

JEA BOARD OF DIRECTORS MEETING MINUTES  
June 25, 2024

The JEA Board met in regular session at 9:00 am on Tuesday, June 25, 2024, on the 1<sup>st</sup> Floor, 225 North Pearl 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 live stream on jea.com.

**WELCOME**

**Meeting Called to Order** – Board Chair General Joseph DiSalvo called the meeting to order at 9:00 am. Board members in attendance were John Baker, Rick Morales, and MG Orender. Board member Bobby Stein attended the meeting virtually. Kawanza Humphrey and Dr. Zachary Faison, Jr. were not in attendance.

Others in attendance were Vickie Cavey, Interim Managing Director/CEO; Sheila Pressley, Chief Customer Officer; Ted Phillips, Chief Financial Officer; Jody Brooks, Chief Administrative Officer; David Emanuel, Chief Human Resources Officer; Raynetta Curry Marshall, Chief Operating Officer; Joe Orfano, Deputy Chief Financial Officer; Kurt Wilson, Chief of Staff; Brad Krol, Chief Information Officer; Michael Boylan, Council Member; Regina Ross, Chief Legal Officer, Office of General Counsel; Sherzanda Brown, Executive Assistant to the CEO; and Melissa Dalton, Manager, Board Services.

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

Board Chair General DiSalvo welcomed new Board member MG Orender and thanked him for serving on the Board and extended his appreciation to past Board member Marty Lanahan for her service on the Board and to the community.

**Adoption of the Agenda** – On *motion* by Mr. Morales and seconded by Mr. Baker, the agenda was approved.

**Values Moment** – Kevin Briscoe, Communications Specialist, provided a values moment on respect.

**COMMENTS / PRESENTATIONS**

**Comments from the Public:**

**In-Person Public Comments:**

Mark Zimmerman, Energy Manager, Commercial Metals Company, spoke to the Board regarding his support for the Electric Integrated Resource Plan.

Keith Hodges, former JEA employee, spoke to the Board regarding the need to generate power that is energy dense.

Logan Cross, representing the Sierra Club Northeast Florida Group, spoke to the Board on JEA transitioning to cleaner forms of energy generation.

Ryan Franz expressed his concerns to the Board on consumption creation costs and solar generation from residents.

John Nooney spoke to the Board regarding public access to the waterways.

Nishta Jijosh – Highschool senior, spoke to the Board on clean energy and the Electric Integrated Resource Plan.

Lori Ann SantaMaria spoke to the Board about clean energy initiatives.

**Council Liaison’s Comments** – Council Member Michael Boylan had no comments.

**Managing Director / CEO Report** – Vickie Cavey, Interim Managing Director/CEO, thanked Mr. Orender for serving on the Board and welcomed back Ms. Brooks who will serve in the role as Chief Administrative Officer. Ms. Cavey provided an update on the Business Excellence Consultant Invitation to Negotiate stating Deloitte Consulting and K3 Strategies will present to the Board at the August 27, 2024 meeting; company reorganization is 90% complete; return to headquarters policy and hybrid policy; JEA and the City of Jacksonville 2024 Hurricane Exercise Plan and noted a copy of the exercise plan was made available to Board members; college and high school summer interns; JEA hosted the annual meeting for the Florida Chapter of the American Association of Blacks in Energy and thanked Ms. Humphrey for providing a warm welcome; recipient of the Sue Kelly Community Service Award at the American Public Power Association National Conference; and recipient of the Distinguished Budget Presentation Award for the Government Finance Officers Association for the FY2024 budget and recognized the finance and budget teams consisting of Ted Phillips, Chief Financial Officer, Laure Whitmer, Director, Budgets, and her budget team of: Sara Goodwin, Stephanie Nealy and their teams. In capital Steve Elmore, RJ Ford, Rick Mendez, and Mitch Shepard. In O&M Betena Stokes, Julian Medina, Glenn Brinson, and special thank you to Griffin Hawkins for leading the charge on this project.

**JEA Performance Update** – Juli Crawford, Vice President, Enterprise Strategy & Planning, presented the JEA performance update through May 31, 2024, to include safety metrics reporting two recordable incidents; customer satisfaction noting JEA had moved to the first quartile; total spend; increase in electric reliability (SAIDI); and clean energy composition. This report was received for information.

## **BOARD AND COMMITTEE REPORTS AND ITEMS FOR CONSIDERATION**

### **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 Mr. Morales and seconded by Mr. Baker, all Consent Agenda items were approved.

### **Board Meeting Minutes – May 21, 2024**

#### **Florida Department of Environmental Protection Modified Consent Order**

## **DELIVERING BUSINESS EXCELLENCE**

**FY25-27 Business Plan/FY25 Budget** – Ted Phillips, Chief Financial Officer, provided highlights of the FY25-27 Business Plan/FY25 Budget presented at the June 14, 2024 workshop to include Consolidated Systems Operating Budget components dating back to FY21 and encompassing FY25-27 forecast; illustration of every dollar on a combined FY2025 electric and water bill; electric system overview with electric system operating revenue encompassing FY25-27 forecast; electric system capital budget; water system overview dating back to FY21 and encompassing FY25-27 forecast; water system O&M budget; district energy system (DES) operating revenues dating back to FY21 and encompassing FY25-27 forecast; DES operating budget components; DES Capital budget and O&M budget. Mr. Baker recommended providing a presentation each month with current financials.

On *motion* by Mr. Baker and seconded by Mr. Morales, the Board unanimously approved the proposed operating and capital budgets for FY2025; authorize staff to transmit the recommended budgets to the Jacksonville City Council for final action by July 1, 2024; and authorize staff to transmit the Five-Year Capital Improvement Program as required by the City of Jacksonville Planning Department and adopted Resolution 2024-28.

**Delegation of Authority – Debt Authorization** – Randall Barnes, Treasurer, provided highlights on the purpose of the delegation, the proposal to include new debt issuance of \$148M for electric system, \$462M for Water/Wastewater, and \$42M for District Energy System; and requested action.

On *motion* by Mr. Baker and seconded by Mr. Morales, the Board unanimously approved the proposed Delegation of Authority and adopted Resolutions 2024-20, 2024-21, 2024-22, 2024-23, 2024-24, and 2024-25.

**Delegation of Authority and Responsibility Policy** – Regina Ross, Chief Legal Officer, Office of General Counsel, provided highlights of the policy and past approvals; updates to the policy requiring Board approval of contracts and agreements related to budgeted capital projects exceeding \$50M; fuel and energy exceeding \$100M; and purchase of other goods and services exceeding \$50M.

On *motion* by Mr. Morales and seconded by Mr. Baker, the Board unanimously approved the proposed Delegation of Authority and Responsibility Policy and adopted Resolution 2024-33.

**Enhancement of Process Controls and Contracting for Capital Projects** – Ted Phillips, Chief Financial Officer, provided highlights on the objective and goals of the presentation; key procurement code changes and additional procurement code updates for action by the Board; and operational procedure updates and Construction Manager at Risk contract template updates for information only. Mr. Stein recommended any capital projects exceeding \$25M be brought to the Capital Projects Committee for informational purposes. Mr. Phillips stated this verbiage could be added to the procedure document.

On *motion* by Mr. Morales and seconded by Mr. Orender, the Board unanimously approved the proposed Procurement Code updates and adopted Resolution 2024-35.

**Easement Acquisitions – Electric and Water Transmission Lines** – Raynetta Curry Marshall, Chief Operating Officer, provided a project brief to include two major projects needed to accommodate existing and future growth and optimize existing resources. Kim Wheeler, Vice President, Operations Support, provided highlights of the required easements to accommodate the two water transmission lines and an electric transmission line; provided details of the electric and water projects routes and easements; and provided the acquisition valuations. Regina Ross, Chief Legal Officer, Office of General Counsel, provided highlights on the negotiations for both easements.

On *motion* by Mr. Morales and seconded by Mr. Orender, the Board unanimously approved the purchase of both easements in the amount of \$22M and adopted Resolution 2024-39.

**Lee Street Substation Property Acquisition** – Raynetta Curry Marshall, Chief Operating Officer, provided highlights for the construction of a new substation in the Arlington area to support expansion and provide system resilience for the community consisting of 12 acres. Kim Wheeler, Vice President, Operations Support, provided financial details stating the 11.87 acres and 1.14 acre triangular parcel adjacent to the future Arlington East Water Reclamation Facility have a purchase price of \$6.5M.

On *motion* by Mr. Baker and seconded by Mr. Morales, the Board unanimously approved the purchase of real property in the amount of \$6.5M and adopted Resolution 2024-37.

Ms. Wheeler provided details regarding the request for eminent domain of the Quimby property consisting of a 5,000 square foot vacant parcel valued at \$55,550.

On *motion* by Mr. Baker and seconded by Mr. Morales, the Board unanimously approved entering into eminent domain proceedings to acquire the Quimby property and adopted Resolution 2024-38.

**Twin Creeks Wholesale Reclaimed and Potable Water Agreement with St. Johns County (SJC)** - Juli Crawford, Vice President, Enterprise Strategy & Planning, provided background on JEA’s desire to enter into a wholesale reclaimed water and potable water utility service agreement with St. Johns County for the Twin Creeks Development of Regional Impact service territory and surrounding JEA service area situated within the county. JEA is committing 700,000 reclaimed gallons per day to the SJC connection.

On *motion* by Mr. Baker and seconded by Mr. Morales, the Board unanimously approved the terms, conditions, and provisions of the agreement and authorized the Interim Managing Director/CEO, or designee, to execute an agreement, providing for wholesale reclaimed water and potable water to St. Johns County and adopted Resolution 2024-36.

**OTHER BUSINESS AND CLOSING CONSIDERATION**

**Old and Other New Business / Open Discussion** – On *motion* by Mr. Morales and seconded by Mr. Baker to adjust Ms. Cavey’s title removing Interim from the Managing Director/CEO title. Following Board member discussions, Ms. Ross provided a review of the action taken at the April 15, 2024 Special Board Meeting along with a review of Article 21 JEA Charter language and necessary steps for revising her title. Following Board member discussions, Mr. Morales and Mr. Baker withdrew their motions.

**Chair’s Report** – Board Chair General Joseph DiSalvo asked Mr. Orender to serve on the Finance, Governance, and Audit Committee and thanked Ms. Cavey and her staff for all their hard work on the FY2025 budget.

**Announcements** –

- Capital Projects Committee Meeting – August 12, 2024
- Finance, Governance, and Audit Committee Meeting – August 20, 2024
- Board of Directors Meeting – August 27, 2024

**Adjournment** – With no further business coming before the Board, Chair General Joseph DiSalvo declared the meeting adjourned at 10:52 am.

APPROVED BY:



Kawanza Humphrey, Board Secretary

Date: 8/27/24

Board Meeting Recorded by:



Allison S Hickok  
Allison S Hickok  
Executive Staff Assistant