: Use sound business judgement consistent with JEA's legislative charter.
- ❖ Secure the trust and confidence of the Jacksonville community and rate payers.
 - Objective: Strict adherence to Sunshine laws, JEA Charter, Florida & Jacksonville City Ethics Codes and JEA Code of Conduct.

Adopted in its entirety by the JEA Board on February 16, 2010
and as Amended and Adopted by the JEA Board on _____.

JEA Board Policy Manual

POLICY TYPE: GOVERNANCE PROCESS

POLICY 1.20

POLICY TITLE: GLOBAL GOVERNANCE PROCESS

~~The mission of the JEA Board is to exercise ownership, management and operate utilities systems for the City of Jacksonville and rate payers and make JEA the best in class for public utilities in the United States..~~

~~The purpose of the Board, on behalf of the owners of JEA, current ratepayers, is to see to it that JEA (a) achieves appropriate results for appropriate persons for an appropriate cost (as specified in Board Ends policies) and (b) avoids unacceptable actions and situations (as prohibited in Board Executive Limitations policies).~~

1.20.1 **Governing Style:** The Board will govern in accordance with legal requirements ~~and observing the principles of the Policy Governance model,~~ with an emphasis on (a) outward vision rather than internal preoccupation, (b) encouragement of diversity in viewpoints, (c) strategic leadership more than administrative detail, (d) clear distinction of Board and chief executive roles, (e) collective rather than individual decisions, (f) future more so than past or present, and (g) proactivity rather than reactivity.

1.20.2 **Board Job Description:** Specific responsibilities of the Board ~~as an informed agent of the ownership~~ are those that ensure appropriate organizational performance.

1.20.3 **Agenda Planning:** ~~To accomplish its responsibilities with a governance style consistent with Board policies, the Board will follow an annual agenda that (a) reviews the MOEs (measures of effectiveness) and (b) continually improves Board performance through education and deliberation.~~ **Agenda Planning:** To accomplish its responsibilities with a governance style consistent with Board policies, the Board will follow an annual agenda that (a) completes a re-exploration of Ends policies at least annually and (b) continually improves Board performance through education and deliberation.

1.20.4

~~**Board Officers:** Board officers assure the integrity of the Board's process and record's. Board officers are: Chairman, Vice-Chairman and Secretary.~~

~~**Board Officers:** Board officers assure the integrity of the Board's process and record's. Board officers are: Chairman, Vice-Chairman, Secretary & Assistant Secretary.~~

1.20.5

~~**Rules of Order:** Board meetings will be conducted in an orderly and fair process consistent with the requirements of Florida law, Ordinances of the City of Jacksonville, the JEA Charter and these governance policies. Meetings will be led by the Chairman, or, in the absence of the Chairman, the Vice-Chairman, or, in the absence of both, by the Chairman's designee.~~

Adopted in its entirety by the JEA Board on February 16, 2010
and as Amended and Adopted by the JEA Board on _____.

Commented [a7]: Chair Baker: We need to name as Assistant Secretary. Paul, would you ask Zachary Faison if he would do that?

Commented [JD8]: Recommend by-laws be incorporated into the governance process policy category of the bd policy manual.

JEA Board Policy Manual

~~Rules of Order: Board meetings will be conducted in an orderly and fair process consistent with the requirements of Florida law, Ordinances of the City of Jacksonville, the JEA Charter, Bylaws and these governance policies. Meetings will be led by the Chairman, or, in the absence of the Chairman, the Vice Chairman, or, in the absence of both, by the Chairman's designee.~~

1.20.6 **Board Member's Code of Conduct:** The Board commits itself to lawful, ethical and businesslike conduct, following all requirements of Florida Law, Ordinances of the City of Jacksonville, and the JEA Charter including proper use of its authority and appropriate decorum when acting as Board members.

1.20.7 **Board Member's Individual Responsibility:** The leadership success of the Board is a direct result of the individual and collegial participation of its members. Board members will commit to preparation for all JEA related meetings and activities.

1.20.8 **Board Committee Principles:** Board committees, when used, will be assigned so as to reinforce the wholeness of the Board's job and not to interfere with delegation from the Board to the CEO.

1.20.9

~~**Board Committee Structure:** A committee is a Board committee only if its existence and charge come from the Board, regardless of whether Board members sit on the committee. The only Board committees are those which are set forth in in this policy. Unless otherwise stated, a committee ceases to exist as soon as its task is complete. The CEO will attend meetings of each committee, but shall not have a vote.~~

~~**Board Committee Structure:** A committee is a Board committee only if its existence and charge come from the Board, regardless of whether Board members sit on the committee. The only Board committees are those which are set forth in the Bylaws or in this policy. Unless otherwise stated, a committee ceases to exist as soon as its task is complete. The CEO will attend meetings of each committee, but shall not have a vote.~~

^

~~1.0.10 **Cost of Governance:** The Board will invest in continuous improvement of its governance capacity.~~

~~1.2.11 **New board members on-boarding requirements (incorporate applicable provisions found in "New JEA Board Member Checklist" Madricka sent us; ethics training as per OGC training reqts; Cyber and Tech services training and Security training as per JEA procedures;**~~

~~1.2.12 **JEA Board evaluation criteria**~~

Commented [JD9]: To be determined

Adopted in its entirety by the JEA Board on February 16, 2010
and as Amended and Adopted by the JEA Board on _____.

JEA Board Policy Manual

POLICY TYPE: GOVERNANCE PROCESS

POLICY 1.34

POLICY TITLE: GOVERNING STYLE

The Board will govern in accordance with legal requirements, observing the principles of the Policy Governance model, with an emphasis on (a) outward vision rather than internal preoccupation, (b) encouragement of diversity in viewpoints, (c) strategic leadership more than administrative detail, (d) clear distinction of Board and chief executive roles, (e) collective rather than individual decisions, (f) future more so than past or present, and (g) proactivity rather than reactivity.

Accordingly,

1.34.1 Unique Requirements of Florida Law for Public Boards: In conducting its duties as a Board in Florida, the Board is required to comply with the Florida Sunshine Law, which prohibits any two or more members of the Board from meeting unless the meeting has been properly noticed and conducted in accordance with the legal requirements. In addition, Florida Law contains requirements regarding Public Records, conflicts of interest and voting which must be followed in the conduct of the Board's business.

1.34.2

The Board will cultivate a sense of group responsibility and will be a proactive Board versus a reactive Board. The Board, not the staff, will be responsible for excellence in governing. The Board will be the initiator of policy, not merely a reactor to staff initiatives.

~~The Board will cultivate a sense of group responsibility and will be a proactive Board versus a reactive Board. The Board, not the staff, will be responsible for excellence in governing. The Board will be the initiator of policy, not merely a reactor to staff initiatives. The Board will use the expertise of individual members to enhance the ability of the Board as a body rather than to substitute the individual judgments for the Board's values.~~

1.34.3

~~The Board will direct, control, and inspire the organization through the careful establishment of broad written policies reflecting the Board's values and perspectives. The Board's major policy focus will be on the intended long-term impacts outside the staff organization, not on the administrative or programmatic means of attaining those effects.~~

1.34.4 Although the Board can change its Governance Process policies at any time, it will diligently observe those currently in force. The Board will enforce upon itself whatever discipline is needed to govern with excellence. Discipline will apply to matters such as attendance, preparation for meetings, policymaking principles, respect of roles, and ensuring the continuance of governance capability. Although the Board can change its Governance Process policies at any time, it will diligently observe those currently in force.

1.34.5

Continual Board development will include orientation of new Board members in the Board's governance process and periodic Board discussion of governance process improvement.

~~Continual Board development will include orientation of new Board members in the Board's governance process and periodic Board discussion of governance process improvement.~~

Adopted in its entirety by the JEA Board on February 16, 2010
and as Amended and Adopted by the JEA Board on _____.

Commented [JD10]: I am not aware of any current "continual board development program" or a new member orientation.

JEA Board Policy Manual

- | 1.34.6 The Board will allow no officer, individual, or committee of the Board to hinder or serve as an excuse for the Board not fulfilling its commitments.
- | 1.34.7 Each member of the Board will respect the final determination of the Board concerning any particular matter, regardless of the member's personal position concerning such matter.

Adopted in its entirety by the JEA Board on February 16, 2010
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JEA Board Policy Manual

POLICY TYPE: GOVERNANCE PROCESS

POLICY 1.42

POLICY TITLE: BOARD JOB DESCRIPTION

Specific responsibilities of the Board are those that ensure appropriate organizational performance.

Accordingly,

1.42.1 The Board is the authoritative link between the organization and the ownership.

1.4.2 The Board will provide governing policies that realistically address the broadest levels of all organizational decisions and situations:

a. Governance Process: Specification of how the Board develops, carries out, and monitors its own responsibilities

b. Board-Management Delegation: Specification of how power is delegated and its proper use monitored; clarity on the CEO's role, authority, and accountability.

c. Executive Mandates: Constraints on executive authority that establish the prudence and ethics boundaries within which all executive activity and decisions must take place.

d. Measures of Effectiveness: The organizational outcomes to its recipients including the relative worth of such outcomes in cost or priority. (What good for which recipients at what cost)

a. _____.

1.4.3 The Board will evaluate the CEO's performance annually using appropriate measure of effectiveness derived from the Executive Mandates and Board-Management Delegation policies. This CEO annual evaluation will be done formally in person with the CEO and full board. CEO evaluation criteria as per App A1 (with CEO core competencies)

1.4.4 The Board will measure its own performance against its Governance Process and Board-Management Delegation Policies annually.

~~1.2.2 The Board will provide governing policies that realistically address the broadest levels of all organizational decisions and situations:~~

~~_____ Ends: The organizational outcomes to its recipients including the relative worth of such outcomes in cost or priority. (What good for which recipients at what cost)~~

~~a. _____ Executive Limitations: Constraints on executive authority that establish the prudence and ethics boundaries within which all executive activity and decisions must take place.~~

~~a. _____ Board-Management Delegation: Specification of how power is delegated and its proper use monitored; clarity on the CEO's role, authority, and accountability.~~

~~a. _____ Governance Process: Specification of how the Board develops, carries out, and monitors its own responsibilities.~~

~~1.2.3 The Board will measure the CEO's performance against its Ends and Executive Limitations Policies.~~

Adopted in its entirety by the JEA Board on February 16, 2010
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JEA Board Policy Manual

~~1.2.4 The Board will measure its own performance against its Governance Process and Board Management Delegation Policies quarterly.~~

1.42.5 Board members will respect their fiduciary responsibilities to protect and enhance the value of JEA as a citizen-owned enterprise with due diligence using sound business judgment consistent with JEA's legislative charter.

Commented [a11]: Chair Baker: Do we want to measure the Board's performance quarterly? Annual evaluations seem sufficient.

Adopted in its entirety by the JEA Board on February 16, 2010
and as Amended and Adopted by the JEA Board on _____.

JEA Board Policy Manual

POLICY TYPE: GOVERNANCE PROCESS

POLICY 1.53

POLICY TITLE: AGENDA PLANNING

To accomplish its responsibilities with a governance style consistent with Board policies, the Board will follow an annual agenda that (a) completes a re-exploration of the Measures of Effectiveness (MOEs) ~~Ends~~ policies at least annually and (b) continually improves Board performance through education and deliberation.

Accordingly,

Accordingly,

1.5.1 The Board will establish its annual agenda during an annual retreat to be scheduled around March of each year.

- a. The Board will review the MOEs as often as necessary, but minimally once a year..
- b. Consultations with selected groups in the ownership, or other methods of gaining ownership input, will be scheduled as part of the annual agenda.
- c. Governance education and education related to the MOEs (presentations by futurist, demographers, advocacy groups, staff, etc.) will be scheduled as part of the annual agenda.

1.5.2 The agenda for the Board's monthly meeting will be established through consultation with the Chair and the CEO.

- a. The agenda along with supporting item documentation will be made available to Board members minimally seven days prior to monthly Board meetings.
- b. _____
- c. A Board member may bring up new business at the appropriate time on the agenda during any meeting, however, if a formal response or presentation is necessary, a request should be made to the CEO no later than two weeks before the Board meeting to allow others on the Board to receive information in advance.
- d. _____

~~1.3.1 The Board will establish its annual agenda during an annual retreat to be scheduled around March of each year.~~

- ~~a. The Board will review and re-establish its Ends policies as often as necessary with review always taking place at least during the annual retreat.~~
- ~~b. Consultations with selected groups in the ownership, or other methods of gaining ownership input, will be scheduled as part of the annual agenda.~~

Adopted in its entirety by the JEA Board on February 16, 2010
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Commented [JD12]: Is a retreat feasible under Sunshine Laws?

Commented [JD13]: I don't know what this stipulation means

Commented [a14]: Chair Baker: How do we propose "consultations with selected groups in the ownership?" We should be clear as to how we want this done. Especially in COVID.

JEA Board Policy Manual

- ~~e. Governance education and education related to Ends determination (presentations by futurist, demographers, advocacy groups, staff, etc.) will be scheduled as part of the annual agenda.~~
- ~~1.3.2 The agenda for the Board's monthly meeting will be established through consultation with the Chair and the CEO.~~
 - ~~a. The agenda along with supporting item documentation will be made available to Board members no later than seven days prior to monthly Board meetings.~~
 - ~~b. The Board will attend to consent agenda items as expeditiously as possible.~~
 - ~~c. A Board member may bring up new business at the appropriate time on the agenda during any meeting, however, if a formal response or presentation is necessary, a request should be made to the CEO no later than two weeks before the Board meeting to allow others on the Board to receive information in advance.~~
 - ~~d. CEO monitoring will be on the agenda if reports have been received since the previous meeting, if plans must be made for direct inspection monitoring, or if arrangements for third-party monitoring must be prepared.~~

Adopted in its entirety by the JEA Board on February 16, 2010
and as Amended and Adopted by the JEA Board on _____.

JEA Board Policy Manual

POLICY TYPE: GOVERNANCE PROCESS

POLICY 1.64

POLICY TITLE: BOARD OFFICERS

~~Board officers assure the integrity of the Board's process and record's. Board officers are: Chairman, Vice-Chairman, and Secretary.~~

Commented [JD15]: See 1.4 comment on page 5

~~This makes no sense: we should not impede the flow of information just because it does not pertain to evaluation or bd decisions.~~

~~Board officers assure the integrity of the Board's process and record's. Board officers are: Chairman, Vice-Chairman, Secretary & Assistant Secretary.~~

Accordingly,

1.64.1 The Chairman, a specially empowered member of the Board, ensures the integrity of the Board's process and, secondarily, occasionally represents the Board to outside parties.

a. The Chairman's role is to see that the Board behaves consistently within its own rules and those rules and regulations imposed upon it from outside the organization.

(1) Meeting discussion content will consist of issues that clearly belong to the Board to decide or to monitor according to Board policy.

(2) Information that is ~~neither~~not for monitoring performance ~~nor for~~ Board decisions ~~will~~should be avoided ~~or minimized and always noted as such.~~

Commented [a16]: Chair Baker: Have we violated this with our Board information sessions on various aspects of the business? I would prefer to delete this. Informing the Board is too important.

(3) Deliberation will be fair, open, and thorough but also timely, orderly, and kept to the point.

b. The authority of the Chairman consists in making decisions that fall within topics covered by Board policies on Governance Process and Board-Management Delegation, with the exception of (a) employment or termination of the CEO and (b) areas where the Board specifically delegates portions of this authority to others. The Chairman is authorized to use any reasonable interpretation of provisions in these policies.

(1) The Chairman is empowered to chair Board meetings with all the commonly accepted powers of that position, such as ruling and recognizing.

~~(2) _____~~

~~(2) The Chairman has no authority to make decisions about policies created by the Board within Ends and Executive Limitations policy areas.~~

(3) The Chairman may represent the Board to outside parties in announcing Board-stated positions and in stating Chairman decisions and interpretations within the area delegated to that role.

(4) The Chairman may delegate this authority but remains accountable for its use.

~~(5) The Chairman may appoint members and a Chairman for each Board committee, unless otherwise stipulated by Board policies..~~

Adopted in its entirety by the JEA Board on February 16, 2010 and as Amended and Adopted by the JEA Board on _____.

JEA Board Policy Manual

~~c. _____~~

~~(5) The Chairman may appoint members and a Chairman for each Board committee, unless otherwise stipulated by Board policies or the organization's Bylaws.~~

~~e. Expected Traits for chairman of the Chair: (Does the Board want to include some basic core traits for the chair?)~~

1.64.2 The Vice-Chairman or, in the absence of the Vice-Chairman, the immediate Past-Chairman will serve as Chair in the absence of the Chairman.

~~1.6.3 The Board Secretary is an officer of the Board whose purpose is to ensure the integrity of the Board's documents.~~

~~1.4.3 The Board Secretary is an officer of the Board whose purpose is to ensure the integrity of the Board's documents.~~

a. The Secretary's role is to see to it that all Board documents and records are accurate and timely.

(1) Policies will be current in their reflection of Board decisions. Decisions upon which no subsequent decisions are to be based, such as consent agenda decisions, motions to adjourn, and staff or Board member recognitions, need not be placed in policy.

~~(2) _____~~

~~(2) Policy Governance principles will be followed in policy development.~~

(3) Board policies and By-laws are to be consistent with the legal requirements of Florida Law, Ordinances of the City of Jacksonville and the JEA Charter and are to be known by the Board.

~~(4) _____~~

~~(4) Board expectations for format, brevity, and accuracy of Board minutes will be known to the CEO.~~

~~(2) _____~~

~~b. The authority of the secretary is access to and control over Board documents and records~~

~~b. The authority of the secretary is access to and control over Board documents and records.~~

~~1.6.4 The Assistant Secretary will serve as Secretary in the absence of the Secretary.~~

~~1.4.4 The Assistant Secretary will serve as Secretary in the absence of the Secretary.~~

1.64.5 All Board officers are accountable to the Chairman unless otherwise determined by Board policy.

Adopted in its entirety by the JEA Board on February 16, 2010
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Commented [a17]: Chair Baker: I would drop this or change it to duties of the Chair (eg attend Board and committee meetings, prepare Board agenda with CEO, attend Rating Agency meetings, etc)

Commented [JD18]: Sec should ensure board does do not violate any elements of Art 21 or the By Laws

Commented [JD19]: All board members should have access to bd docs and records. Where do board records reside? What does "control over board documents" mean?

Commented [JD20]: The Secretary needs an "assistant" who should be from JEA that can support the Secretary with administrative tasks (may already have in place with respect to JEA's Audit team's support to the board.

JEA Board Policy Manual

Adopted in its entirety by the JEA Board on February 16, 2010
and as Amended and Adopted by the JEA Board on _____.

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JEA Board Policy Manual

POLICY TYPE: GOVERNANCE PROCESS

POLICY 1.75

POLICY TITLE: RULES OF ORDER

Board meetings will be conducted in an orderly and fair process consistent with the requirements of Florida Law, Ordinances of the City of Jacksonville, the JEA Charter, Bylaws and these governance policies. Meetings will be led by the Chairman, or, in the absence of the Chairman, the Vice-Chairman, or, in the absence of both, by the Chairman's designee.

Accordingly,

1.75.1 Board meetings will be conducted with punctuality and order.

- a. Board meetings shall be called to order at the time specified in the notice of meeting and upon satisfaction of a quorum.
- b. Meeting order shall be maintained and all members treated with dignity, respect, courtesy, and fairness during discussion and debate and in all other respects.
- c. Board members must keep their comments relevant to the issue under consideration.
- d. In order to conduct business, a quorum of four (4) board members must be present. Four affirmative votes are required to decide all motions before the Board regardless of number in attendance.

1.75.2 Board meetings will be conducted at a level of informality considered appropriate by the Chairman yet with predictable discipline.

- a. Discussion of a matter not on the previously distributed agenda may occur only after Board consent that the matter be heard.
- b. Proposals that the Board take action, or decide a particular matter, shall (unless otherwise agreed to by unanimous consent) be made by main motion of a Board member, discussed, and then voted on. Motions require a second to proceed to discussion and subsequent ~~vote~~.
- c. The Chair may not make motions but can engage in debate and is required to vote.
- d. A motion to amend a main motion may be amended but third level amendments are not to be heard.
- e. A motion to refer to a committee, postpone, or table, may be made with respect to a pending main motion, shall take precedence over the pending motion and, if carried, shall set the main motion (the initial proposal) aside accordingly.
- f. Board members may speak to a pending motion on as many occasions, and at such length, as the Chair may reasonably allow.
- g. A vote on a motion shall be taken when discussion ends, but any Board member may, during the course of debate, move for an immediate vote (close debate or call the question) which, if carried, shall end discussion and the vote on the main motion shall

Commented [a21]: Chair Baker: I presume this is trying to say you need a motion and a second before discussing an action item. If so, this is so basic and seems like overkill.

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then be taken. Votes may be made by voice vote or by roll call. All members of the Board are required to vote unless a conflict of interest is declared.

- g. A motion to adjourn a Board meeting may be offered by any Board member or, on the conclusion of all business, adjournment of the meeting may be declared by the Chair.

1.7.5.3 When further rules of order are to be developed by the Board, the Board will consider the Standard Code of Parliamentary Procedure (Robert's Rules of Order) as a resource guide. The representative from the Office of General Council may serve the Board as a resource on Parliamentary Procedure.

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POLICY TYPE: GOVERNANCE PROCESS

POLICY 1.86

POLICY TITLE: BOARD MEMBER'S CODE OF CONDUCT

The Board commits itself to lawful, ethical and businesslike conduct, following all requirements of Florida Law, Ordinances of the City of Jacksonville, and the JEA Charter including proper use of its authority and appropriate decorum when acting as Board members.

Accordingly,

- 1.86.1 Members are expected to represent the interests of the ownership. This accountability supersedes any conflicting loyalty such as that to advocacy or interest groups and membership on other Boards or staffs. It also supersedes the personal interest of any Board member acting as a consumer of the organization's services.
- 1.86.2 Members must avoid conflict of interest with respect to their fiduciary responsibility. Such conflicts of interest include but are not limited to the following:
 - ~~a. There will be no self-dealing or business by a board member with any entity that might be reasonably seen as representing a conflict of interest.~~
 - ~~a. There will be no self-dealing or business by a member with the organization. Members will annually disclose their involvements with other organizations or with vendors and any associations that might be reasonably seen as representing a conflict of interest.~~
 - b. When the Board is to decide upon an issue about which a member has an unavoidable conflict of interest, that member shall announce and declare publicly any conflict of interest and withdraw without comment not only from the vote but also from the deliberation.
 - ~~c. No board member will have a contractual relationship with JEA (directly or indirectly) during their board tenure and for 2 years following member's date of termination from board membership.~~
 - ~~c. Board members will not use their Board position to obtain employment in the organization for themselves, family members, or close associates. Any such existing relationship is expected to be disclosed to the Board. A Board member who applies for employment must first resign from the Board.~~
- 1.86.3 Members may not attempt to exercise individual authority over the organization except as explicitly set forth in Board policies.
 - a. Members' interaction with the CEO or with staff must recognize the lack of authority vested in individuals except when explicitly authorized by the Board.
 - b. Members' interaction with the public, the press, or other entities must recognize the same limitation and the inability of any Board member to speak for the Board except to repeat explicitly stated Board decisions.
 - c. Except for participation in Board deliberation about whether the CEO has achieved any reasonable interpretation of Board policy, members will not express individual judgments of negative performance of employees or the CEO.

Commented [JD22]: Is this paragraph referring to annual financial disclosure requirement? If so, simply state it (Form 1 submission)

Commented [JD23]: As per Art 21 21.03 (f) clause

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1.8.4

↓

~~1.6.4—Members will respect the confidentiality appropriate to issues of a sensitive nature.~~

~~1.6.5—Members will be properly prepared for Board deliberation.~~

1.8.6 Members are expected to support the legitimacy and authority of the final determination of the Board on any matter, without regard to the member's personal position on the issue.

1.8.7 Members who have any question about the appropriateness of their conduct should consult with the Office of General counsel or appropriate Ethics offices for information.

Commented [JD24]: Redundant (see 1.72)

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POLICY TYPE: GOVERNANCE PROCESS

POLICY 1.97

POLICY TITLE: DIRECTORS' INDIVIDUAL RESPONSIBILITY

The leadership success of the Board is a direct result of the individual and collegial participation of its members.

Therefore, each Board member is expected to participate in the following ways:

1.97.1 Time Investment to Accomplish Board Responsibilities - As Board contemplation, deliberation and decision-making are processes which require wholeness, collaboration and participation, attendance at Board meetings is expected of Board members.

a. Expected Commitments:

(1) Monthly Board Meetings

~~(2) Annual Team Building~~

~~(3) Quarterly Review~~

~~(4) Bond Rating Agency Trip, 3 days (Board Chair is expected to attend. However, full participation is highly encouraged.)~~

~~(2) Annual Team Building~~

~~(3) Quarterly Review~~

~~(4) Credit Rating Agency Trip, 2 days (Board Chair is expected to attend.)~~

b. Optional Involvement:

(1) Internal educational meetings with staff upon request

(2) Industry related seminars and conferences

(3) Visit other utilities and related industries

1.97.2 Preparation and Participation - Board members will prepare for Board and committee meetings and will participate productively in discussions, always within the boundaries of discipline established by the Board. Each member will contribute his or her own knowledge, skills and expertise to the Board's efforts to fulfill its responsibilities.

1.97.3 Members as Individuals - The CEO is accountable only to the Board as an organization, and not to individual Board members. Accordingly, the relationship between the CEO and individual members of the Board, including the Chairman, is collegial, not hierarchical.

Commented [JD25]: See 1.31 comment (Sunshine Law complications). What is the intent of the team building (or is this the annual retreat)?

Commented [JD26]: Of what?

Commented [JD27]: Sunshine Law feasibility?

Commented [a28]: Chair Baker: Quarterly Review. I presume this is the review of the compliance with our targeted metrics. If it is something more, are we doing it?

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POLICY TYPE: GOVERNANCE PROCESS

POLICY 1.108

POLICY TITLE: BOARD COMMITTEE PRINCIPLES

Board committees, when used, will be assigned so as to reinforce the wholeness of the Board's job and not to interfere with delegation from the Board to the CEO.

Accordingly,

- 1.108.1 Board committees are to help the Board accomplish its responsibilities and are not assigned to perform staff functions. Committees ordinarily will assist the Board by preparing policy alternatives and implications for Board deliberation. In keeping with the Board's broader focus, Board committees will normally not have direct dealings with current staff operations unless specifically outlined in committee objectives.
- 1.108.2 Board committees may not speak or act for the Board except when formally given such authority for specific purposes. Expectations and authority will be carefully stated in order to prevent conflict with authority delegated to the CEO.
- 1.108.3 Board committees cannot exercise authority over staff. The CEO works for the full Board, and will therefore not be required to obtain the approval of a Board committee before an executive action.
- 1.108.4 Committees will be formed for a specific purpose only. Its purpose and function will be documented in a written charge. All committees are accountable to the Board as a whole.
- 1.108.5 This policy applies to any group that is formed by Board action, whether or not it is called a committee and regardless of whether the group includes Board members, it does not apply to committees formed under the authority of the CEO.

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POLICY TYPE: GOVERNANCE PROCESS

POLICY 1.119

POLICY TITLE: BOARD COMMITTEE STRUCTURE

~~A committee is a Board committee only if its existence and charge come from the Board, regardless of whether Board members sit on the committee. The only standing Board committees are those which are set forth in this policy. Unless otherwise stated, a committee ceases to exist as soon as its task is complete. The CEO will attend meetings of each committee, but shall not have a vote.~~

~~A committee is a Board committee only if its existence and charge come from the Board, regardless of whether Board members sit on the committee. The only standing Board committees are those which are set forth in the Bylaws or in this policy. Unless otherwise stated, a committee ceases to exist as soon as its task is complete. The CEO will attend meetings of each committee, but shall not have a vote.~~

Accordingly,

1.119.1 Nominating Committee: The purpose of the Nominating committee is to recommend Board officers for election by the Board as a whole.

- a. The Nominating Committee will be comprised of three members. The current Chairman (which shall serve as chair of the committee) and the two most immediate past Chairman still remaining on the Board will constitute the committee. If one or more past chairman is no longer serving on the Board, the Chairman shall select Board members to fill out a committee of three.
- b. The Nominating Committee shall be formed no later than January of each year and will make its recommendation to the Board for action at its March meeting.

1.119.2 Finance and Audit Committee: The purpose of the Finance and Audit committee is to assist the Board in fulfilling its oversight responsibilities by reviewing financial information, systems of internal controls, and audit process, including a high level review of the operating and capital budgets. The committee will provide an open avenue of communication between the Board, Management, Audit Services, and external auditors.

- a. The Finance and Audit committee will be comprised of three members appointed annually by the chair and confirmed by the Board. Two members will constitute a quorum.
- b. The committee will meet at least four times per year. A schedule of regular meetings will be established by the committee annually. Special meetings may be called by any committee member. Meeting dates, times and location will be announced to the entire Board.
- c. The committee shall oversee:
 - (1) Internal controls and risk assessment
 - (2) Internal Audit Services
 - (3) Compliance with laws, regulations and code of conduct
 - (4) Financial Reporting

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d. The committee will oversee the External Auditor

~~1.11.3 Other Committees may be established as designated by the Chair.~~

~~1.9.3 Other Committees may be established as designated by the Chair.~~

Commented [JD29]: Should the Governance Committee be a standing committee too?

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POLICY TYPE: GOVERNANCE PROCESS

POLICY 1.120

POLICY TITLE: COST OF GOVERNANCE

The Board will invest in continuous improvement in its governance capacity.

Accordingly,

1.120.1 The Board will use appropriate methods to improve its governing skills.

- a. Training and retraining will be used liberally to orient new members as well as to maintain and increase existing members' skills and understandings.
- ~~b. Outside monitoring assistance can be arranged so that the Board can exercise confident control over organizational performance. This includes but is not limited to a financial audit.~~
- ~~c. Outreach mechanisms can be used as needed to ensure the Board's ability to listen to owner viewpoints and values.~~
- ~~d. Knowledgeable industry experts can be made available to the Board in various ways to continuously improve the Board's awareness of emerging utility industry issues.~~
- ~~b. Outside monitoring assistance will be arranged so that the Board can exercise confident control over organizational performance. This includes but is not limited to a financial audit.~~
- ~~c. Outreach mechanisms will be used as needed to ensure the Board's ability to listen to owner viewpoints and values.~~
- ~~d. Knowledgeable industry experts will be made available to the Board in various ways to continuously improve the Board's awareness of emerging utility industry issues.~~

1.120.2 Costs for appropriate Board governance will be included during annual budget preparations. Any expenditure required will be in accordance with JEA procurement policies. Items may include but not be limited to the following as annually decided by the Board:

- a. training
- b. attendance at conferences, industry site visits and Rating Agency presentations
- c. audit and other third-party monitoring of organizational performance
- d. surveys, focus groups, opinion analysis, and meeting costs.

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POLICY TYPE: BOARD MANAGEMENT DELEGATION

POLICY 2.0 POLICY TITLE: GLOBAL BOARD-MANAGEMENT DELEGATION

The Board's sole official connection to the operational organization, its achievements, and conduct will be through a chief executive officer titled Managing Director / CEO, referred to within this document simply as CEO.

- 2.0.1 **Unity of Control:** Only officially passed motions of the Board are binding on the CEO.
- 2.0.2 **Accountability of the CEO:** The CEO is the Board's only link to operational achievement and conduct, so that all authority and accountability of staff, as far as the Board is concerned, is considered the authority and accountability of the CEO.
- ~~2.3 **Delegation to the CEO:** The Board will instruct the CEO through written policies that prescribe the organizational MOEs (measures of effectiveness) to be achieved and describe organizational situations and actions to be avoided, allowing the CEO to use any reasonable interpretation of these policies.~~
- ~~2.4 **ALREADY COVERED IN 1.2.3.**~~
- ~~2.0.3 **Delegation to the CEO:** The Board will instruct the CEO through written policies that prescribe the organizational Ends to be achieved and describe organizational situations and actions to be avoided, allowing the CEO to use any reasonable interpretation of these policies.~~
- ~~2.0.4 **Monitoring CEO Performance:** Systematic monitoring of CEO job performance will be solely against the only expected CEO job achievements: organizational accomplishment of Board policies on Ends and organizational operation within the boundaries established in Board policies on Executive Limitations.~~
- 2.0.5 **CEO Remuneration:** Salary and benefits and other terms of employment for the CEO will be determined by contract.
- 2.0.6 **Core Competencies:** Executive Core Competencies are included in the Appendix.

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POLICY TYPE: BOARD MANAGEMENT DELEGATION

POLICY 2.1

POLICY TITLE: *UNITY OF CONTROL*

Only officially passed motions of the Board are binding on the CEO.

Accordingly,

- 2.1.1 Decisions or instructions of individual Board members, officers, or committees are not binding on the CEO.
- 2.1.2 In the case of Board members or committees requesting information or assistance without Board authorization, the CEO can refuse such requests that require, in the CEO's opinion, a material amount of staff time or funds, or are disruptive. The CEO shall promptly inform the Board if requests from Board members or committees are refused.

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POLICY TYPE: BOARD MANAGEMENT DELEGATION

POLICY 2.2

POLICY TITLE: ACCOUNTABILITY OF CEO

The CEO is the Board's only link to operational achievement and conduct, so that all authority and accountability of staff, as far as the Board is concerned, is considered the authority and accountability of the CEO.

Accordingly,

- 2.2.1 The Board as a body and individual board members will never give instructions to persons who report directly or indirectly to the CEO.
- 2.2.2 The Board will not evaluate, either formally or informally, any staff other than the CEO. However, the CEO will discuss his evaluation with the Board of the executives identified as potential interim CEO successors (refer to Policy 3.5.1).

2.2.3

~~2.2.3 The Board will view CEO performance as identical to organizational performance so that organizational accomplishment of Board-stated Ends and avoidance of Board-described means will be viewed as successful CEO performance.~~

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POLICY TYPE: BOARD MANAGEMENT DELEGATION

POLICY 2.3

POLICY TITLE: *DELEGATION TO THE CEO*

The Board will instruct the CEO through written policies that prescribe the organizational ~~MOEs~~Ends to be achieved and describe organizational situations and actions to be avoided, allowing the CEO to use any reasonable interpretation of these policies.

Accordingly,

~~2.3.1 The Board will develop policies instructing the CEO to achieve specified results, for specified recipients, at a specified cost. These policies will be developed systematically from the broadest, most general level to more defined levels and will be captured in the MOEs (measures of effectiveness).~~

~~2.3.2~~

~~2.3.3~~

~~2.3.4~~

~~2.3.1 The Board will develop policies instructing the CEO to achieve specified results, for specified recipients, at a specified cost. These policies will be developed systematically from the broadest, most general level to more defined levels and will be called Ends policies. All issues that are not ends issues as defined here are means issues.~~

~~2.3.2 The Board will develop policies that limit the latitude the CEO may exercise in choosing the organizational means. These limiting policies will describe those practices, activities, decisions and circumstances that would be unacceptable to the Board even if they were to be effective. Policies will be developed systematically from the broadest, most general level to more defined levels, and they will be called Executive Limitations policies. The Board will never prescribe organizational means delegated to the CEO.~~

~~2.3.3 As long as the CEO uses any reasonable interpretation of the Board's Ends and Executive Limitations policies, the CEO is authorized to establish all further policies, make all decisions, take all actions, establish all practices, and pursue all activities. Such decisions of the CEO shall have full force and authority as if decided by the Board.~~

~~2.3.4 The Board may change its Ends and Executive Limitations policies, thereby shifting the boundary between Board and CEO domains. By doing so, the Board changes the latitude of choice given to the CEO. However, as long as any particular delegation is in place, the Board will respect and support the CEO's choices.~~

2.3.5 Should the CEO violate a Board policy, he or she shall promptly inform the Board. Informing is simply to guarantee no violation may be intentionally kept from the Board, not to request approval. Board response, either approving or disapproving, does not exempt the CEO from subsequent Board judgment of the action nor does it curtail any executive decision.

Commented [a30]: Chair Baker: The whole concept of Ends and Means is cloudy too me. My guess is that the point is that the "Ends" are our targeted metrics. I am not sure where or if we have created policies that describe organizational situations and actions to be avoided (Unless that is all the double negatives and the CEO shall not... clauses). I would like to clear this up in these documents.

Commented [a31]: Chair Baker: The last sentence seems to contradict the rest of the paragraph.

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POLICY TYPE: BOARD MANAGEMENT DELEGATION

POLICY 2.4

POLICY TITLE: *MONITORING CEO PERFORMANCE*

2.4.1 Board evaluation of the CEO will be done annually and based on App 1A, CEO Core competencies and CEO evaluation criteria.

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~~Systematic monitoring of CEO performance will be solely against the only expected CEO job achievements: organizational accomplishment of Board policies on Ends and organizational operation within the boundaries established in Board policies on Executive Limitations.~~

Accordingly,

- ~~2.4.1 Monitoring is simply to determine the degree to which Board policies are being met. Data or information that does not do this will not be considered to be monitoring information.~~
- ~~2.4.2 The Board will acquire monitoring information by one or more of these methods:

 - ~~a. By internal report, in which the CEO discloses interpretations and compliance information to the Board.~~
 - ~~b. By external report, in which an external, disinterested and independent third party selected by the Board assesses compliance with Board policies (e.g. external financial audit).~~
 - ~~c. By direct Board inspection, in which a designated member or members of the Board assess compliance with the appropriate policy criteria.~~~~
- ~~2.4.3 In every case, the Board will judge (a) the reasonableness of the CEO's interpretation and (b) whether data demonstrate accomplishment of the interpretation.~~
- ~~2.4.4 The standard of compliance shall be any reasonable CEO interpretation of the Board policy being monitored. The Board is the final arbiter of reasonableness.~~
- ~~2.4.5 All policies that instruct the CEO will be monitored at a frequency and by a method chosen by the Board. The Board can monitor any policy at any time by any method, but will ordinarily depend on a routine schedule:~~

~~**[Example of monitoring schedule]** – (final schedule will be set after policies are developed)~~

Policy	Method	Frequency	Schedule
Ends	Internal	Annually	
Treatment of Customers	Internal	Annually	
Treatment of Staff	Internal	Annually	
Financial Planning/Budgeting	Internal	Quarterly	End of Qtr.
Financial Condition & Activities	Internal	Quarterly	End of Qtr.
	External	Annually	Close of Yr.
Asset Protection	Internal	Annually	
Emergency CEO Succession	Internal	Annually	
Communication and Support to Board	Internal	Annually	
Compensation and Benefits	Internal	Annually	

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In addition to the monitoring reports above, the Board must receive the following information each month. It is understood that this data is supplemental, not monitoring:

Financial Report _____ Internal _____ Monthly _____ End of Month

Operating Report _____ Internal _____ Monthly _____ End of Month

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POLICY TYPE: BOARD MANAGEMENT DELEGATION

POLICY 2.5

POLICY TITLE: *CEO REMUNERATION*

Salary and benefits and others terms of employment for the CEO will be determined by contract.

SEE ART 21

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POLICY TYPE: EXECUTIVE ~~LIMITATIONS~~MANDATES

POLICY 3.0 POLICY TITLE: GENERAL EXECUTIVE ~~OVERSIGHT AND CONSTRAINT~~ASSURANCES

The CEO shall ~~not cause or allow~~oversee and ensure that organizational practices, activities, decisions, ~~and~~ circumstances ~~that is either~~are unlawful, imprudent, ~~and~~ not in violation of commonly accepted business and professional ethics and practices.

- 3.0.1 **Treatment of Consumers:** With respect to interactions with consumers or those applying to be consumers, the CEO shall ~~not cause or allow~~oversee and ensure conditions, procedures, ~~and~~ decisions that are unsafe, untimely, undignified, ~~and~~ not unnecessarily intrusive.
- 3.0.2 **Treatment of Staff:** With respect to the treatment of staff, the CEO ~~may not cause or allow~~shall oversee and ensure conditions that are unfair, unsafe, undignified, disorganized, ~~and~~ unclear.
- 3.0.3 **Financial Planning/Budgeting:** The CEO shall ~~not cause or allow~~oversee and ensure financial planning for any fiscal year or the remaining part of any fiscal year ~~will not~~ deviate materially from the Board's ~~MOEs~~Ends priorities, risk financial jeopardy, ~~and~~ will ~~fail to~~ be derived from a multiyear plan.
- 3.0.4 **Financial Condition and Activities:** With respect to the actual, ongoing financial conditions and activities, the CEO shall ~~not cause or allow~~oversee and ensure the development of financial ~~jeopardy or material deviation of~~ actual expenditures ~~that will not result in financial jeopardy or materially deviate~~ from Board priorities established in ~~MOEs~~Ends policies.
- 3.0.5 **Workforce Readiness and Succession Planning:** The CEO shall ~~oversee and ensure~~ ~~not allow~~ the workforce ~~that is to be~~unprepared to meet current or future business demands.
- 3.0.6 **Asset Protection:** The CEO shall ~~oversee and ensure~~~~not cause or allow~~ corporate assets ~~are~~to be ~~un~~protected, inadequately maintained ~~and~~ not ~~or~~ unnecessarily risked.
- 3.0.7 **Compensation and Benefits:** With respect to employment, compensation, and benefits to employees, consultants, contract workers, and volunteers, the CEO shall ~~oversee and ensure no~~ ~~impairments~~~~not cause or allow jeopardy~~ to financial integrity or to public image.
- 3.0.8 **Communication and Support to Board:** The CEO shall ~~oversee and ensure that~~~~not cause or allow~~ the Board ~~is to be~~uninformed ~~and~~ ~~or~~ unsupported in its work.
- 3.0.9 **Regulatory/Legislative Requirements:** The CEO ~~shall oversee and ensure~~~~will not fail to effect~~ regulatory and legislative actions ~~s that are~~ favorable to the organization.
- 3.0.10 **Enterprise Risk Management:** The CEO shall ~~not cause or allow~~oversee and ensure conditions, procedures ~~and~~ decisions ~~which fail to~~that will identify, measure, monitor and manage, within established risk tolerances, potential events that may affect achievement of the ~~MOEs~~Ends.
- 3.0.11 **Procurement Activities:** The CEO shall ~~not fail to~~oversee and ensure the development of procurement policies and procedures that adhere to all applicable federal, state and local laws and ordinances and provide for increased public confidence in the procurement activities of JEA.

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POLICY TYPE: EXECUTIVE MANDATESLIMITATIONS

POLICY 3.1

POLICY TITLE: TREATMENT OF CONSUMERS

With respect to interactions with consumers or those applying to be consumers, the CEO shall ~~not-cause or allow~~ oversee and ensure conditions, procedures, or decisions that are ~~unsafe, untimely, undignified, and not~~ unnecessarily intrusive.

Accordingly, the CEO will ~~not~~:

- 3.1.1 Elicit information for which there is ~~a~~ clear necessity.
- 3.1.2 Use methods of collecting, reviewing, transmitting, or storing client information that ~~will fail to~~ protect against improper access.
- 3.1.3 ~~Fail to~~ operate facilities with appropriate accessibility and privacy.
- 3.1.4 ~~Articulate to consumers a clear understanding of what they can expect from services offered.~~
- 3.1.4 ~~Fail to establish with~~ to consumers a clear understanding of what may be expected and what may not be expected ~~they can expect from services~~ services offered.
- 3.1.5 ~~Fail to~~ operate ~~with~~ out clearly established and updated Customer Service procedures and published rules and regulations for service.
- 3.1.6 ~~Fail to~~ operate ~~with~~ out mechanisms for collecting consumer complaints that provide for resolution at the lowest staff level and also include prompt response when warranted.

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POLICY TYPE: EXECUTIVE ~~LIMITATIONS~~ MANDATES

POLICY 3.2

POLICY TITLE: *TREATMENT OF STAFF*

With respect to the treatment of paid and volunteer staff, the CEO shall oversee and ensure may not cause or allow conditions that are ~~unfair, unsafe, undignified, disorganized, and cor-unelearear~~.

Accordingly, the CEO will ~~not~~:

- 3.2.1 Operate ~~without~~ written personnel rules and regulations that
 - a. clarify rules for staff
 - b. provide for effective handling of grievances
 - c. protect against wrongful conditions such as nepotism and grossly preferential treatment for personal reasons.
 - d. allow for volunteerism in the community
 - e. require high ethical standards
 - f. recognize the need for work/life balance
- 3.2.2 Operate ~~without~~ written job descriptions and performance requirements and reviews that
 - a. characterize the nature of work to be performed
 - b. identify technical, behavioral and physical skills required
 - c. identify clear standards of responsibilities, accountability and associated authorities.
 - c. ~~identify clear standards of responsibility, accountability and associated authorities~~
- 3.2.3 ~~P~~Fail to provide a safe work environment.
- 3.2.4 ~~I~~Fail to identify and provide training necessary to accomplish the quality of work expected.
- 3.2.5 ~~Not a~~Allow discrimination or retaliation against any staff member for non-disruptive expression of dissent.
- 3.2.6 ~~A~~Fail to acquaint staff with the CEO's interpretation of their protections under this policy.
- 3.2.7 Allow staff to be ~~under~~-prepared to deal with emergency situations.
- 3.2.8 ~~I~~Fail to insure that the company's Core Values are routinely communicated and reinforced to all employees.

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POLICY TYPE: EXECUTIVE ~~LIMITATIONS~~MANDATES

POLICY 3.3

POLICY TITLE: FINANCIAL PLANNING/BUDGETING

~~The CEO shall oversee and ensure financial planning for any fiscal year or the remaining part of any fiscal year will not deviate materially from the Board's MOEs priorities, risk financial jeopardy, and will be derived from a multiyear plan.~~

~~not cause or allow financial planning for any fiscal year or the remaining part of any fiscal year to deviate materially from the Board's Ends priorities, risk financial jeopardy, or fail to be derived from a multiyear plan.~~

Accordingly, the CEO will ~~not~~:

- 3.3.1 ~~Prevent the r~~Risk of incurring those situations or conditions described as unacceptable in the Board policy "Financial Condition and Activities (refer to Policy 3.4)."
- 3.3.2 ~~IFail to~~ include credible projection of revenues and expenses, separation of capital and operational items, cash flow, and disclosure of planning and budgeting assumptions.
- 3.3.3 ~~IFail to~~ identify the source for capital expenditures (e.g. internally generated cash, new debt, carry over funds from previous fiscal year).
- 3.3.4 ~~A~~Fail to adhere to approved tariff rates and fees.
- 3.3.5 ~~S~~Fail to set and follow an annual budgeting process that results in a final budget submittal to City Council by July 1 proceeding the budgeted fiscal year.
- 3.3.6 ~~Not p~~Provide less for Board prerogatives during the year than is set forth in the "Cost of Governance" policy (refer to Policy 1.10).

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POLICY TYPE: EXECUTIVE ~~MANDATES~~ LIMITATIONS

POLICY 3.4

POLICY TITLE: FINANCIAL CONDITION AND ACTIVITIES

~~With respect to the actual, ongoing financial conditions and activities, the CEO shall oversee and ensure actual expenditures that will not result in financial jeopardy or materially deviate from Board priorities established in MOEs policies.~~

~~With respect to the actual, ongoing financial conditions and activities, the CEO shall not cause or allow the development of financial jeopardy or material deviation of actual expenditures from Board priorities established in Ends policies.~~

Accordingly, the CEO will ~~not~~:

3.4.1 ~~Q~~Fail to operate within the budget established for the fiscal year.

3.4.2 ~~Not m~~ake budget transfers in excess of \$5,000,000 ~~without Board approval.~~ **ake budget transfers in excess of \$5,000,000 without Board approval.**

~~3.4.2~~ ~~,000 without Board approval.~~

3.4.3 ~~Fail to~~ inform the Board in monitoring reports when reserves are required to meet current expenditures.

3.4.4 ~~M~~Fail to maintain financial and accounting separation between electric, water and wastewater, and District Energy funds as required by regulatory agencies and bond covenants.

3.4.5 ~~Q~~Fail to operate within established financial parameters ~~and will not~~ fail to engage the ~~B~~board when established parameters are considered inadequate to affect a desired bond rating.

Current financial parameters:

- a. Debt Service Coverage
- b. Fixed Charge coverage
- c. Cash on Hand
- d. Working Capital
- e. Line of Credit
- f. Fuel Rate Reserve

3.4.6 ~~Not o~~perate in violation of JEA's Debt Management Policies.

3.4.7 ~~S~~Fail to settle payroll and debts in a timely manner.

3.4.8 ~~Ensure~~Allow tax payments or other government-ordered payments or filings ~~to be~~are not overdue or inaccurately filed.

3.4.9 ~~E~~Fail to establish reasonable security measures to protect against loss of receivables.

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Commented [JD32]: Check with Art 21 for compliance.

Commented [a33]: Joe DiSalvo: ENSURE THIS IS IN SYNCH WITH CITY COUNCIL'S ART 21 CHARTER

Commented [a34]: Chair Baker: \$5,000,000 seems like a large amount to transfer without at least alerting the board. Probably doesn't need Board approval however.

JEA Board Policy Manual

3.4.10 ~~A~~**Fail to a**ggressively pursue receivables after a reasonable grace period.

Adopted in its entirety by the JEA Board on February 16, 2010
and as Amended and Adopted by the JEA Board on _____.

JEA Board Policy Manual

POLICY TYPE: EXECUTIVE ~~LIMITATIONS~~MANDATES

POLICY 3.5 POLICY TITLE: **WORKFORCE READINESS AND SUCCESSION PLANNING**

~~The CEO shall oversee and ensure a workforce that is prepared to meet current or future business demands. The CEO shall not allow the workforce to be unprepared to meet current or future business demands.~~

Accordingly, the CEO will ~~not~~

- 3.5.1 ~~Ensure that no~~Permit there to be fewer than two other executives are sufficiently familiar with Board and CEO issues and processes, which will to enable either to take over with reasonable proficiency as an interim successor to protect the Board from sudden loss of CEO services.
- 3.5.2 ~~Fail to~~prepare for long-term CEO succession.
- 3.5.3 ~~Fail to~~prepare for Executive Team succession.
- 3.5.4 Operate ~~with~~out strategic and tactical plans to have and maintain the right people, in the right place, with the right talent, skills and knowledge.
- 3.5.5 ~~Fail to~~develop a workforce that recognizes the value of cultural diversity in internal operations and in serving customers.

Adopted in its entirety by the JEA Board on February 16, 2010
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JEA Board Policy Manual

POLICY TYPE: EXECUTIVE ~~LIMITATIONS~~ MANDATES

POLICY 3.6

POLICY TITLE: *ASSET PROTECTION*

The CEO shall ~~not cause or allow~~ oversee and ensure that corporate assets ~~are to be un~~ protected, inadequately maintained, or and not unnecessarily risked.

Accordingly, the CEO will ~~not~~:

- 3.6.1 ~~I~~ Fail to insure adequately against theft and casualty and against liability and losses to Board members, staff, and the organization itself.
- 3.6.2 ~~Not a~~ Allow unbonded personnel to have access to material amounts of funds.
- 3.6.3 ~~Not s~~ Subject facilities and equipment to improper wear and tear or insufficient maintenance.
- 3.6.4 ~~Not u~~ Unnecessarily expose the organization, the Board, or its staff to claims of liability.
- 3.6.5 Operate ~~with~~ out written claims policies that address fair treatment of claimants, legal liability, ratepayer costs and sound business practices.
- 3.6.6 ~~P~~ Fail to protect corporate assets including, but not limited to, property rights, corporate image, physical assets, intangible assets, intellectual property, information, and files from loss or significant damage.
- 3.6.7 Receive, process, or disburse funds ~~with~~ out sufficient controls.
- 3.6.8 Invest funds that are not in violation of JEA's Investment Policies.
- 3.6.9 ~~E~~ Fail to ensure that all employees and outsourced contract service providers understand their responsibility to comply with all applicable laws and regulations and JEA's Code of Ethics.

Adopted in its entirety by the JEA Board on February 16, 2010
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POLICY TYPE: EXECUTIVE ~~LIMITATIONS~~ MANDATES

POLICY 3.7

POLICY TITLE: **COMPENSATION AND BENEFITS**

With respect to employment, compensation, and benefits to employees, consultants, contract workers, and volunteers, the CEO shall oversee and ensure no impairments to financial integrity or to public image, not cause or allow jeopardy to financial integrity or to public image.

Accordingly, the CEO will ~~not~~:

- 3.7.1 ~~Not c~~Change the CEO's own compensation and benefits, except as those benefits are consistent with a package for other appointed employees.
- 3.7.2 ~~Not p~~Promise or imply unconditional permanent or guaranteed employment.
- 3.7.3 Administer compensation and benefits that fail to address individual accountability, motivate and reward for knowledge and skills, encourage organizational flexibility and responsiveness or are inconsistent with the geographic and professional market for the skills employed.

Promote a compensation philosophy that is ~~complementary~~ contradictory to JEA's compensation philosophy of providing a total rewards package that encompasses salary/wages, retirement benefits, incentives, and health and welfare benefits. Salary/wages will meet the market (50th percentile), which is where the majority of companies in the geographic area reside. The 50th percentile pays competitively for behavior that meets expectations. Additional consideration will be given to behaviors that exceed expectations which are typically rewarded at the 75th percentile. Internal equity will be achieved by evaluating differences in skill, effort, responsibility, and working conditions among jobs.

Revisions Approved by the Board of Directors on June 17, 2014

Adopted in its entirety by the JEA Board on February 16, 2010 and as Amended and Adopted by the JEA Board on _____.

JEA Board Policy Manual

POLICY TYPE: EXECUTIVE ~~LIMITATIONS~~ MANDATES

POLICY 3.8 POLICY TITLE: **COMMUNICATION AND SUPPORT TO BOARD**

~~The CEO shall oversee and ensure that not cause or allow the Board isto be un informed and ser unsupported in its work.~~

Accordingly, the CEO will ~~ensure not~~:

- 3.8.1 ~~S~~Neglect to submit ssion of monitoring data required by the Board in Board-Management Delegation policy "Monitoring CEO Performance" in a timely, accurate, and understandable fashion, directly addressing provisions of Board policies being monitored, and including CEO interpretations consistent with Board-Management Delegation policy "Delegation to the CEO," as well as relevant data (refer to Policy 2.4).
- 3.8.2 ~~Allow the~~ The Board ~~isto be un~~ aware of any actual or anticipated noncompliance with any MOEs ~~Ends~~ or Executive Limitations-Mandates policy of the Board regardless of the Board's monitoring schedule.
- 3.8.3 ~~T~~Allow the Board ~~to be without~~ receives decision information required periodically by the Board ~~and~~ keeper ~~let~~ the Board ~~be un~~ aware of relevant trends.
- 3.8.4 ~~T~~Let th ~~he~~ Board ~~bise un~~ aware of any significant incidental information it requires, including anticipated media coverage, threatened or pending lawsuits, and material internal and external changes.
- 3.8.5 ~~T~~Allow the Board ~~isto be un~~ aware that, in the CEO's opinion, the Board is not in compliance with its own policies on Governance Process and Board-Management Delegation, particularly in the case of Board behavior that is detrimental to the work relationship between the Board and the CEO (refer to Policy 2.0).
- 3.8.6 ~~P~~Present information ~~is not~~ in an unnecessarily complex or lengthy form, or in a form that fails to differentiate among information of three types: monitoring, decision preparation, and other.
- 3.8.7 ~~T~~Allow the Board ~~to be without~~ is provided a workable mechanism for official Board, officer, or committee communications.
- 3.8.8 ~~Deal~~ Dealings with the Board ~~in a way that~~ do not favors or privileges certain Board members over others, except when (a) fulfilling individual requests for information, or (b) responding to officers or committees duly charged by the Board.
- 3.8.9 ~~Fail to submit~~ Submission to the Board ~~of~~ a consent agenda containing items delegated to the CEO yet required by law, regulation, or contract to be Board-approved, along with applicable monitoring information.
- 3.8.10 ~~P~~Fail to provid inge a process to retain relevant background information on previous Board policy decisions.

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POLICY TYPE: EXECUTIVE ~~LIMITATIONS~~ MANDATES

POLICY 3.9

POLICY TITLE: *REGULATORY/LEGISLATIVE REQUIREMENTS*

The CEO ~~shall oversee and ensure will not fail to effect~~ regulatory and legislative actions that are favorable to the organization.

Adopted in its entirety by the JEA Board on February 16, 2010
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POLICY TYPE: EXECUTIVE ~~LIMITATIONS~~MANDATES

POLICY 3.10

POLICY TITLE: ENTERPRISE RISK MANAGEMENT

~~The CEO shall not cause or allow conditions, procedures or decisions which fail to identify, measure, monitor and manage, within established risk tolerances, potential events that may affect achievement of the Ends. The CEO shall oversee and ensure conditions, procedures and decisions that will identify, measure, monitor and manage, within established risk tolerances, potential events that may affect achievement of the MOEs.~~

Accordingly, the CEO will ~~not~~

- 3.10.1 ~~Fail to~~ establish and maintain a written Enterprise Risk Management (ERM) Plan and an ERM program that includes management-level policies, procedures and process controls to help ensure that the enterprise-wide business risk exposures are properly identified, managed and, when appropriate, reported to the Board.

Adopted in its entirety by the JEA Board on February 16, 2010
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JEA Board Policy Manual

POLICY TYPE: EXECUTIVE ~~LIMITATIONS~~ MANDATES

POLICY 3.11

POLICY TITLE: *PROCUREMENT ACTIVITIES*

~~The CEO shall not fail to develop procurement policies and procedures that adhere to all applicable federal, state and local laws and ordinances and provide for increased public confidence in the procurement activities of JEA.~~
The CEO shall oversee and ensure the development of procurement policies and procedures that adhere to all applicable federal, state and local laws and ordinances and provide for increased public confidence in the procurement activities of JEA.

~~state and local laws and ordinances and provide for increased public confidence in the procurement activities of JEA.~~

Accordingly, the CEO will ~~not~~

- 3.11.1 ~~D~~Fail to develop and disseminate simple, clear and up-to-date rules for all procurement.
- 3.11.2 ~~E~~Fail to ensure the fair and equitable treatment of all persons who deal with the JEA procurement system.
- 3.11.3 ~~P~~Fail to provide increased economy in all procurement activities and to maximize to the fullest extent practicable the purchasing value of JEA funds.
- 3.11.4 ~~F~~Fail to foster effective, broad-based competition within the free enterprise system.
- 3.11.5 ~~P~~Fail to provide safeguards for the maintenance of the procurement system quality and integrity.
- 3.11.6 ~~P~~Fail to provide a clear and timely administrative remedy process to all those aggrieved during any phase of the procurement process.
- 3.11.7 ~~P~~Fail to provide effective access for Small and Emerging Local Businesses

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POLICY TYPE: Measures of Effectiveness (MOEs)

POLICY 4.0 **POLICY TITLE: MOEs**

POLICY TYPE: ENDS

POLICY TITLE: GLOBAL ENDS

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

Commented [a35]: Chair Baker: I would like to add to the Global Ends a paragraph saying "help support the economic growth and vitality of Jacksonville and JEA's service area."

4.0.8 Safety Standards: need MOEs associated with recordable incident rates; time lost to injuries;

4.0.9 Financial Resiliency: need MOEs associated with credit rating objectives; debt service; debt/asset %; number of days of liquidity; etc.

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JEA Board Policy Manual

POLICY TYPE: ENDSMOEs

POLICY 4.1

POLICY TITLE: *QUALITY OF ELECTRIC SERVICE*

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

~~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.~~

~~a. Develop resources or agreements to ensure that JEA's electric energy supply is 10% nuclear by 2017. [RErixton 7-17-20: This needs to be updated. Will discuss with Paul and Brian.]~~

~~4.1.2 Minimize the frequency of electric distribution system outages and report status through the System Average Interruption Frequency Index (SAIFI-2). [RErixton 7-17-20: Recommend changing to 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). [RErixton 7-17-20: Recommended adding Section 4.1.5]~~

~~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.~~

~~a. Develop resources or agreements to ensure that JEA's electric energy supply is 10% nuclear by 2017.~~

~~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).~~

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JEA Board Policy Manual

POLICY TYPE: ENDSMOEs

POLICY 4.2

POLICY TITLE: *QUALITY OF WATER SERVICE*

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

- 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.
 - a. The IWRP is to include 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.

CUP objectives

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POLICY TYPE: **MOEs**~~ENDS~~

POLICY 4.3

POLICY TITLE: **QUALITY OF SEWER SERVICE**

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

~~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.~~

~~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.

Commented [JD36]: All below need quantitative MOEs

Commented [JD37]: Put in 4.5 policy (Environmental Stewardship)

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JEA Board Policy Manual

POLICY TYPE: ENDSMOEs

POLICY 4.4

POLICY TITLE: *COST OF SERVICE*

Provide all utility services at a reasonable and accurate cost.

- 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.

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POLICY TYPE: **MOEsENDS**

POLICY 4.5

POLICY TITLE: ENVIRONMENTALLY SOUND

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

- 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: Establish an 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.

Commented [a38]: Chair Baker: We say we are "allocating 50 cents per KWH of base revenues", but we don't say what we are allocating it to.

Commented [a39]: Chair Baker: Is there still no RES?

5.4 need something on decreasing green house gases and carbon footprint

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POLICY TYPE: MOEsENDS

POLICY 4.6

POLICY TITLE: INFORMATIVE COMMUNICATION

Effectively communicate with consumers and other stakeholders.

4.6.1 To accurately shape consumer paradigms of utility expectations.

4.6.2 To enable public dialogue on local, state and national energy and water and sewer issues.

~~4.6.1 To influence consumer paradigms of utility expectations.~~

~~4.6.2 To influence public dialogue on local, state and national energy and water and sewer issues.~~

4.6.3 To inform consumers of as well as the reasons for significant potential or pending changes to utility services or charges.

4.6.4 To inform consumers of conservation incentives and other activities that if implemented would reduce their consumption and, therefore, result in higher or lower utility cost than if the incentives or activities were not employed.

JDP customer satisfaction objis (residential & business);

Commented [a40]: Chair Baker: This is poorly written. We need to inform consumers and explain the reasons for rate increases.

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APPENDIX

~~A1 — Executive Core Competencies, CEO Eval Criteria.~~

~~A2 — JEA Charter (Article 21 of City of Jacksonville Ordinance Code)~~

~~A1 — Executive Core Competencies~~

~~A2 — JEA Charter (Article 21 of City of Jacksonville Ordinance Code)~~

~~A3 — By-Laws of JEA~~

Commented [JD41]:

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JEA Board Policy Manual

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

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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.

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 the 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

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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
- _____

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 JEAi 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 material early enough to 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.

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

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- 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 FutureDevelops 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
- _____

CEO EVALUATION CRITERIA:

1. KPAs and associated KPIs as per Policy Category IV MOEs.
2. CEO ensures read ahead materiel is distributed to board members in a timely manner before all meetings to facilitate board meeting preparedness.
3. CEO complies with all applicable legal & fiduciary responsibilities.
4. CEO establishes a positive environment where the workforce is proud to be a member of JEA, knows their mission, and trusts the CEO and his senior leadership team.
5. CEO maintains a candid dialogue with the board and is completely transparent on all issues associated with JEA.

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6. CEO has a viable succession plan.
7. CEO maintains safety as a top priority and executes an effective risk mitigation plan.
8. CEO keeps JEA on the right strategic path based on the most current strategic plan.
9. CEO maintains 100% compliance wrt Article 21 applicable provisions.
10. Complies with executive core competencies (as per app 1...).

APP A3

JEA Board Evaluation Criteria:

1. JEA Board is evaluated annually by----? Not sure who--- internally/externally?
2. The board monitors JEA's organizational performance (KPA's & KPI's).
3. Formally evaluates the CEO and provides timely feedback to the CEO.
4. Complies with all applicable Art 21 provisions; by-laws; and --- what else?.
5. Meet statutory and fiduciary requirements.
6. Participates in the development of the JEA strategic plan.
7. Meets all suspenses for budget submission and other mandatory reports.

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8. Executes all cyclical board meetings on time and with a quorum minimally.

9. All board members adhere to the JEA Board values.

10. Board members comply with all on-boarding activities and orientations.

11. The board maintains a current policy manual.

12. The board makes timely decisions.

13. The board interacts appropriately with the CEO and his/her staff.

14.

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~~
- ~~Is a fair person who does not manipulate or take advantage of others~~
- ~~Tells the truth even when it is difficult~~
- ~~Utilizes values and principles to guide his/her decisions~~
- ~~Builds respect and trust from others by following through on commitments~~
- ~~Represents information accurately and completely~~
- ~~Assumes responsibility and accountability for own behavior; admits to mistakes~~

Makes Quality Decisions

- ~~Examines and integrates data from a variety of sources to make quality decisions~~
- ~~Prioritizes decisions and initiatives in ways that ensures the highest value for the organization~~
- ~~Makes educated and effective decisions in a timely manner, even when data is limited~~
- ~~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

- ~~Assumes full ownership and accountability for own performance~~
- ~~Takes on challenging work, even in the face of obstacles~~
- ~~Initiates action on projects without being pressured from others to do so~~
- ~~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~~
- ~~Communicates through appropriate channels~~

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- Identifies sources of motivation and appeals directly to co-workers in a language meaningful to them
- Is engaging with others and demonstrates professionalism through body language, including eye contact, confidence, and focus
- 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
- Drives execution with speed and discipline, and delivers on personal and organizational commitments
- Demonstrates ownership for performance of entire organization, and holds self and organization accountable for decisions and results
- Assesses financial implications of initiatives; allocates resources to improve results while maintaining financial discipline
- Actively monitors performance of self and others relative to performance objectives
- Takes appropriate action when a mistake is made (analyze what went wrong and preventative measures to preclude repeating the same mistake).

Focuses on the Customer

- Places high priority on identifying and meeting internal and external customer needs
- Provides high quality, valuable and consistent service to customers
- Ensures that customers understand and receive the fullest value possible from the products and services of the organization
- Assures that products and services meet customer needs and expectations
- Adapts and personalizes services to meet individual customer needs
- Anticipates changing customer needs and develops ways to meet or exceed those needs
- 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
- Identifies and removes barriers that interfere with the team's success and provides suggestions to enhance team effectiveness
- 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
- Exhibits willingness to listen to others' views even if not same as own
- Does not take conflicts personally; handles conflict in a positive manner and seeks mutual understanding
- Directly confronts behaviors that undermine team effectiveness

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JEA Board Policy Manual

- ~~Exemplifies selfless service~~
- ~~Ensures the entire JEA team knows “why” JEA exists, and not just the “what” JEA does and “how” it executes its mission~~

Manages and Supports Change

- ~~Effectively copes with changing environments, tasks and responsibilities~~
- ~~Facilitates the acceptance and implementation of change to enhance the organization~~
- ~~Encourages others to embrace change and use it as an opportunity to be creative and improve performance~~
- ~~Identifies the changes necessary to move the organization forward~~
- ~~Embraces and promotes change initiatives with a positive and enthusiastic attitude~~
- ~~Ensures that change initiatives are aligned with strategic initiatives, values, and mission of the organization~~
- ~~Leads change initiatives with frequent and consistent two-way communication~~
- ~~Leverages resources to promote and sustain change efforts~~

Visionary Strategist

- ~~Develops the strategies and actions needed to accomplish desired organizational objectives~~
~~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~~
- ~~Researches and analyzes marketplace, political, economic, and other external influences to formulate vision and strategy, and position the organization in the marketplace~~
- ~~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~~
- ~~Considers both short and long-term implications of a strategy~~
- ~~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 through both respect and holding them accountable by getting buy in on JEA's mission and establishing an environment where everyone can make a positive impact~~
- ~~Provides others the team with constructive feedback, guidance, and coaching for improving performance~~
- ~~Sets clear performance expectations and strategic goals standards, regularly monitors performance, and provides accurate evaluations and timely feedback~~
- ~~Encourages the use of development activities (e.g., workshops, mentoring), to improve performance and achieve desired results for the organization~~
- ~~Identifies and provides important assignments to facilitate the development of key personnel~~
- ~~Balances levels of support, direction, and autonomy based on employee needs and level of experience~~

Delegates to Others

- ~~Plans delegated assignments to ensure an optimal match between value of task and value of~~
~~Does not micromanage the resource attached to it~~
- ~~Determines when to assign staff; allows those with responsibilities to others and clarifies expectations to ensure effectiveness~~
~~do their job~~

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- 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
- Recognizes individuals who are successful in completing delegated assignments

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
- Treats others outside the organization in an accepting, respectful manner
- Understands the needs of the cities, board members and the community, and leverages this information to shape policies and initiatives
- Represents the organization JEA with credibility to print and transparency to the media sources (includes providing information, clarifying facts, etc.)
- Researches constituencies to determine the best way to communicate to them
- Ensures that customers experience and understand the full value they derive from the organization
- 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
- Maintains a cordial, productive relationship with each board member
- 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 material earlier enough to digest

Leads Others Effectively

- Develops and communicates compelling rationales that build commitment and support for one's perspectives, strategies, and initiatives
- Builds diverse, high-performing teams that accomplish organizational changes, goals, and priorities
- Listens to the diverse ideas, perspectives, and contributions of others across the organization
- 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 maximizes inspires superior performance

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- Leads with a vision that inspires others to adopt the goals of the organization as their own
- Ability to interact and get along with employees at all levels
- Assumes full ownership and accountability for own performance
- Not afraid to make the tough calls

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Leverages Industry Acumen

- Monitors and analyzes financial data and key cost drivers (e.g., personnel) to evaluate options and make decisions
- Understands overall financial and operational performance of an organization, JEA in order to effectively position it in the marketplace
- Establishes and maintains realistic budgets in accordance with the organizations policies
- Follows appropriate legal and fiduciary requirements when reconciling and reporting financial transactions
- Considers multiple options for reducing costs and keeping the organization as efficient as possible
- Seeks to develop financial acumen and understand key financial related issues
- Grows continuously in business knowledge and experience
- Identifies metrics and other documentation to help board members responsibly measure JEA's performance

Plans for the Future

- Identifies and balances risks and benefits when developing plans
- Assesses financial implications of projects and initiatives; allocates resources to improve results while maintaining financial discipline
- Provides the information, resources, implementation time, and talent needed to make plans and their implementation successful
- Develops a proposed long term strategic plan based on the interests of all stakeholders and priorities of the board
- Identifies need for and ensures contingency plans are developed
- Assigns or directly monitors and evaluates the external environment when developing plans
- 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
- Communicates and clarifies the link between diversity and achieving the organization's strategic goals
- 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

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- 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
- Defines and evaluates specific points of agreement and disagreement
- Seeks win-win solutions that meet the underlying interests of all parties
- 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

Manages Politics

- Accurately discerns unspoken feelings

CEO Evaluation Criteria

1. KPAs and motivations, and leverages associated KPIs as per Policy Category IV Ends
2. CEO ensures read ahead material is distributed to determine what board members in a timely manner before all meetings to say or how facilitate board meeting preparedness
3. CEO complies with all applicable legal and fiduciary responsibilities
4. CEO establishes a positive environment where the workforce is proud to proceed be a member of JEA, knows their mission, and trusts the CEO and their senior leadership team
 - Adapts dress and demeanor as appropriate to a situation
 - Appropriately manages impressions of oneself, one's department and the organization
 - Keenly aware of and adheres to the norms and practices of the organization's culture
5. CEO maintains both formal and informal networks within a candid dialogue with the board and is completely transparent on all issues associated with JEA
6. CEO has a viable succession plan
7. CEO maintains safety as a priority and executes an effective risk mitigation plan
8. CEO keeps JEA on the organization that facilitate right strategic path based on the achievement of goals approved strategic plan
9. Chooses battles wisely and matches urgency to the importance of the concerns under discussion
10. CEO maintains 100% compliance with Article 21 Provisions
10. CEO complies with Executive Core Competencies (as per Appendix 1)

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Board Policy Manual (BPM) Summary of Staff and Committee Edits

Policy #	Policy Title	Page	Contributor	Brief Description	BPM Version (V)(CV) # and Date
				Initial Staff Edits - July 2020	
				Initial Committee Edits - July-August 2020	
				Board and Committee Edits - Late August 2020 (After 8/19/20 Committee Meeting)	
Table of Contents	<i>POLICY CATEGORY I: GOVERNANCE PROCESS</i>	2	Joseph DiSalvo	Added Section 1.0A - Mission, Vision, Values, Goals and Objectives Statement	V6 - August 28, 2020
Table of Contents	<i>POLICY CATEGORY I: GOVERNANCE PROCESS</i>	3	Joseph DiSalvo	By-Laws of JEA replaced with JEA Board Evaluation Criteria	V6 - August 28, 2020
1.0	<i>GLOBAL GOVERNANCE PROCESS</i>	4	John Baker	Comment: We need to name an Assistant Secretary. Paul, would you ask Zachary Faison if he would do that?	V5 - August 21, 2020
1.0	<i>GLOBAL GOVERNANCE PROCESS</i>	5	Joseph DiSalvo	Introductory Paragraph Reworded.	V6 - August 28, 2020
1.0	<i>GLOBAL GOVERNANCE PROCESS</i>	5-6	Joseph DiSalvo	Multiple Section Edits	V6 - August 28, 2020
1.1	<i>GOVERNING STYLE</i>	7	Joseph DiSalvo	Multiple Section Edits	V6 - August 28, 2020
1.2	<i>BOARD JOB DESCRIPTION</i>	8	Joseph DiSalvo	Multiple Section Edits	V6 - August 28, 2020
1.2.4	<i>BOARD JOB DESCRIPTION</i>	6	John Baker	Comment: Do we want to measure the Board's performance quarterly? Annual evaluations seem sufficient.	V5 - August 21, 2020
1.3	<i>AGENDA PLANNING</i>	9	Joseph DiSalvo	Multiple Section Edits	V6 - August 28, 2020
1.3.1.a	<i>AGENDA PLANNING</i>	7	John Baker	Comment: How do we propose "consultations with selected groups in the ownership? " We should be clear as to how we want this done. Especially in COVID.	V5 - August 21, 2020
1.4	<i>BOARD OFFICERS</i>	10-11	Joseph DiSalvo	Multiple Section Edits	V6 - August 28, 2020

Board Policy Manual (BPM) Summary of Staff and Committee Edits

Policy #	Policy Title	Page	Contributor	Brief Description	BPM Version (V)(CV) # and Date
1.4.1 (2)	BOARD OFFICERS	8	John Baker	Language revised to read: Information that is not for monitoring performance or Board decisions should be avoided.	V5 - August 21, 2020
1.4.1.c	BOARD OFFICERS	8	John Baker	Language revised to read: Expected Traits of the Chair. Comment: I would drop this or change it to duties of the Chair.	V5 - August 21, 2020
1.5.2.b	RULES OF ORDER	10	John Baker	Comment: I presume this is trying to say you need a motion and a second before discussing an action item. If so, this is so basic and seems like overkill.	V5 - August 21, 2020
1.6	BOARD MEMBER'S CODE OF CONDUCT	14-15	Joseph DiSalvo	Multiple Section Edits	V6 - August 28, 2020
1.7.1.a.(2)	DIRECTORS' INDIVIDUAL RESPONSIBILITY	16	Joseph DiSalvo	Comment: Is a retreat feasible under Sunshine Laws? What is the intent of the team building (or is this the annual retreat)?	V6 - August 28, 2020
1.7.1.a.(3)	DIRECTORS' INDIVIDUAL RESPONSIBILITY	14	John Baker	Comment: Quarterly Review. I presume this is the review of the compliance with our targeted metrics. If it is something more, are we doing it?	V5 - August 21, 2020
1.7.1.a.(3)	DIRECTORS' INDIVIDUAL RESPONSIBILITY	16	Joseph DiSalvo	Comment: Quarterly Review of What?	V6 - August 28, 2020
1.7.1.a.(4)	DIRECTORS' INDIVIDUAL RESPONSIBILITY	16	Joseph DiSalvo	Comment: Sunshine Law feasibility?	V6 - August 28, 2020
1.9.3	BOARD COMMITTEE STRUCTURE	17	Joseph DiSalvo	Comment: Should the Governance Committee be a standing committee too?	V6 - August 28, 2020
1.10.1.a-c	COST OF GOVERNANCE	18	Joseph DiSalvo	Edits to verbage.	V6 - August 28, 2020
2.0.3	GLOBAL BOARD-MANAGEMENT DELEGATION	19	Joseph DiSalvo	Language revised to read: The Board will instruct the CEO through written policies that prescribe the organizational MOEs (measures of effectiveness) to be achieved and describe organizational situations and actions to be avoided, allowing the CEO to use any reasonable interpretation of these policies.	V6 - August 28, 2020
2.0.4	GLOBAL BOARD-MANAGEMENT DELEGATION	19	Joseph DiSalvo	Comment: Already covered in Section 1.2.3 (Board Job Description)	V6 - August 28, 2020

Board Policy Manual (BPM) Summary of Staff and Committee Edits

Policy #	Policy Title	Page	Contributor	Brief Description	BPM Version (V)(CV) # and Date
2.2.3	ACCOUNTABILITY OF CEO	21	Joseph DiSalvo	Policy Section 2.2.3 deleted	V6 - August 28, 2020
2.3	DELEGATION TO THE CEO	21	John Baker	Comment: The whole concept of Ends and Means is cloudy too me. My guess is that the point is that the "Ends" are our targeted metrics . I am not sure where or if we have created policies that describe organizational situations and actions to be avoided. I would like to clear this up in these documents.	V5 - August 21, 2020
2.3	DELEGATION TO THE CEO	22	Joseph DiSalvo	Revised language in Section 2.3.1 Policy Sections 2.3.2, 2.3.3 and 2.3.4 deleted	V6 - August 28, 2020
2.3.2	DELEGATION TO THE CEO	21	John Baker	Comment: The last sentence seems to contradict the rest of the paragraph.	V5 - August 21, 2020
2.4	MONITORING CEO PERFORMANCE	23	Joseph DiSalvo	Revised language in 2.4.1 Policy sections 2.4.2; 2.4.3; 2.4.4; 2.4.5 deleted Deleted Example of Monitoring Schedule	V6 - August 28, 2020
2.5	CEO REMUNERATION	24	Joseph DiSalvo	Comment: See Article 21	V6 - August 28, 2020
3.1.4	TREATMENT OF CONSUMERS	26	Joseph DiSalvo	Language revised to read: Fail to establish to consumers a clear understanding of what they can expect from services offered.	V6 - August 28, 2020
3.2.2.c	TREATMENT OF STAFF	27	Joseph DiSalvo	Language revised to read: Identify clear standards of responsibility, accountability and associated authorities	V6 - August 28, 2020
3.4.2	FINANCIAL CONDITION AND ACTIVITIES	29	John Baker	Comment: \$5,000,000 seems like a large amount to transfer without at least alerting the board. Probably doesn't need Board approval however.	V5 - August 21, 2020
3.4.2	FINANCIAL CONDITION AND ACTIVITIES	29	Joseph DiSalvo	Comment: Ensure this is in synch with City Council's Article 21 Charter.	V6 - August 28, 2020
4.0	GLOBAL ENDS	37	John Baker	Comment: I would like to add to the Global Ends a paragraph saying "help support the economic growth and vitality of Jacksonville and JEA's service area."	V5 - August 21, 2020

Board Policy Manual (BPM) Summary of Staff and Committee Edits

Policy #	Policy Title	Page	Contributor	Brief Description	BPM Version (V)(CV) # and Date
4.0	GLOBAL ENDS	37	Joseph DiSalvo	Policy Type and Policy Title Changed to Measures of Effectiveness Added New Sections 4.07 and 4.08	V6 - August 28, 2020
4.1	QUALITY OF ELECTRIC SERVICE	38	Joseph DiSalvo	Policy Type Changed to Measures of Effectiveness	V6 - August 28, 2020
4.2	QUALITY OF WATER SERVICE	39	Joseph DiSalvo	Policy Type Changed to Measures of Effectiveness Added CUP Objectives	V6 - August 28, 2020
4.3	QUALITY OF SEWER SERVICE	40	Joseph DiSalvo	Policy Type Changed to Measures of Effectiveness	V6 - August 28, 2020
4.3.2.a	QUALITY OF SEWER SERVICE	40	Joseph DiSalvo	Comment: Put in 4.5 Policy (Environmental Stewardship)	V6 - August 28, 2020
4.4	COST OF SERVICE	41	Joseph DiSalvo	Policy Type Changed to Measures of Effectiveness	V6 - August 28, 2020
4.5	ENVIRONMENTALLY SOUND	42	Joseph DiSalvo	Policy Type Changed to Measures of Effectiveness Added New Section 4.5.4 - Need something on decreasing green house gases and carbon footprint	V6 - August 28, 2020
4.5.2.a	ENVIRONMENTALLY SOUND	42	John Baker	Comment: We say we are "allocating 50 cents per KWH of base revenues", but we don't say what we are allocating it to.	V5 - August 21, 2020
4.5.3	ENVIRONMENTALLY SOUND	42	John Baker	Comment: Is there still no RES?	V5 - August 21, 2020
4.6	INFORMATIVE COMMUNICATION	43	Joseph DiSalvo	Policy Type Changed to Measures of Effectiveness Edits to Sections 4.6.1 and 4.6.2 Comment: JDP customer satisfaction objs (residential & business)	V6 - August 28, 2020
4.6.3	INFORMATIVE COMMUNICATION	43	John Baker	Comment: This is poorly written. We need to inform consumers and explain the reasons for rate increases.	V5 - August 21, 2020
Appendix A1	EXECUTIVE CORE COMPETENCIES CEO EVALUATION CRITERIA	44	Joseph DiSalvo	Added CEO Evaluation Criteria to Appendix A1.	V6 - August 28, 2020

Board Policy Manual (BPM) Summary of Staff and Committee Edits

Policy #	Policy Title	Page	Contributor	Brief Description	BPM Version (V)(CV) # and Date
Appendix A1	EXECUTIVE CORE COMPETENCIES	45-49	Joseph DiSalvo	Multiple edits to all Executive Core Competencies.	V6 - August 28, 2020
Appendix A3	JEA BY-LAWS	50	Joseph DiSalvo	Updated Appendix A3 to include JEA Board Evaluation Criteria which replaces By-Laws of JEA.	V6 - August 28, 2020
Staff Edits - Early September 2020 (Follow-Up to Committee's Late August 2020 Edits)					
Table of Contents	POLICY CATEGORY I: GOVERNANCE PROCESS	2	Steve Tuten	Updated Policy Category I Governance Process to include an updated Section 1.0 By-Laws of JEA	CV2 - September 3, 2020
Table of Contents	POLICY CATEGORY III: EXECUTIVE MANDATES	2	Steve Tuten	Changed Policy Category III Executive Limitations to Policy Category III: Executive Mandates	CV2 - September 3, 2020
Table of Contents	POLICY CATEGORY III: EXECUTIVE MANDATES	2	Steve Tuten	Changed Policy Title 3.0 General Executive Constraint to General Executive Oversight and Assurances	CV2 - September 3, 2020
Table of Contents	POLICY CATEGORY IV: MEASURES OF EFFECTIVENESS (MOEs)	2	Steve Tuten	Changed Policy Category IV Ends to Policy Category IV: Measures of Effectiveness (MOEs)	CV2 - September 3, 2020
Table of Contents	POLICY CATEGORY IV: MEASURES OF EFFECTIVENESS (MOEs)	2	Steve Tuten	Updated Policy Category IV: Measures of Effectiveness to include an updated Section 4.0 MOEs	CV2 - September 3, 2020
Table of Contents	APPENDIX A3 JEA BOARD EVALUATION CRITERIA	3	Steve Tuten	Replaced Appendix A3 (JEA By-Laws) with Appendix A3 JEA Board Evaluation Criteria	CV2 - September 3, 2020
1.0	BY-LAWS OF JEA	4-7	Steve Tuten	Updated Policy Category I: Governance Process to include Section 1.0 By-Laws of JEA	CV2 - September 3, 2020
1.1	JEA BOARD MISSION, VISION, VALUES, GOALS & OBJECTIVES	8	Steve Tuten	Added a new Section 1.1 JEA Board Vision, Values, Goals & Objectives	CV2 - September 3, 2020
1.2	GLOBAL GOVERNANCE PROCESS	9-10	Steve Tuten	Edits and formatting changes	CV2 - September 3, 2020

Board Policy Manual (BPM) Summary of Staff and Committee Edits

Policy #	Policy Title	Page	Contributor	Brief Description	BPM Version (V)(CV) # and Date
1.3	GOVERNING STYLE	11	Steve Tuten	Edits and formatting changes	CV2 - September 3, 2020
1.4	BOARD JOB DESCRIPTION	12	Steve Tuten	Formatting changes	CV2 - September 3, 2020
1.5	AGENDA PLANNING	13	Steve Tuten	Formatting changes	CV2 - September 3, 2020
1.6	BOARD OFFICERS	14-15	Steve Tuten	Edits and formatting changes	CV2 - September 3, 2020
1.8	BOARD MEMBER'S CODE OF CONDUCT	17	Steve Tuten	Edits and formatting changes	CV2 - September 3, 2020
2.0.3	GLOBAL BOARD-MANAGEMENT DELEGATION	23	Steve Tuten	Edits and formatting changes	CV2 - September 3, 2020
2.3	DELEGATION TO THE CEO	26	Steve Tuten	Edits and formatting changes	CV2 - September 3, 2020
3.0	GENERAL EXECUTIVE OVERSIGHT AND ASSURANCES	30	Steve Tuten	Multiple section edits to update verbage	CV2 - September 3, 2020
3.1	TREATMENT OF CONSUMERS	31	Steve Tuten	Minor edits to introductory paragraph Language in Section 3.1.4 revised to read: Articulate to consumers a clear understanding of what they can expect from services offered.	CV2 - September 3, 2020
3.2	TREATMENT OF STAFF	32	Steve Tuten	Edits and formatting changes	CV2 - September 3, 2020
3.3	FINANCIAL PLANNING/BUDGETING	33	Steve Tuten	Edits and formatting changes	CV2 - September 3, 2020
3.4	FINANCIAL CONDITION AND ACTIVITIES	34	Steve Tuten	Edits and formatting changes	CV2 - September 3, 2020

Board Policy Manual (BPM) Summary of Staff and Committee Edits

Policy #	Policy Title	Page	Contributor	Brief Description	BPM Version (V)(CV) # and Date
3.5	WORKFORCE READINESS AND SUCCESSION PLANNING	35	Steve Tuten	Edits and formatting changes	CV2 - September 3, 2020
3.6	ASSET PROTECTION	36	Steve Tuten	Edits and formatting changes	CV2 - September 3, 2020
3.7	COMPENSATION AND BENEFITS	37	Steve Tuten	Edits and formatting changes	CV2 - September 3, 2020
3.8	COMMUNICATION AND SUPPORT TO THE BOARD	38	Steve Tuten	Edits and formatting changes	CV2 - September 3, 2020
3.9	REGULATORY/LEGISLATIVE REQUIREMENTS	39	Steve Tuten	Minor edits	CV2 - September 3, 2020
3.10	ENTERPRISE RISK MANAGEMENT	40	Steve Tuten	Minor edits	CV2 - September 3, 2020
3.11	PROCUREMENT ACTIVITIES	41	Steve Tuten	Minor edits	CV2 - September 3, 2020
Appendix A1	EXECUTIVE CORE COMPETENCIES AND CEO EVALUATION CRITERIA	48	Steve Tuten	Formatting Changes	CV2 - September 8, 2020
Appendix A3	JEA BOARD EVALUATION CRITERIA	53	Steve Tuten	Formatting Changes	CV2 - September 8, 2020

JEA Board Policy Manual

POLICY TYPE: EXECUTIVE MANDATES

POLICY 3.0

POLICY TITLE: *GENERAL EXECUTIVE OVERSIGHT AND ASSURANCES*

The CEO shall oversee and ensure that organizational practices, activities, decisions, and circumstances are lawful, prudent, and not in violation of commonly accepted business and professional ethics and practices.

- 3.0.1 **Treatment of Consumers:** With respect to interactions with consumers or those applying to be consumers, the CEO shall oversee and ensure conditions, procedures, and decisions that are safe, timely, dignified, and not unnecessarily intrusive.
- 3.0.2 **Treatment of Staff:** With respect to the treatment of staff, the CEO shall oversee and ensure conditions that are fair, safe, dignified, organized, and clear.
- 3.0.3 **Financial Planning/Budgeting:** The CEO shall oversee and ensure financial planning for any fiscal year or the remaining part of any fiscal year will not deviate materially from the Board's MOEs priorities, risk financial jeopardy, and will be derived from a multiyear plan.
- 3.0.4 **Financial Condition and Activities:** With respect to the actual, ongoing financial conditions and activities, the CEO shall oversee and ensure actual expenditures that will not result in financial jeopardy or materially deviate from Board priorities established in MOEs policies.
- 3.0.5 **Workforce Readiness and Succession Planning:** The CEO shall oversee and ensure a workforce that is prepared to meet current or future business demands.
- 3.0.6 **Asset Protection:** The CEO shall oversee and ensure corporate assets are protected, adequately maintained and not unnecessarily risked.
- 3.0.7 **Compensation and Benefits:** With respect to employment, compensation, and benefits to employees, consultants, contract workers, and volunteers, the CEO shall oversee and ensure no impairments to financial integrity or to public image.
- 3.0.8 **Communication and Support to Board:** The CEO shall oversee and ensure that the Board is informed and supported in its work.
- 3.0.9 **Regulatory/Legislative Requirements:** The CEO shall oversee and ensure regulatory and legislative actions that are favorable to the organization.
- 3.0.10 **Enterprise Risk Management:** The CEO shall oversee and ensure conditions, procedures and decisions that will identify, measure, monitor and manage, within established risk tolerances, potential events that may affect achievement of the MOEs.
- 3.0.11 **Procurement Activities:** The CEO shall oversee and ensure the development of procurement policies and procedures that adhere to all applicable federal, state and local laws and ordinances and provide for increased public confidence in the procurement activities of JEA.

JEA Board Policy Manual

POLICY TYPE: EXECUTIVE MANDATES

POLICY 3.1

POLICY TITLE: *TREATMENT OF CONSUMERS*

With respect to interactions with consumers or those applying to be consumers, the CEO shall oversee and ensure conditions, procedures, or decisions that are safe, timely, dignified, and not unnecessarily intrusive.

Accordingly, the CEO will:

- 3.1.1 Elicit information for which there is a clear necessity.
- 3.1.2 Use methods of collecting, reviewing, transmitting, or storing client information that will protect against improper access.
- 3.1.3 Operate facilities with appropriate accessibility and privacy.
- 3.1.4 Articulate to consumers a clear understanding of what they can expect from services offered.
- 3.1.5 Operate with clearly established and updated Customer Service procedures and published rules and regulations for service.
- 3.1.6 Operate with mechanisms for collecting consumer complaints that provide for resolution at the lowest staff level and also include prompt response when warranted.

JEA Board Policy Manual

POLICY TYPE: EXECUTIVE MANDATES

POLICY 3.2

POLICY TITLE: *TREATMENT OF STAFF*

With respect to the treatment of paid and volunteer staff, the CEO shall oversee and ensure conditions that are fair, safe, dignified, organized, and clear.

Accordingly, the CEO will:

- 3.2.1 Operate with written personnel rules and regulations that
 - a. clarify rules for staff
 - b. provide for effective handling of grievances
 - c. protect against wrongful conditions such as nepotism and grossly preferential treatment for personal reasons.
 - d. allow for volunteerism in the community
 - e. require high ethical standards
 - f. recognize the need for work/life balance
- 3.2.2 Operate with written job descriptions and performance requirements and reviews that
 - a. characterize the nature of work to be performed
 - b. identify technical, behavioral and physical skills required
 - c. identify clear standards of responsibilities, accountability and associated authorities.
- 3.2.3 Provide a safe work environment.
- 3.2.4 Identify and provide training necessary to accomplish the quality of work expected.
- 3.2.5 Not allow discrimination or retaliation against any staff member for non-disruptive expression of dissent.
- 3.2.6 Acquaint staff with the CEO's interpretation of their protections under this policy.
- 3.2.7 Allow staff to be prepared to deal with emergency situations.
- 3.2.8 Insure that the company's Core Values are routinely communicated and reinforced to all employees.

JEA Board Policy Manual

POLICY TYPE: EXECUTIVE MANDATES

POLICY 3.3

POLICY TITLE: *FINANCIAL PLANNING/BUDGETING*

The CEO shall oversee and ensure financial planning for any fiscal year or the remaining part of any fiscal year will not deviate materially from the Board's MOEs priorities, risk financial jeopardy, and will be derived from a multiyear plan.

Accordingly, the CEO will:

- 3.3.1 Prevent the risk of incurring those situations or conditions described as unacceptable in the Board policy "Financial Condition and Activities (refer to Policy 3.4)."
- 3.3.2 Include credible projection of revenues and expenses, separation of capital and operational items, cash flow, and disclosure of planning and budgeting assumptions.
- 3.3.3 Identify the source for capital expenditures (e.g. internally generated cash, new debt, carry over funds from previous fiscal year).
- 3.3.4 Adhere to approved tariff rates and fees.
- 3.3.5 Set and follow an annual budgeting process that results in a final budget submittal to City Council by July 1 proceeding the budgeted fiscal year.
- 3.3.6 Not provide less for Board prerogatives during the year than is set forth in the "Cost of Governance" policy (refer to Policy 1.10).

JEA Board Policy Manual

POLICY TYPE: EXECUTIVE MANDATES

POLICY 3.4

POLICY TITLE: *FINANCIAL CONDITION AND ACTIVITIES*

With respect to the actual, ongoing financial conditions and activities, the CEO shall oversee and ensure actual expenditures that will not result in financial jeopardy or materially deviate from Board priorities established in MOEs policies.

Accordingly, the CEO will:

- 3.4.1 Operate within the budget established for the fiscal year.
- 3.4.2 Not make budget transfers in excess of \$5,000,000 without Board approval.
- 3.4.3 Inform the Board in monitoring reports when reserves are required to meet current expenditures.
- 3.4.4 Maintain financial and accounting separation between electric, water and wastewater, and District Energy funds as required by regulatory agencies and bond covenants.
- 3.4.5 Operate within established financial parameters and will engage the Board when established parameters are considered inadequate to affect a desired bond rating.

Current financial parameters:

- a. Debt Service Coverage
 - b. Fixed Charge coverage
 - c. Cash on Hand
 - d. Working Capital
 - e. Line of Credit
 - f. Fuel Rate Reserve
- 3.4.6 Not operate in violation of JEA's Debt Management Policies.
 - 3.4.7 Settle payroll and debts in a timely manner.
 - 3.4.8 Ensure tax payments or other government-ordered payments or filings are not overdue or inaccurately filed.
 - 3.4.9 Establish reasonable security measures to protect against loss of receivables.
 - 3.4.10 Aggressively pursue receivables after a reasonable grace period.

JEA Board Policy Manual

POLICY TYPE: EXECUTIVE MANDATES

POLICY 3.5

POLICY TITLE: *WORKFORCE READINESS AND SUCCESSION PLANNING*

The CEO shall oversee and ensure a workforce that is prepared to meet current or future business demands.

Accordingly, the CEO will:

- 3.5.1 Ensure that no fewer than two other executives are sufficiently familiar with Board and CEO issues and processes, which will enable either to take over with reasonable proficiency as an interim successor to protect the Board from sudden loss of CEO services.
- 3.5.2 Prepare for long-term CEO succession.
- 3.5.3 Prepare for Executive Team succession.
- 3.5.4 Operate with strategic and tactical plans to have and maintain the right people, in the right place, with the right talent, skills and knowledge.
- 3.5.5 Develop a workforce that recognizes the value of cultural diversity in internal operations and in serving customers.

JEA Board Policy Manual

POLICY TYPE: EXECUTIVE MANDATES

POLICY 3.6

POLICY TITLE: ASSET PROTECTION

The CEO shall oversee and ensure that corporate assets are protected, adequately maintained, and not unnecessarily risked.

Accordingly, the CEO will:

- 3.6.1 Insure adequately against theft and casualty and against liability and losses to Board members, staff, and the organization itself.
- 3.6.2 Not allow unbonded personnel to have access to material amounts of funds.
- 3.6.3 Not subject facilities and equipment to improper wear and tear or insufficient maintenance.
- 3.6.4 Not unnecessarily expose the organization, the Board, or its staff to claims of liability.
- 3.6.5 Operate with written claims policies that address fair treatment of claimants, legal liability, ratepayer costs and sound business practices.
- 3.6.6 Protect corporate assets including, but not limited to, property rights, corporate image, physical assets, intangible assets, intellectual property, information, and files from loss or significant damage.
- 3.6.7 Receive, process, or disburse funds with sufficient controls.
- 3.6.8 Invest funds that are not in violation of JEA's Investment Policies.
- 3.6.9 Ensure that all employees and outsourced contract service providers understand their responsibility to comply with all applicable laws and regulations and JEA's Code of Ethics.

JEA Board Policy Manual

POLICY TYPE: EXECUTIVE MANDATES

POLICY 3.7

POLICY TITLE: *COMPENSATION AND BENEFITS*

With respect to employment, compensation, and benefits to employees, consultants, contract workers, and volunteers, the CEO shall oversee and ensure no impairments to financial integrity or to public image.

Accordingly, the CEO will:

- 3.7.1 Not change the CEO's own compensation and benefits, except as those benefits are consistent with a package for other appointed employees.
- 3.7.2 Not promise or imply unconditional permanent or guaranteed employment.
- 3.7.3 Promote a compensation philosophy that is complementary to JEA's compensation philosophy of providing a total rewards package that encompasses salary/wages, retirement benefits, incentives, and health and welfare benefits. Salary/wages will meet the market (50th percentile), which is where the majority of companies in the geographic area reside. The 50th percentile pays competitively for behavior that meets expectations. Additional consideration will be given to behaviors that exceed expectations which are typically rewarded at the 75th percentile. Internal equity will be achieved by evaluating differences in skill, effort, responsibility, and working conditions among jobs.

JEA Board Policy Manual

POLICY TYPE: EXECUTIVE MANDATES

POLICY 3.8

POLICY TITLE: *COMMUNICATION AND SUPPORT TO BOARD*

The CEO shall oversee and ensure that the Board is informed and supported in its work.

Accordingly, the CEO will ensure:

- 3.8.1 Submission of monitoring data required by the Board in Board-Management Delegation policy “Monitoring CEO Performance” in a timely, accurate, and understandable fashion, directly addressing provisions of Board policies being monitored, and including CEO interpretations consistent with Board-Management Delegation policy “Delegation to the CEO,” as well as relevant data (refer to Policy 2.4).
- 3.8.2 The Board is aware of any actual or anticipated noncompliance with any MOEs or Executive Mandates policy of the Board regardless of the Board’s monitoring schedule.
- 3.8.3 The Board receives decision information required periodically by the Board and keeps the Board aware of relevant trends.
- 3.8.4 The Board is aware of any significant incidental information it requires, including anticipated media coverage, threatened or pending lawsuits, and material internal and external changes.
- 3.8.5 The Board is aware that, in the CEO’s opinion, the Board is not in compliance with its own policies on Governance Process and Board-Management Delegation, particularly in the case of Board behavior that is detrimental to the work relationship between the Board and the CEO (refer to Policy 2.0).
- 3.8.6 Information is not in an unnecessarily complex or lengthy form, or in a form that fails to differentiate among information of three types: monitoring, decision preparation, and other.
- 3.8.7 The Board is provided a workable mechanism for official Board, officer, or committee communications.
- 3.8.8 Dealings with the Board do not favor or privilege certain Board members over others, except when (a) fulfilling individual requests for information; or (b) responding to officers or committees duly charged by the Board.
- 3.8.9 Submission to the Board of a consent agenda containing items delegated to the CEO yet required by law, regulation, or contract to be Board-approved, along with applicable monitoring information.
- 3.8.10 Providing a process to retain relevant background information on previous Board policy decisions.

JEA Board Policy Manual

POLICY TYPE: EXECUTIVE MANDATES

POLICY 3.9

POLICY TITLE: *REGULATORY/LEGISLATIVE REQUIREMENTS*

The CEO shall oversee and ensure regulatory and legislative actions that are favorable to the organization.

JEA Board Policy Manual

POLICY TYPE: EXECUTIVE MANDATES

POLICY 3.10

POLICY TITLE: *ENTERPRISE RISK MANAGEMENT*

The CEO shall oversee and ensure conditions, procedures and decisions that will identify, measure, monitor and manage, within established risk tolerances, potential events that may affect achievement of the MOEs.

Accordingly, the CEO will:

- 3.10.1 Establish and maintain a written Enterprise Risk Management (ERM) Plan and an ERM program that includes management-level policies, procedures and process controls to help ensure that the enterprise-wide business risk exposures are properly identified, managed and, when appropriate, reported to the Board.

JEA Board Policy Manual

POLICY TYPE: EXECUTIVE MANDATES

POLICY 3.11

POLICY TITLE: *PROCUREMENT ACTIVITIES*

The CEO shall oversee and ensure the development of procurement policies and procedures that adhere to all applicable federal, state and local laws and ordinances and provide for increased public confidence in the procurement activities of JEA.

Accordingly, the CEO will:

- 3.11.1 Develop and disseminate simple, clear and up-to-date rules for all procurement.
- 3.11.2 Ensure the fair and equitable treatment of all persons who deal with the JEA procurement system.
- 3.11.3 Provide increased economy in all procurement activities and to maximize to the fullest extent practicable the purchasing value of JEA funds.
- 3.11.4 Foster effective, broad-based competition within the free enterprise system.
- 3.11.5 Provide safeguards for the maintenance of the procurement system quality and integrity.
- 3.11.6 Provide a clear and timely administrative remedy process to all those aggrieved during any phase of the procurement process.
- 3.11.7 Provide effective access for Small and Emerging Local Businesses

JEA Board Policy Manual

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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.

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

JEA Board Policy Manual

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 the 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

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.

JEA Board Policy Manual

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 early enough to 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.

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

JEA Board Policy Manual

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

CEO Evaluation Criteria

1. KPAs and associated KPIs as per Policy Category IV MOEs.
2. CEO ensures read ahead material is distributed to board members in a timely manner before all meetings to facilitate board meeting preparedness.
3. CEO complies with all applicable legal & fiduciary responsibilities.
4. CEO establishes a positive environment where the workforce is proud to be a member of JEA, knows their mission, and trusts the CEO and his senior leadership team.
5. CEO maintains a candid dialogue with the board and is completely transparent on all issues associated with JEA.
6. CEO has a viable succession plan.
7. CEO maintains safety as a top priority and executes an effective risk mitigation plan.
8. CEO keeps JEA on the right strategic path based on the most current strategic plan.
9. CEO maintains 100% compliance with Article 21 applicable provisions.
10. Complies with executive core competencies (as per app 1...).

JEA Board Policy Manual

POLICY TYPE: BOARD MANAGEMENT DELEGATION

POLICY 2.0

POLICY TITLE: GLOBAL BOARD-MANAGEMENT DELEGATION

The Board's sole official connection to the operational organization, its achievements, and conduct will be through a chief executive officer titled Managing Director / CEO, referred to within this document simply as CEO.

- 2.0.1 **Unity of Control:** Only officially passed motions of the Board are binding on the CEO.
- 2.0.2 **Accountability of the CEO:** The CEO is the Board's only link to operational achievement and conduct, so that all authority and accountability of staff, as far as the Board is concerned, is considered the authority and accountability of the CEO.
- 2.0.3 **Delegation to the CEO:** The Board will instruct the CEO through written policies that prescribe the organizational MOEs (measures of effectiveness) to be achieved and describe organizational situations and actions to be avoided, allowing the CEO to use any reasonable interpretation of these policies.
- 2.0.4 ALREADY COVERED IN 1.2.3.
- 2.0.5 **CEO Remuneration:** Salary and benefits and other terms of employment for the CEO will be determined by contract.
- 2.0.6 **Core Competencies:** Executive Core Competencies are included in the Appendix.

Adopted in its entirety by the JEA Board on February 16, 2010
and as Amended and Adopted by the JEA Board on _____.

JEA Board Policy Manual

TYPE: BOARD MANAGEMENT DELEGATION

POLICY 2.1

POLICY TITLE: *UNITY OF CONTROL*

Only officially passed motions of the Board are binding on the CEO.

Accordingly,

- 2.1.1 Decisions or instructions of individual Board members, officers, or committees are not binding on the CEO.
- 2.1.2 In the case of Board members or committees requesting information or assistance without Board authorization, the CEO can refuse such requests that require, in the CEO's opinion, a material amount of staff time or funds, or are disruptive. The CEO shall promptly inform the Board if requests from Board members or committees are refused.

Adopted in its entirety by the JEA Board on February 16, 2010
and as Amended and Adopted by the JEA Board on_____.

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JEA Board Policy Manual

POLICY TYPE: BOARD MANAGEMENT DELEGATION

POLICY 2.2

POLICY TITLE: ACCOUNTABILITY OF CEO

The CEO is the Board's only link to operational achievement and conduct, so that all authority and accountability of staff, as far as the Board is concerned, is considered the authority and accountability of the CEO.

Accordingly,

- 2.2.1 The Board as a body and individual board members will never give instructions to persons who report directly or indirectly to the CEO.
- 2.2.2 The Board will not evaluate, either formally or informally, any staff other than the CEO. However, the CEO will discuss his evaluation with the Board of the executives identified as potential interim CEO successors (refer to Policy3.5.1).

Adopted in its entirety by the JEA Board on February 16, 2010
and as Amended and Adopted by the JEA Board on_____.

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JEA Board Policy Manual

POLICY TYPE: BOARD MANAGEMENT DELEGATION

POLICY 2.3

POLICY TITLE: *DELEGATION TO THE CEO*

The Board will instruct the CEO through written policies that prescribe the organizational MOEs to be achieved and describe organizational situations and actions to be avoided, allowing the CEO to use any reasonable interpretation of these policies.

Accordingly,

- 2.3.1 The Board will develop policies instructing the CEO to achieve specified results, for specified recipients, at a specified cost. These policies will be developed systematically from the broadest, most general level to more defined levels and will be captured in the MOEs (measures of effectiveness).
- 2.3.2 Should the CEO violate a Board policy, he or she shall promptly inform the Board. Informing is simply to guarantee no violation may be intentionally kept from the Board, not to request approval. Board response, either approving or disapproving, does not exempt the CEO from subsequent Board judgment of the action nor does it curtail any executive decision.

Adopted in its entirety by the JEA Board on February 16, 2010
and as Amended and Adopted by the JEA Board on_____.

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JEA Board Policy Manual

POLICY TYPE: BOARD MANAGEMENT DELEGATION

POLICY 2.4

POLICY TITLE: *MONITORING CEO PERFORMANCE*

- 2.4.1 Board evaluation of the CEO will be done annually and based on App 1A, CEO Core competencies and CEO evaluation criteria.

Adopted in its entirety by the JEA Board on February 16, 2010
and as Amended and Adopted by the JEA Board on_____.

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POLICY TYPE: BOARD MANAGEMENT DELEGATION

POLICY 2.5

POLICY TITLE: *CEO REMUNERATION*

Salary and benefits and others terms of employment for the CEO will be determined by contract.

SEE ART 21

Adopted in its entirety by the JEA Board on February 16, 2010
and as Amended and Adopted by the JEA Board on_____.

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POLICY TYPE: GOVERNANCE PROCESS

POLICY 1.0

POLICY TITLE: BY-LAWS OF JEA

ARTICLE I - OFFICES

The principal office of JEA shall be located in Jacksonville, Florida. Branch offices of JEA may be established at such places as JEA may designate from time to time.

ARTICLE II - MEMBERS OF JEA GOVERNING BODY

Section 1. General Powers. The affairs of JEA shall be managed by the JEA governing body ("Board") as provided in Article 21, Charter of the City of Jacksonville, as amended, and other applicable laws.

Section 2. Appointment, Number, Tenure, and Expense Reimbursement. The membership of the JEA Board shall be constituted in number, qualifications, manner of appointment and tenure as provided in Article 21, Charter of the City of Jacksonville, as amended. Members of the JEA Board shall receive reimbursement for all expenses incurred which are reimbursable by law.

ARTICLE III - OFFICERS

Section 1. Elections. The Officers of the JEA Board shall be a Chair, Vice-Chair, and a Secretary who shall be elected by the members and who shall serve as such officers for one year or until a successor is chosen. The Chair may serve for two consecutive one-year terms, which shall not include any period served as replacement Chair during the unexpired portion of the predecessor's term. Elections of Officers shall be conducted at the first regular meeting in March which may be preceded by a meeting of the nominating committee composed of the JEA Board acting as a whole or such other membership as the Chair may designate.

Section 2. Vacancies. A vacancy in any office because of death, illness, removal or otherwise, may be filled by the remaining members for the unexpired term.

Section 3. Chair. The Chair shall preside at all meetings of the JEA Board unless the Chair delegates otherwise. The Chair shall designate from time to time such special committees as the Chair deems appropriate and shall designate the subject matter assigned to each committee for consideration. In the event of the Chair's prolonged absence or disability, the Vice-Chair shall exercise all functions of the Chair for a period of up to thirty (30) days, at the expiration of which a special election shall be conducted by the JEA Board and a permanent Chair elected.

Section 4. Vice-Chair. The Vice-Chair shall perform such duties as are assigned by the Chair in addition to the functions for which the Vice-Chair is responsible under Section 3 above.

Section 5. Secretary. The Secretary shall cause the minutes to be kept of each meeting of the members in the Minute Book designated for that purpose. In the event of the Secretary's absence or disability, the Chair shall designate another member to be responsible for keeping of minutes during the Secretary's absence and for their inclusion in the Minute Book. When so directed by the Chair, the Secretary shall cause all notices to be given in accordance with these By-Laws and other applicable laws; the Secretary shall be responsible for the proper care and custody of all records pertaining to JEA affairs and for custody of the Seal of JEA. The Secretary shall be responsible for the Register of the address of each Board member and of such other persons as may be designated by the Chair or by the Executive Committee. The Secretary shall perform such other duties as from time to time may be assigned by the Chair or by the Executive Committee.

Adopted in its entirety by the JEA Board on February 16, 2010
and as Amended and Adopted by the JEA Board on _____.

JEA Board Policy Manual

ARTICLE IV - COMMITTEES

Section 1. Executive Committee. There shall be an Executive Committee comprised of as many members of the JEA Board as may be determined by the Chair. The Executive Committee shall function for and on behalf of the seven (7) members of the JEA Board to the extent that such action may be lawfully delegated; however, the designation of the Executive Committee and delegation thereto of authority to act in proper circumstances for the full membership of the JEA Board shall not operate to relieve the members of any responsibility imposed upon them individually or collectively by law. The Chair of the JEA Board shall preside at meetings of the Executive Committee, and it shall meet from time to time at such times and places as the Chair may designate.

Section 2. Ordinary Committees.

(a) **Standing Committees.** The Chair may appoint standing committees from time to time which shall be composed of as many members of the JEA Board as determined by the Chair. The Chair shall name one of the committee members as committee chair and one as committee vice-chair. A standing committee shall continue until such time as it is terminated by the Chair.

(b) **Special Committees.** The Chair may appoint special committees from time to time, and the Chair may specify that one or more individuals who are not members of the JEA Board shall work with and assist the special committee. The Chair shall name one of the committee members as committee chair and one as committee vice-chair; both positions must be filled by current members of the JEA Board. When a special committee has fulfilled its function or when the best interests of JEA have been served, the committee shall be terminated without formal action.

Section 3. Term of Committee Members. Each member of a committee shall serve until the expiration of his/her term of office as a JEA Board member, until that member's successor is appointed and has accepted such appointment, or until the committee is terminated.

Section 4. Powers of the Committee and the Committee Chair. The committee chair, or vice-chair in the absence of the chair, shall have the power and authority to call meetings of the committee upon reasonable verbal or written notice to the members, and to set the date, time and place of such meetings. This function may also be performed by a majority of the remaining members of the committee upon inaction by the chair. A committee secretary may be designated by the committee chair. A committee may submit reports to the Chair and members of the JEA Board in writing as determined by the committee chair. Committee reports shall contain both majority and minority reports of committee members. A committee may by motion recommend to the JEA Board that action be taken on matters under consideration by the committee. Matters under consideration by the committee may include resolutions or other proposed actions presented to the committee by the JEA Managing Director.

Section 5. Committee Vacancies. The Chair shall fill vacancies in the membership of any committee. Should the Chair of the JEA Board fail to fill a vacancy within a reasonable length of time after such a vacancy occurs, then such vacancy may be filled by a majority of the members of the JEA Board acting in any regular or special meeting.

Section 6. Conduct of Committee Business. A majority of the entire membership of the committee shall constitute a quorum, and an act of the majority of the committee present at any meeting shall constitute the act of the committee. Should a quorum not be present at a scheduled meeting, the committee chair, or vice-chair in the absence of the chair, may appoint as many JEA Board members as necessary to constitute a quorum. Such appointment is for the purpose of that meeting only. All JEA Board members may attend and participate in any committee meeting, but only committee members have the right to make motions and to vote. Except as provided otherwise herein, Roberts Rules of Order shall govern the conduct of committee business, unless the majority of the committee present at such meeting shall elect to utilize other rules or procedures consistent with applicable law and these By-Laws.

Adopted in its entirety by the JEA Board on February 16, 2010
and as Amended and Adopted by the JEA Board on _____.

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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.

Section 2. Special Meetings. Special meetings of the members may be called by the Chair or by any three (3) members and shall be held 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.

Section 3. Notice of Special Meetings and Purpose. Notice of each special meeting of the members shall be given by the Chair or by the three (3) members who may have called such special meeting. Such notice shall be in writing and shall be provided to every member not less than two (2) working days before the meeting and shall state the purpose, time and place of the special meeting. Attendance by a member at a special meeting shall constitute waiver of notice. A member may, however, appear at a meeting for the sole purpose of objecting to the transaction of any business on the ground that the meeting was not lawfully called without losing the right to object to improper notice. No business shall be transacted at any special meeting other than the purpose specified in the notice unless a majority of the members in attendance at such special meeting agree to transact other business.

Section 4. Teleconference or Videoconference Meetings. The Chair may allow Board member(s) to attend a regular or special meeting by teleconference or videoconference, provided that all JEA Board members attending the meeting and all other persons participating in the meeting may hear (or if by videoconference, see and hear) each other at the same time. Whenever any Board member attends a meeting by teleconference or videoconference, the Chair shall conduct the meeting in a manner so as to allow, to the fullest extent possible, simultaneous communication. A Board member or other person wishing to speak must first identify himself/herself to the Chair and request recognition from the Chair before speaking. Visual presentations shall be described in detail for any Board member attending by teleconference who is unable to view the presentation. It is the Board's preference that meetings be held with a quorum physically present except, on occasion, when the Board needs to transact business for a special matter typically conducted at a special meeting.

Section 5. Quorum and Votes Required for Action. The majority of the Board members shall constitute a quorum for the purpose of meeting and transacting business. Four (4) affirmative votes shall be required to accomplish an act of business. Pursuant to Chapter 286, Florida Statutes, no member who is present at any Board meeting may abstain from voting except when there is, or appears to be, a possible conflict of interest. In such case, the abstaining Board member shall comply with the disclosure requirements of Chapter 112, Florida Statutes.

Section 6. Vacancies. Any vacancy occurring in the office of a member of the JEA Board shall be filled for the unexpired term in the manner provided in Article 21, Charter of the City of Jacksonville, as amended.

Section 7. Rules and Procedures. Except as provided otherwise herein, Robert's Rules of Order shall govern the conduct of the JEA Board business, unless the majority of members shall elect to utilize other rules or procedures consistent with applicable law and these By-Laws.

ARTICLE VI - AMENDMENTS TO BY-LAWS

These By-Laws may be amended, repealed or altered, in whole or in part, by the affirmative votes of four (4) members at any regular or special meeting, provided such subject has been included in an agenda item.

Adopted in its entirety by the JEA Board on February 16, 2010
and as Amended and Adopted by the JEA Board on _____.

JEA Board Policy Manual

ARTICLE VII - EFFECT OF BY-LAWS

Noncompliance with these By-Laws shall not operate to invalidate any JEA Board action otherwise valid under applicable law.

APPROVED BY THE BOARD

Date: _____

Form Approved:

Office of General Counsel

Adopted in its entirety by the JEA Board on February 16, 2010
and as Amended and Adopted by the JEA Board on _____.

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Placeholder

III. D.

(Proposed 2020-419 – Article 21 (JEA)
Charter Omnibus Refinement Bill
Strategy and Timeline for Rules, TEU
Committee Discussions)