

JEA BOARD OF DIRECTORS MEETING MINUTES
September 20, 2022

The JEA Board met in regular session at 9:00 am on Tuesday, September 20, 2022, on the 19th Floor, 21 W. Church Street, Jacksonville, Florida. The public was invited to attend this meeting in-person at the physical location and virtually via WebEx.

WELCOME

Meeting Called to Order – Board Chair Bobby Stein called the meeting to order at 9:00 am. Board members in attendance were Marty Lanahan, John Baker, General Joseph DiSalvo, and Rick Morales. Board members Tom VanOsdol and Dr. Zachary Faison were not in attendance.

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

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

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

Safety Briefing and Values Moment – Timothy Leigh, Strategic Segment Manager, presented the Safety Briefing and Values moment focusing on JEA's commitment to placing the highest standards on ethics and personal responsibility.

JEA Performance Update – Michael Dae, Director, Regulatory Permitting Programs and Compliance, provided an overview of the JEA Performance Scorecard data through August 31, 2022. Focusing on the three strategic focus areas, Mr. Dae highlighted results for operation & maintenance spend, fuel & purchased power expenses, capital spend, safety, and noted pay per performance is currently projected at 2.33% of base salaries. This presentation was received for information.

COMMENTS / PRESENTATIONS

Council Liaison's Comments – Council Member Michael Boylan was not present at the meeting.

Comments from the Public

In-Person Public Comments:

Ms. Valerie Gutierrez, President/Business Manager, IBEW 2358, thanked the labor relations team for smooth labor union negotiations. Ms. Gutierrez noted the labor unions will make a \$10,000 donation to the Neighbor to Neighbor Fund.

Ms. Lisa Rinaman, St. Johns Riverkeeper, thanked JEA for including her in the participation of the Integrated Resource Plan (IRP) Stakeholders Committee. Ms. Rinaman requested JEA invest in strategies to preserve the river. Vice Chair Lanahan noted she is working with Ms. Pressley on the weatherization program.

Mr. Logan Cross, representing Sierra Club of Northeast Florida, thanked staff for creating the IRP Stakeholders Committee and suggested JEA expand its purpose to environmental and social responsibility.

Mr. Albert Grand, resident, expressed his concerns on not being able to move into his home due to the lack of transformers. Mr. Stowe stated staff will contact him regarding this issue after the meeting.

Ms. Thresa Giles, resident and Chief Business Officer, PACE Center for Girls, spoke on the issue of transformer shortages and homeowners unable to move into their homes due to this issue, which affects the girls she represents at the PACE Center for Girls.

Mark Zimmerman, CMC Commercial Metals, commended the Board for hiring Mr. Stowe and letting stakeholders participate in the IRP process. Mr. Zimmerman commented on the projections of fuel costs and asked for added transparency on this issue.

Email Public Comments:

Dr. Lucy Sonnenberg, resident, discussed greenhouse gas emissions and asked that JEA consider its role in the expansion of solar energy throughout the state.

WebEx Public Comments: N/A

Managing Director / CEO Report – Jay Stowe, Managing Director/CEO, expressed his appreciation for the public comments. Mr. Stowe recognized the significant issues that JEA is dealing with, including the availability of transformers, rising fuel costs and the impact it is having on our customers. Mr. Stowe reviewed continued and new efforts to help customers with these rising costs, recent Southside boil water alert, supply chain issues, and the Employee Engagement Survey. Chair Stein thanked Mr. Stowe and his team for their leadership and communication with customers. This report was received for information.

Finance & Operations Committee Report – Committee Chair General Joseph DiSalvo reviewed September 9, 2022 meeting, action items to be approved in today's Consent Agenda, and presentations heard for information including JEA's Reliable and Resilient Infrastructure, and the Electric Integrated Resource Plan. Chair DiSalvo discussed the Inflation Reduction Act, American Public Power Association webinar on implementation and funding, Technology Tools and Data, and Fuel Rate Volatility. General DiSalvo announced the next Finance & Operations Committee meeting will be held on December 16, 2022. This report was received for information.

Customer & Workforce Committee Report – Sheila Pressley, Chief Customer Officer, reviewed the committee's purpose and items discussed at the September 16, 2022 meeting. Ms. Pressley reviewed presentations heard for information including FY22 Voice of the Customer Program and Affordability and Service Delivery Enhancements. David Emanuel, Chief Human Resources Officer, reviewed presentations regarding diversity, equity, and inclusion, and the request for the appointment of Dr. Edythe Abdullah as JEA's representative on the City of Jacksonville Civil Service Board that will be requested for consideration under the Consent Agenda. This report was received for information.

Chair Stein recessed the regular meeting at 9:55 am

RATE HEARING

Meeting Called to Order – Board Chair Stein called the rate hearing to order at 9:55 am and called on Juli Crawford, Senior Advisor, Strategy. Ms. Crawford provided a review of the District Energy System

rate and fee recommendations to include establishing connection fees and revamping contract terms, restructuring the base rate, and reinstituting & reinforcing the Delta T penalties.

No public comments were received.

On *motion* by Rick Morales and seconded by Marty Lanahan. Motion passed.

Chair Stein adjourned the Rate Hearing Meeting adjourned at 9:59 am.

FOR BOARD 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 Marty Lanahan and seconded by Joseph DiSalvo, all Consent Agenda items were individually approved.

Board Meeting Minutes – August 10, 2022

Finance & Operations Committee

Approval of Minutes – May 23, 2022

Authorization for Property Acquisition – Nocatee South Water Facility

Authorization for Eminent Domain Circuit 663

Energy Market Risk Management Policy

Pricing Policy

Customer & Workforce Committee

Appointment of Dr. Edythe Abdullah to the City of Jacksonville Civil Service Board

UNBEATABLE TEAM

FY23 Pay for Performance Program – Pat Maillis, Senior Director, Employees Services, presented the FY23 proposed Pay for Performance Program. Ms. Maillis noted the leadership team recommends the continued focus on business excellence, safety, customer satisfaction, and operations and maintenance budget spend, with updates to the performance thresholds to reflect a continued goal of achieving higher performance.

On *motion* by John Baker and seconded by Marty Lanahan, the Board unanimously approved the FY23 Pay for Performance Program.

Collective Bargaining Unit Agreements – Pat Maillis, Senior Director, Employees Services, presented an overview of the Collective Bargaining Unit Agreements. Ms. Maillis highlighted negotiations began in February 2022 and all five Collective Bargaining Agreements have been ratified and begin October 1, 2022. Ms. Maillis discussed the notable changes and next steps including the request for Board approval, as well as the request for final approval from City Council. Board members held discussions regarding staffing shortages, total number of employees per union, benefits, and cost to customers.

On *motion* by Marty Lanahan and seconded by General DiSalvo, the Board unanimously approved the Collective Bargaining Unit Agreements.

BUSINESS EXCELLENCE

Chair Stein stepped out of the meeting at 10:14 am and returned at 10:16 am

Fuel Rate Volatility – Nancy Reinker, Manager, Fuels Management Services, presented the Board with historical and current natural gas prices and the effect it has on operations at JEA. Ms. Reinker discussed some of the causes of fuel price volatility, projected dispatch price of JEA's units, projected annual fuel expenses by forecast period, FY22 and FY23 projected monthly fuel rates stating the projected cost for October has dropped from \$100.15 to \$79.03/MWh. Mr. Stowe offered comments about the fuel rate, preparation and avoiding risks, and continued transparency with JEA's customers. Board members held discussions and expressed appreciation to Mr. Phillips, Ms. Reinker, and team members. This presentation was received for information.

Plant Vogtle Update – Jody Brooks, Chief Administrative Officer, reviewed the 103(g) finding received in August 2022, FY23 budget forecast, and stated JEA is forecasting the Unit 3 operation date in March 2023 and Unit 4 in December 2023. This presentation was received for information.

OTHER BUSINESS AND CLOSING CONSIDERATION

Old and Other New Business / Open Discussion – None

Chair's Report – None

Announcements – None

Adjournment – With no further business coming before the Board, Chair Stein declared the meeting adjourned at 10:41 am.

APPROVED BY:



Joseph DiSalvo, Secretary

Date: 9/20/2022

Board Meeting Recorded by:

Allison Hickok
Office Support Associate