

JEA BOARD OF DIRECTORS MEETING MINUTES
November 16, 2021

The JEA Board met in regular session at 9:00 am on Tuesday, November 16, 2021, on the 19th Floor, 21 W. Church Street, Jacksonville, Florida. The meeting was properly noticed, and the public was invited to attend this meeting in-person at the physical location and virtually via WebEx. Attendees were required to wear masks and CDC guidelines and social distancing were required at the meeting location.

WELCOME

Meeting Called to Order – Board Chair John Baker called the meeting to order at 9:00 am. Board members in attendance were Marty Lanahan, Rick Morales, Bobby Stein, and General Joseph DiSalvo. Also in attendance virtually was Tom VanOsdol and Dr. Zachary Faison. A quorum of the Board was physically present for the meeting.

Others in attendance in-person were Jay Stowe, Managing Director/CEO; David Emanuel, Chief Human Resources Officer; Laura Dutton, Chief Strategy Officer; Laura Schepis, Chief External Affairs Officer; Sheila Pressley, Chief Customer Officer; Jody Brooks, Chief Administrative Officer; Raynetta Curry Marshall, Chief Operating Officer; Ted Phillips, Chief Financial Officer; Regina Ross, Chief Legal Officer, Office of General Counsel; Joe Orfano, Vice President, Financial Services; Brad Krol, Chief Information Officer; Jordan Pope, Vice President, Corporate Strategy; Madricka Jones, Executive Assistant to CEO, and Melissa Charleroy, Board Services Manager.

Time of Reflection – A moment of reflection was observed by all.

Safety Briefing and Moment – Baley Brunell, Director, Facilities & Fleet Services, presented the Safety Briefing and a Safety Moment on sleep deprivation.

Introductions – Chair Baker recognizing there were no introductions to be made proceeded with the business of the meeting.

Adoption of the Agenda – On *motion* by Marty Lanahan and seconded by Rick Morales, the agenda was approved.

CONSENT AGENDA

The Consent Agenda consists of agenda items that require Board approval but are routine in nature or have been discussed in previous public meetings of the Board.

On *motion* by Marty Lanahan and seconded by General Joseph DiSalvo, the Consent Agenda item was approved.

Board Meeting Minutes – October 26, 2021 – Approved

COMMENTS / PRESENTATIONS

Council Liaison's Comments – Council Member Michael Boylan was not in attendance.

Comments from the Public (Virtual)

Eric Geller, Founder, JaxPublicInternet.org, addressed the Board in favor of JEA adding municipal broadband as a new business opportunity.

Managing Director / CEO Report – Jay Stowe, Managing Director/CEO, opened the report with an expression of appreciation as he nears the completion of one year of service at JEA. Mr. Stowe thanked the Board for their service and guidance. Mr. Stowe expressed appreciation to the staff who coordinated the November 10, 2021 Veterans Day event honoring JEA's staff who have served or are actively serving in the military and thanked General Joseph DiSalvo for speaking to staff. Additional highlights included congratulations to Jody Brooks, Chief Administrative Officer for joining the Jacksonville Women's Network, Florida Municipal Electric Association Building Strong Communities award, a review of today's strategic direction discussions, recognized birthdays for Board members General Joseph DiSalvo and Rick Morales, and wished all a happy and safe holiday season. There were no questions or comments.

Monthly Performance Update – Christopher Jackson, Director, Customer Revenue, provided an overview of the JEA Performance Scorecard data through October 31, 2021. Focusing on the three strategic focus areas, Mr. Jackson highlighted the results for safety, customer satisfaction, sales and expenses in both the electric and water/wastewater systems, fuel expenses, and reliability. Board members held discussions and provided feedback.

Plant Vogtle – Board member General Joseph DiSalvo presented on October 27, 2021, along with Raynetta Curry Marshall, Chief Operating Officer; Ted Phillips, Chief Financial Officer; and Laura Schepis, Chief External Affairs Officer, visited Plant Vogtle to receive an update on the construction of Units 3 and 4. General DiSalvo reviewed current challenges including command and control issues, new regulations, COVID impact, supply chain, and staffing shortages. Additional highlights included milestones for Units 3 and 4 currently set for September 2022 and June 2023, review of punch list items completed and outstanding, quality control processes, inspection criteria, and the addition of workforce. General DiSalvo encouraged Board members to plan a visit to Plant Vogtle to continue to show interest and ensure accountability. This item was received for information.

BOARD AND COMMITTEE REPORTS

Governance Committee – Committee Chair General Joseph DiSalvo provided Board members an overview of the Committee's November 8, 2021 meeting which included an update to the Board Policy Manual revising the meeting cadence and policy language to align with Article 21, a review and discussion on the annual Board Self-Evaluation including what is working well and areas of consideration, overview of the FY21 CEO Evaluation criteria and process, and FY22 CEO Evaluation criteria.

On *motion* by General Joseph DiSalvo and seconded by Bobby Stein, the May 6, 2021 Governance Committee minutes were approved.

On *motion* by General Joseph DiSalvo and seconded by Marty Lanahan, the JEA Bylaws – Modification for Meeting Cadence agenda item was approved.

OTHER BUSINESS AND CLOSING CONSIDERATION

Old and Other New Business / Open Discussion – Ms. Lanahan inquired of the timing of the Nominating Committee. Staff will work to coordinate a meeting in January 2022.

Chair's Report – None**Announcements** – Next Board Meeting January 11, 2022**STRATEGIC DIRECTION**

Economic Outlook – Kenneth Schiebel, CFA, Managing Director, PFM Asset Management, LLC and Michael Mace, Managing Director, PFM Financial Advisors, LLC, provided a presentation highlighting current economic themes, decline of U.S. economic growth, growth in retail sales, household debt service, decline in unemployment, elevated consumer inflation, energy and supply chain challenges creating a surge in producer prices, increase in energy costs, tapering off of Federal Reserve, and weather and climate challenges.

Bobby Stein departed the meeting at 9:55 am and returned at 9:57 am.

Strategic Overview – Mr. Stowe opened the Strategic Direction conversation noting at the August 24, 2021 Board Meeting, David Emanuel, Chief Human Resources Officer, provided a review and Board members held discussions on the Unbeatable Team Strategic Area of Focus. Mr. Stowe provided a review of the topics that will be discussed at today's meeting including Deliver Business Excellence and Customer Loyalty. Mr. Stein extended appreciation to Mr. Stowe and Chair Baker for assembling a great Leadership Team.

Business Excellence – Ted Phillips, Chief Financial Officer, reviewed JEA's strategies for making sound financial decisions including funding approaches, interest rates, debt management, transparency in budget processes, and utilizing technology, tools and data to defend against cybersecurity attacks which all leads to reasonable rates for customers.

Chair Baker departed the meeting at 10:53 am and returned at 10:55 am.

Rick Morales departed the meeting at 11:00 am and returned at 11:02 am.

Raynetta Curry Marshall, Chief Operating Officer, reviewed JEA's reliable, sustainable and cost-effective Integrated Resource Plans used to plan for the future, stakeholder engagement, resilient and reliable infrastructure, human resources, overhead to underground plans, including the focus on underserved communities.

Laura Dutton, Chief Strategy Officer, reviewed potential new business opportunities including fiber, District Energy systems, and municipal broadband.

Customer Loyalty – Laura Dutton, Chief Strategy Officer, reviewed economic development including program design and strengthening partnerships, sustainability goals, expansion and retention of companies in Jacksonville. Sheila Pressley, Chief Customer Officer, reviewed JEA's tools to build customer loyalty including customer rate and billing options to align expenses to household budgets, harnessing smart meter data to help customers make informed billing decisions, becoming the trusted advisor by ensuring their experience is simple and that we are easy to do business with. Laura Schepis, Chief External Affairs Officer, reviewed JEA's brand which focuses on JEA's mission to improve lives and building community, with consistent and approachable communications reflecting JEA's core principles. Mr. Stowe reviewed the Board of Directors FY22 calendar highlighting the strategic areas of focus that will be covered by the Leadership Team over the upcoming year.

Adjournment – With no further business coming before the Board, Chair Baker declared the meeting adjourned at 11:55 AM.

APPROVED BY:

Marty Lanahan
Marty Lanahan, Secretary

Date: 2/22/22

Board Meeting Recorded by:

Melissa Charleroy
Melissa Charleroy
Board Services Manager