

SPECIAL INVESTIGATORY COMMITTEE ON JEA

SESSION #4

DATE: Monday, June 8, 2020

TIME: 8:00 a.m. - 9:07 a.m.

PLACE: Zoom

COUNCIL MEMBERS PRESENT:

Scott Wilson, Council President, District 4
Rory Diamond, Chairman, District 13
Randy DeFoor, District 14
Brenda Priestly Jackson, District 10
Al Ferraro, District 2
Michael Boylan, District 6
Garrett Dennis, District 9
Danny Becton, District 11
Randy White, District 12
Terrance Freeman, Group 1
Ronald Salem, Group 2
Sam Newby, Group 5

ALSO PRESENT:

Dr. Cheryl Brown, City Council Director
Steve Cassada, IT Administrator
Melanie Wilkes, Council Support Services
Eric Grantham, Council Support Services
Jeff Clements, Chief of Research
Yvonne Mitchell, Council Research
Kyle Billy, Council Auditor
Kim Taylor, Council Auditor's Office
Phillip Peterson, Council Auditor's Office
Peggy Sidman, Office of General Counsel
Sean Granat, Office of General Counsel
Jason Gabriel, Office of General Counsel
Jody Brooks, Office of General Counsel
Chris Garrett, Office of General Counsel
Steve Busey, Smith, Hulsey & Busey

1 P R O C E E D I N G S

2 CHAIRMAN DIAMOND: Okay. Let's call
3 this Special Investigatory Committee meeting
4 of the JEA matters to order. It is June 8th
5 at -- bright and early at 8:00 a.m. It's a
6 lot easier to make Zoom at 8:00 a.m.

7 Dr. Brown, would you just announce who
8 all is on the call, that way we have that
9 for the record?

10 DR. BROWN: Yes, sir. We have Council
11 Member Priestly Jackson, DeFoor, Diamond,
12 Wilson, Ferraro, Dennis, White, Salem, and
13 Newby.

14 CHAIRMAN DIAMOND: And we have our
15 Special Counsel is on, I saw Steve Busey on
16 earlier.

17 And who from OGC? I see Ms. Sidman. Do
18 we have Jason Gabriel also?

19 DR. BROWN: Yes. We also have Kim
20 Taylor with the Auditor's office; Curtis
21 Wilson with JEA; Kyle Billy.

22 CHAIRMAN DIAMOND: Excellent. All
23 right. Well, we'll get going. Let's start
24 with the -- actually, check out Kyle Billy's
25 square, and we'll start with the Pledge of

1 Allegiance.

2 (Pledge of Allegiance.)

3 CHAIRMAN DIAMOND: I think it would be
4 strange to start this meeting without
5 recognizing what's going on in the world
6 around us. And I want to be conscious of
7 everybody's time, but I do think it would
8 make sense, in particular because I'm not as
9 eloquent as Terrance Freeman, just to have a
10 quick moment of silence and reflection and
11 prayer for peace and justice in our
12 community and the nation.

13 (Moment of silence.)

14 CHAIRMAN DIAMOND: Thank you. I
15 appreciate everyone being here. It's been a
16 little bit since we've had one of these
17 meetings, but we've been extremely busy. I
18 consider this Committee the duck on the
19 water, where maybe you haven't seen a lot
20 going on because it looks very placid out
21 there, but the feet underneath the water
22 have been going very, very fast. And we'll
23 hear from a lot of different people today
24 about what's been going on.

25 But just for a quick recap, this

1 Committee started back in January after
2 Councilman Salem and I had a December
3 hearing with JEA executives. Council
4 President created this Committee, gave us a
5 legislative purpose, gave us a charge. And
6 we were given -- hey, there is our agenda,
7 thank you -- gave us our charge, and we got
8 right to work. And all the members of the
9 Committee have been working very diligently,
10 particularly with OGC and Special Counsel.

11 To date we've interviewed, along with
12 OGC, over 40 different witnesses. Most of
13 those have been under oath. The only ones
14 that haven't been have been kind of informal
15 discussions. Reviewed hundreds of thousands
16 of documents.

17 And I want to say a particular thank you
18 to the new leadership at JEA, their interim
19 CEO and the board, for being incredibly easy
20 to work with. I am seeing a much faster
21 response time. It has been much easier to
22 sit in this chair with the new people there.

23 So with that in mind, let's go ahead and
24 jump right into our agenda and get an update
25 from outside counsel and OGC on where we are

1 with the federal investigation.

2 And can we stop sharing the agenda,
3 please. Thank you.

4 Jason, are you doing this?

5 Mr. Busey?

6 MR. BUSEY: I'm here. Jason should give
7 that report. Is he onboard?

8 CHAIRMAN DIAMOND: Yeah. He's just
9 muted.

10 Can we unmute Jason Gabriel, please.

11 There we go.

12 Jason, can you hear us?

13 MR. GABRIEL: Yeah. Good morning,
14 everybody. Can everybody hear me?

15 CHAIRMAN DIAMOND: Yes.

16 MR. GABRIEL: Great. I think the best
17 thing to do is I'd like Steve Busey to maybe
18 give a little framework for our doc
19 production, subpoenas, and interviews,
20 because I think, if he can give a framework
21 and outline of that, then I can fill in the
22 gaps, I think, from there. I think it would
23 be good for Steve Busey, as independent
24 counsel, to give that report.

25 MR. BUSEY: I can do that.

1 CHAIRMAN DIAMOND: All right, Mr. Busey.

2 Thank you.

3 MR. BUSEY: We have -- since President
4 Wilson formed the charge and created the
5 Committee, we've been really working hard to
6 gather documents from JEA to meet the
7 challenge of the Committee, which was the
8 charge, which was to determine what happened
9 with regard to the sale of JEA in the course
10 of the years of 2015 through 2019, and how
11 the PUP plan developed; and inform the
12 Committee and the public about how all that
13 came down; and as a result of that, what
14 legislative or Charter changes should be
15 recommended to the Council. That's what
16 we've been working on.

17 We formed a request of -- 84 documents
18 requests that we put through OGC to JEA.
19 We've been working on that for months.
20 Initially, it was some 40,000 documents, and
21 subsequently it is a lot more than that.

22 As the Chair has indicated earlier, it
23 was slow-going for several months. It was
24 hard to get documents out of JEA as long as
25 the former senior leadership team was in

1 place. Once Paul McElroy got in charge and
2 we got new leadership in JEA, it's like the
3 water dam was broken, and we're getting all
4 sorts of documents now.

5 It's been very burdensome to explore
6 those documents. We have probably over half
7 a million documents. We've had lawyers
8 looking at those documents. And we gained a
9 lot of information, a lot of which we
10 previously reported to the Committee, stuff
11 that we didn't know before in terms of
12 the -- Mr. Wannemacher's charts on how the
13 PUP was going to be deployed, the Nixon
14 Peabody memorandum in May 2019 which said
15 the PUP -- proposed PUP plan was illegal.
16 We're getting behind all that stuff now.

17 And as the Chair indicated, there has
18 been 40 interviews, some sworn and some not
19 sworn. We've talked to an awful lot of
20 people.

21 We are in a position now, we're prepared
22 to make a report to meet the charge of the
23 Committee. There is always more that we can
24 do. We have a list of probably 25 witnesses
25 we could interview that we haven't yet, some

1 of which would be controversial.

2 But really, the purpose of this meeting
3 this morning is determine what the Committee
4 wants to do and how it goes forward.

5 Jason is going to make a recommendation
6 that we collaborated with the Office of
7 General Counsel. And he and I agree that at
8 this point we can make an informed report
9 that satisfies President Wilson's charge to
10 the Committee and makes recommendations
11 going forward in conjunction with the work
12 product of Councilman Boylan's committee,
13 which is going to meet later today. And we
14 can do that and probably bring this to a
15 close, based on what we know now with the
16 report that I think you will find very
17 informative, much of what you know now, but
18 there is still more to come by the end of
19 August if that's what the Committee wants to
20 do; or we could go forward and do a lot
21 more, but it would take more time and more
22 money. And I don't know that's what our
23 recommendation is. That's not necessary.
24 We can satisfy the charge of the Committee
25 now by bringing this down at the end of

1 August. That's a brief summary where we
2 are.

3 Jason, do you want to add to that?

4 MR. GABRIEL: Sure. I think -- can
5 everybody hear me? I just want to make
6 sure.

7 Yeah, to add to, I think Steve Busey has
8 summarized it very well. It's been a good
9 collaborative process. A lot of work has
10 been done, as Mr. Diamond pointed out at the
11 very beginning, in between these meetings.
12 We've had a lot of staff work, review,
13 investigation, document production, and
14 synthesis of a lot of information has
15 occurred and continues to be happening at
16 this very moment.

17 To give a little maybe picture to what
18 Mr. Busey just outlined, JEA has produced
19 reams of documents inclusive of over 359,000
20 emails, attachments, targeted documents, and
21 things of that sort pursuant to this
22 Committee's request for documents.

23 JEA has identified a set of additional
24 documents, which our office is actually
25 looking at as we speak for exemptions, and

1 that should be turned over to Mr. Busey's
2 office later this week, and another tranche,
3 I think, in the subsequent week. But we're,
4 I think, on the document (audio disruption)
5 people have indicated here it's a flow.

6 Most of the documents, I think, are in
7 possession at this point. There are still a
8 few more coming through, and that should be
9 hopefully, as far as the document flow and
10 exhausting the barrels of documents is
11 concerned, that should, I think, be done in
12 the next couple weeks. And as Mr. Busey
13 indicated, their internal review of those
14 documents hopefully should be done by the
15 end of this month in time for the
16 commencement of drafting a report and so
17 forth.

18 We're also expecting some additional
19 documents from the subpoenas that had gone
20 out. On the issue of the subpoenas, as
21 everybody here knows and just as a recap,
22 subpoenas went out to 20 vendors and
23 bidders. The Committee has obtained service
24 on all but two of them, in particular Three
25 Degrees Group and New Solutions For

1 Business, LLC, had come back for lack of
2 service. We're looking into that. Everyone
3 else has responded.

4 We are waiting for -- there are a few
5 entities which are in the process of
6 complying. We've been working with them in
7 terms of giving them a little bit of an
8 extension of time; and that is, the
9 companies there are E&W Development
10 Corporation, IFM Investors, JP Morgan, and
11 Morgan Stanley, but those should be
12 forthcoming shortly.

13 And then on the issue of the interviews,
14 as has been indicated, a bunch of interviews
15 have occurred. The synthesis of OGC's
16 transcripts from, I think, 17 plus
17 individuals that we interviewed back when we
18 were conducting the for-cause termination
19 with respect to the former CEO, those have
20 been looked at and incorporated into the
21 reporting database that's going to be
22 utilized for the eventual report. Smith,
23 Hulsey & Busey have interviewed several
24 folks. And I think there's two more
25 scheduled for this week.

1 On the issue of interviews in
2 particular -- oh, I just want to note that
3 our office, Office of General Counsel, and
4 Smith, Hulsey & Busey have looked at, you
5 know, the scope of authority of this
6 Committee in conjunction with what remains,
7 and we've also conferred with the federal
8 government. And for three principle
9 reasons -- and I'll let Steve also speak to
10 this because I think it's important that you
11 hear from him and get his independent
12 judgment, but for three principle reasons we
13 believe that -- well, should I say that our
14 office and Smith Hulsey jointly recommend
15 that the Committee not take any further
16 sworn testimony and interviews for three
17 principle reasons: One, and this is the
18 joint opinion of both our office, Office of
19 General Counsel and Smith Hulsey & Busey,
20 our professional judgment --

21 CHAIRMAN DIAMOND: Hold on one sec,
22 Mr. Gabriel. I see Ms. DeFoor's hand up.
23 Did you want to ask --

24 BOARD MEMBER DeFOOR: Once he finishes,
25 I would like to make a comment.

1 CHAIRMAN DIAMOND: Of course.

2 MR. GABRIEL: Yeah. One would be the
3 potential for interference with Department
4 of Justice's investigation or grand jury
5 testimony that may occur. We obviously are
6 aware that there is a federal investigation
7 occurring that's indicated by the federal
8 grand jury subpoena that the JEA is
9 complying with, and, you know, so anyway,
10 the issue there; the fact that, as Mr. Busey
11 has outlined, the Committee has acquired and
12 achieved information, documentation, and
13 evidence that they believe is adequate to
14 complete the mission and purpose of this
15 Committee pursuant to its charge; and of
16 course taken into account the authority of
17 Council's legislative role in this whole
18 process.

19 But again, that's something -- this is
20 just a recommendation, it's our professional
21 judgment. Obviously, we would leave that to
22 y'all's decisionmaking. And I would like
23 for Mr. Busey to chime in on that issue just
24 to make sure we're all on the same page.

25 CHAIRMAN DIAMOND: Randy, do you want to

1 speak now or do you want to wait until
2 after?

3 BOARD MEMBER DeFOOR: No, I can speak
4 after Mr. Busey.

5 CHAIRMAN DIAMOND: Sure. Mr. Busey.

6 MR. BUSEY: Yes. We have -- we, Jason's
7 office and Special Counsel for the Committee
8 -- have conferred with the Department of
9 Justice regarding its investigation. That
10 investigation is, as a matter of law,
11 confidential. The proceedings in the grand
12 jury are secret as a matter of law. But we
13 have been informed there are some witnesses
14 that the Department of Justice prefer that
15 we not interview. There are others that we
16 can go forward on. And so we're trying, as
17 Jason indicated, to be deferential to the
18 Department of Justice, not in any way to
19 interfere.

20 But beyond that, there is a question of
21 how far this Committee wants us to go and
22 how much time and money and effort they want
23 us to spend. We think that we can fulfill
24 the charge of the President to the Committee
25 to say what happened. We think we know now

1 what happened between 2015 and 2019. And we
2 can accomplish that mission and accomplish
3 recommendations regarding amendments to the
4 code and the Charter that would be
5 satisfactory to the Committee without
6 completing the investigation to the point
7 that we could prove civil or criminal
8 liability. I don't think that's the charge
9 of this Committee, and that's what Jason was
10 referring to as a legislative purpose.

11 So we're prepared, our recommendation,
12 Jason and my recommendation is that we can
13 finish the document review that we have in
14 hand and the documents that are coming. We
15 have a number of documents that are still
16 coming from the outside investment bankers
17 that participated in the process. And we
18 want to see those, we want to see the
19 communications between JEA, the City, and
20 the investment bankers; that's still in the
21 process. We're hopeful to have all that
22 information by the end of June.

23 And so our thought is that we can finish
24 our review and finish our witness interviews
25 that we have scheduled and do that in June,

1 start the drafting process in July, and
2 aspirationally have a report by the end of
3 August that we deliver to the Committee in a
4 draft form, which would include the
5 recommendations, which would incorporate
6 what we're going to see later this morning
7 from Councilman Boylan's committee, but
8 that's where we are.

9 And if it's the desire of the Committee
10 to do more than that, we'll follow the
11 instruction of the Committee, whatever you
12 all want us to do. We're just thinking our
13 recommendation is we can accomplish the
14 charge of the Committee now and complete our
15 investigation, write a report. That's where
16 we are. From that, it's up to the
17 Committee about what you want to do.

18 CHAIRMAN DIAMOND: All right. We have
19 our two Committee Members.

20 Let me just say this quickly, I'll save
21 my thoughts until the end, but, you know,
22 here is a horrible breach of trust with the
23 people of Jacksonville with this whole JEA
24 matter. The purpose of this Committee is
25 really their own voice in the process that

1 they'll know about. And what we promised
2 them was to get them the truth and to say
3 what happened, and then offer a
4 recommendation to make sure, along with
5 Councilman Boylan's committee, that it
6 didn't happen again.

7 I think what we're going to have to do
8 is get unanimity on our Committee that there
9 is -- that we know the truth, and that we
10 are doing our part to heal our community so
11 that they know what happened and feel
12 confident that people are being held
13 accountable. I'll stop there, because it's
14 more important what our Committee Members
15 say.

16 Ms. DeFoor.

17 BOARD MEMBER DeFOOR: Thank you,
18 Chairman Diamond. You said it extremely
19 well.

20 As an attorney I step back and I look at
21 the information that we have, and I see two
22 holes: One, we have made -- we haven't
23 interviewed anybody from -- representing the
24 administration, and that's improbable; two,
25 we haven't interviewed anybody that was on

1 the board at the time that Zahn was hired,
2 ones that voted him in, especially -- I'm
3 just going to go through who the three
4 people were that voted for him on an interim
5 basis that -- over Melissa Dykes, who had
6 extensive electric experience. So we have
7 Husein Cumber who's married to LeAnna Cumber
8 who is a City Council woman here; we have
9 April Green who is married to Eric Green who
10 is head of the Port; we have Kelly Flanagan
11 who is with the Jaguars. So all three of
12 those individuals voted for Aaron Zahn over
13 Melissa Dykes on an interim basis even
14 though Aaron Zahn had no electrical
15 experience, okay. So we need to interview
16 at least one of those people, if not all
17 three of those people, to find out why.

18 We have not interviewed anybody, as I
19 said, who was a part of, you know -- Tim
20 Baker, we have not interviewed Tim Baker.
21 Tim Baker represented myself, Mr. Diamond,
22 LeAnna Cumber, Ron Salem.

23 I'm going to be very transparent about
24 this because this is what the people want,
25 so if you connect all the dots, you had

1 LeAnna Cumber married to Husein Cumber, you
2 have Ron Salem who is awesome and on this
3 call, first cousins with Sam Mousa, who was
4 very involved.

5 People want the truth and want
6 credibility. And we want to give them the
7 truth, because we are great -- people on
8 this Council have done heroic feats to make
9 sure that what was right for Jacksonville
10 happened for Jacksonville. And so in order
11 to give our fellow councilmen credibility,
12 we need to interview these people.

13 If we stop now, it's not a complete
14 report, in my mind; it would be an interim
15 report. And if we want an interim report,
16 that's something I'll let the Committee
17 discuss, but it would not be a final report.
18 And -- because we haven't interviewed the
19 key witnesses to the -- to what happened.
20 That's my position. Thank you.

21 CHAIRMAN DIAMOND: Ms. Priestly Jackson.

22 BOARD MEMBER PRIESTLY-JACKSON: I'm not
23 going to restate what Council Member DeFoor
24 said, but I will share that I concur. And I
25 have always been of the opinion that, as we

1 get the relevant timeline, and I'm happy to
2 hear that our time frame is 2015 to 2020,
3 that we would interview or review those
4 matters in that time frame. And I don't
5 believe we have comprehensively reviewed all
6 matters in that time frame.

7 I too believe that there are certain
8 individuals that we need to have sworn
9 testimony from, and that we're at stage two
10 in that process of sending a letter to
11 request that I -- I was always reticent to
12 have interviews of sworn testimony with
13 anyone we thought was already involved with
14 the federal investigation and had counsel.
15 And I think we found out who some of those
16 individuals are.

17 But the individuals that Ms. DeFoor just
18 outlined, I concur, I concur that we have to
19 send a request for an interview and
20 opportunity to talk to them, because there
21 are pieces of this that we don't have a full
22 picture. We are charged with investigating
23 all five scenarios and how did we end up
24 with the ITN, that's our charge. And so
25 that did not happen within a year or two

1 years. That was a process that, I believe,
2 began in 2015. And so I too think that we
3 need to have the testimony, sworn testimony,
4 of those individuals who were involved with
5 the JEA and the City of Jacksonville for
6 that time frame. So I second that.

7 I was not aware that we were going to
8 not interview any others. I believe we left
9 off last time with forwarding the letter
10 requesting Ms. Burch's interview, so I'm
11 sure we'll get an update on where we are
12 with that right now. But I did not
13 anticipate that we were not going to talk to
14 other individuals that we have discussed.

15 Additionally, I appreciated that
16 Mr. Busey allowed each of the members of
17 City Council to talk with him and share
18 their concerns once he became our outside
19 counsel. I am of the opinion that, in
20 addition to the information of the members
21 of the SIC, that all Council Members are
22 afforded an opportunity to do that with a
23 preliminary review of whatever outline
24 Mr. Busey has at this point for our report.
25 We are 4, we are a Council of 19. And so I

1 think it's extremely important that an
2 opportunity is given to our colleagues for
3 an opportunity for them to have
4 conversations with Mr. Busey before we say
5 we are ready to finalize anything.

6 And those are my comments, Mr. Chairman.

7 CHAIRMAN DIAMOND: Thank you,
8 Ms. Priestly Jackson.

9 I want to get to our Council President,
10 and then I'll get to you, Councilman Salem
11 and Dennis.

12 COUNCIL PRESIDENT WILSON: Okay. Thank
13 you, Mr. Chairman.

14 I concur with my colleagues. I
15 certainly put three attorneys on this
16 Committee because I can depend on your
17 advice and your counsel. So I will defer to
18 my colleagues on this decision and support
19 the three of you.

20 I do want to make sure that Mr. Busey
21 and Jason Gabriel have a good, clear
22 understanding of which witnesses we're
23 allowed to interview and which witnesses
24 might affect the federal government's
25 investigation. So while I say I support

1 this, I want to make sure that we do not
2 interfere with the federal government's
3 investigation. So with that, I'll allow the
4 next person to speak.

5 CHAIRMAN DIAMOND: Thank you. We'll get
6 back to that to the extent that you can,
7 Mr. Busey and Mr. Gabriel. I don't want you
8 to over-share things if you've heard things,
9 but I certainly want to get guidance from
10 you on that.

11 Mr. Salem, can we unmute Mr. Salem,
12 please.

13 COUNCIL MEMBER SALEM: Thank you,
14 Mr. Chair, Members of the Committee. When
15 we --

16 CHAIRMAN DIAMOND: Ron, we can't hear
17 you.

18 COUNCIL MEMBER SALEM: Can you hear me
19 now?

20 CHAIRMAN DIAMOND: Can hear you now,
21 yeah.

22 COUNCIL MEMBER SALEM: I'm sorry. Thank
23 you Mr. Chair, Members of the Committee.

24 When we got into this in January, there
25 seemed to be two overriding issues: the PUP

1 and verifying all the issues with the PUP
2 and how this process originally got started,
3 the appointment of Aaron Zahn. And those,
4 to me, are two separate issues.

5 I have sat down with Mr. Busey, I've
6 been to his office, I've been through his
7 materials, spent almost two hours over
8 there. And my focus has always been, as
9 most of you know, is the PUP. And I got --
10 I was very impressed by the data that Mr.
11 Busey had obtained, graphs, the development
12 of the units, who was going to get what. I
13 mean, he is -- the Nixon Peabody memo.

14 I am comfortable today that we have the
15 answers to the PUP, and I feel like that can
16 be tied up very easily. These other issues,
17 I'm not the expert on, and I don't claim to
18 have all the answers there, but I think from
19 that aspect, and I feel like I know as much
20 about the PUP as anybody, that I'm pleased
21 that we could tie that portion up very
22 easily at this time because they have the
23 appropriate documents.

24 And I just wanted to say that,
25 Mr. Chair. Thank you.

1 CHAIRMAN DIAMOND: Thank you, sir.

2 Mr. Dennis, can we unmute him, please.

3 COUNCIL MEMBER DENNIS: Good morning,
4 everyone.

5 Through the Chair, I support what my
6 colleagues are saying, that we need to move
7 forward. However, I do want to caution
8 everyone or bring to everyone's attention
9 and a couple weeks ago I had Cheryl Brown to
10 forward OGC opinion by attorney to me about
11 the responsibility of legal fees. And so if
12 this Committee, with our outside legal
13 counsel, has interviewed 40 individuals,
14 we're on the hook for paying legal fees.
15 And Attorney Gabriel, Jason Gabriel, we
16 talked a few weeks ago about my concerns on,
17 you know, everyone that is a public
18 official, elected official, you know, City
19 employee, they can get a lawyer, and we
20 would have to, you know, cover their fees.

21 And so Mr. Gabriel mentioned that he may
22 be coming to us with a potential \$3 million
23 allocation or appropriation to cover legal
24 fees. So there are people out there that
25 have retained a lawyer that we're going to

1 be responsible for.

2 And I think that's an issue that this
3 Committee or the Council needs to deal with,
4 because it's coming down there. I mean,
5 that's another huge elephant in the room,
6 you know, that we're going to have to deal
7 with. So I just want to put that out there.
8 It's a big issue, so that's something we
9 need to consider. If we're talking about
10 bringing more people on and more people
11 lawyering up, we're going to be on the hook
12 for their legal fees. Thank you.

13 CHAIRMAN DIAMOND: Thank you,
14 Mr. Dennis.

15 I think Ms. Priestly Jackson jumped on
16 next.

17 BOARD MEMBER PRIESTLY-JACKSON: Thank
18 you, Mr. Chairman, a couple points I want to
19 raise.

20 I respect our colleagues' on the Council
21 opinion on the scope of the issues. I think
22 the Committee is charged with determining
23 the scope of the issues to review. So I
24 agree that we have information on the PUP.
25 But I've never been focused on the PUP. So

1 the PUP was in furtherance of the intent to
2 recapitalize JEA. So that's after, that's
3 an inducement, enticement to get those to go
4 along with it. And I don't think we have
5 all the issues relevant to the attempt to
6 recapitalize JEA.

7 Secondly, as it relates to Mr. Dennis'
8 concerns about legal fees, I share a
9 concern, but it's a bit difficult or
10 challenging to decide who is and isn't
11 having -- has an attorney right now if we
12 don't know who they are. So I am more
13 focused on those individuals we've called
14 before the Committee, and that has been a
15 very limited number, so the witnesses that
16 we have called before the Committee to offer
17 testimony. And so that part, to me, does
18 not interrupt our work going forward.

19 But I'm reviewing the charge, and the
20 charge tells us to look at the five
21 scenarios that were offered. We know that
22 one was settled. We've got to determine as
23 a Committee if that was really a legitimate
24 pursuit of five scenarios or a predetermined
25 outcome. I think some of us agree it was a

1 predetermined outcome. And I don't believe
2 we vetted all the information relative to
3 that.

4 So again, going back to our charge, the
5 review should include JEA's review of the
6 five scenarios for the future of JEA,
7 including the invitations to negotiate,
8 JEA's decisionmaking in pursuit of
9 privatization, and an imposed employee
10 incentive program known as the Performance
11 Unit Plan. Those were the three things that
12 I don't believe we have vetted those three
13 issues.

14 CHAIRMAN DIAMOND: Okay. Ms. DeFoor,
15 you were next up.

16 BOARD MEMBER DeFOOR: Thank you. You
17 know, as I look at my list of witnesses, I
18 think, you know, we could probably -- we
19 could do Brian Hughes who is an employee,
20 right, so that's not going to require a
21 subpoena. The Mayor has been very -- I
22 think, very open to us interviewing anyone
23 in his administration, so that's helpful.
24 And we can -- if we can't -- and then I
25 think we just make a request of the Tim

1 Bakers, the Kelly Flanagans.

2 Allen Howard is another one, which he
3 was very much a part of many of these
4 meetings, traveled with Aaron Zahn, because
5 we know he was negotiating after -- voted on
6 the ITN and negotiated with Pillsbury, tried
7 to get a success -- so he's another one, I
8 think, it would be worthy to speak to, to
9 see if he would be willing. So Brian Hughes
10 is an employee.

11 Mike Weinstein is another one we should
12 consider. He is an employee. He was a part
13 of the initial JEA attempt. So those two
14 are easy, I would hope.

15 And then I would make the request of:
16 "Tim Baker, will you come and speak to us;"
17 "Allen Howard, will you come speak to us;"
18 "Kelly Flanagan, will you come speak to us;"
19 "Sam Mousa, will you come speak to us?" And
20 make a decision after that if there is
21 people that -- you know, they may not, and
22 then we'll have to make a decision then, but
23 let's find out if any of these people are
24 willing to come speak to us.

25 CHAIRMAN DIAMOND: I don't have any

1 other hands up. I agree with some of the
2 things my colleagues are saying. I disagree
3 with some of them, but I think my job as
4 Chair is to bring unanimity in a Committee
5 and make sure that we're doing the right
6 thing and getting it all done collectively,
7 because, if we issue a report where there is
8 descent, I think that we would have done
9 something wrong. I don't think we will
10 satisfy what the people of Jacksonville are
11 expecting of us.

12 So let's do this: We don't actually
13 have an action item to vote on on these
14 issues, but I do think we need to get some
15 clarity from the Members of the Committee,
16 with our attorneys, and we need to issue
17 requests and figure out where we're at.

18 If it's okay with everyone else, why
19 don't we get the rest of our agenda done,
20 look at the budget issue. That's our only
21 action item, I want to make sure we vote on
22 the budget, to make sure we have money to
23 keep paying Mr. Busey, and we have all that
24 in frame. Unless anyone has any more
25 comments on this piece, let's get the status

1 of our subpoenas, status of our document
2 requests. And then we can look at extending
3 the budget.

4 Ms. Priestly Jackson.

5 BOARD MEMBER PRIESTLY-JACKSON: I want
6 us to get to the budget, but I think that
7 those issues that Ms. DeFoor and I and
8 others have raised are integral. So you
9 can't determine what our budget is going to
10 be until we determine who else we're going
11 to talk to. And then Mr. Busey will have to
12 tell us what the time looks like to vet
13 those.

14 So I know that we originally approved
15 \$1.8 million and then we authorized
16 expenditures up to 500,000. So we're
17 looking at what above the 500,000 we want to
18 spend right now. But I don't know that we
19 can say what amount above without Mr. Busey
20 perhaps giving us some additional insight if
21 we were to have the sworn testimony of Brian
22 Hughes, Allen Howard, Sam Mousa, those
23 individuals that were outlined a moment ago,
24 Tim Baker, what does Mr. Busey anticipate
25 the additional time to be to do that?

1 I just think we're putting the cart
2 before the horse if we say, This is our
3 budget. We box ourselves in, and we don't
4 have information from outside counsel and
5 what he anticipates the cost to be to talk
6 with additional witnesses.

7 CHAIRMAN DIAMOND: I'm tracking. And my
8 thought was that we just do an extension
9 today of 250,000. We can have another
10 meeting in a week if we have to to extend it
11 again. But if Mr. Busey would -- one
12 second, Mr. Busey, if you say there are ten
13 more witnesses, I have a list of ten, can
14 you provide us a -- some sensible in
15 addition that would cost? And I don't know
16 if you're prepared to do that today.

17 MR. BUSEY: It's difficult for me to do
18 that today. I had some anticipation of this
19 question arising. I hear clearly the
20 consensus of the Committee and we serve at
21 the pleasure of the Committee; we'll do
22 whatever you ask us to do.

23 I do have a sensitivity to the cost of
24 this proceeding and the time we're devoting
25 to it. There is some public criticism out

1 there about the amount of money we're
2 spending on the investigation. And I'm,
3 obviously, sensitive to it.

4 I think Paige can correct me, but I
5 think at this point through May we're
6 probably at the 6- or \$700,000 or so. You
7 appropriated 1.8 plus-million dollars. Even
8 if we were to take these additional
9 witnesses, I don't think we would exceed
10 that number. But we're talking about
11 several more months of effort. We have to
12 review the documents relevant to the
13 witnesses you all want to interview. We
14 have to prepare for those interviews in
15 order to do a professional job in
16 interviews, and we need to schedule to take
17 the time to do it. So what Jason and I had
18 recommended earlier, we thought we could
19 wind this up in August. We're probably
20 talking now about October or so. And we're
21 probably talking about several more hundred
22 thousand dollars to review those documents
23 and review those witnesses, but we can do
24 it. And I'm happy to do it if that's the
25 will of the Council.

1 I can't be more precise than that now
2 because we have to go through the relative
3 document base we have. We have to search
4 for names for these witnesses. We have to
5 recover those documents relative to those
6 witnesses and review them and prepare for
7 the examination, so there is time and effort
8 to associate with that.

9 But you all have seen what we've done so
10 far. We've uncovered a lot of information
11 so far. We have a lot of documents. And
12 I'm happy to do what you all are asking to
13 do. Next time we talk or individually, I
14 can share with you in greater precision the
15 estimated cost of this additional effort.

16 CHAIRMAN DIAMOND: Gotcha.

17 Ms. DeFoor.

18 BOARD MEMBER DeFOOR: One thing that
19 occurred to me when I saw the civil suit
20 filed on Friday was maybe a coordination
21 with the Nelson Mullins firm in an attempt
22 to reduce some of these fees. They're
23 seeking the same truth that we are. And it
24 seems to me they're going to have similar
25 witnesses that we are. And maybe there is a

1 way we can reduce fees with the coordination
2 with that firm as well.

3 MR. BUSEY: May I speak to that,
4 Mr. Chair?

5 CHAIRMAN DIAMOND: Of course.

6 MR. BUSEY: The lawsuit that was filed
7 Friday was filed by the Office of General
8 Counsel and the Nelson Mullins firm. Nelson
9 Mullins was hired by JEA, not by the City
10 but by JEA to pursue the claim against Aaron
11 Zahn.

12 Jason and I have collaborated very
13 closely about document production and
14 gathering information. Jason is directing
15 that lawsuit, and Nelson Mullins serving at
16 Jason's direction.

17 I understand Councilman DeFoor's concern
18 about duplication, but I think Jason and I
19 can accomplish that by making sure we're
20 collaborating together and not duplicating
21 the efforts of each other.

22 The action that was filed by JEA against
23 Aaron Zahn, which was in response to Aaron
24 Zahn's request for immediate arbitration,
25 was well done and it really tells -- if you

1 all read the complaint, it was 20 pages --
2 it pretty much tells the story. You can see
3 that the Office of General Counsel has
4 relied a lot on stuff we have uncovered,
5 including the Nixon Peabody memorandum, the
6 Wannemacher schedules and stuff like that
7 are all alleged in that complaint. So what
8 I'm saying in short is I think we can
9 accomplish the collaboration that
10 Councilwoman DeFoor is asking about and make
11 sure that we don't unnecessarily duplicate
12 expense.

13 BOARD MEMBER DeFOOR: To follow up on
14 that, so, yes, we may have spent, you
15 know -- first of all, when we talk about the
16 numbers, significant amount of those numbers
17 was knocking our heads against the wall
18 because we were not getting the information
19 out. We are finally getting the information
20 out now with Paul McElroy as the head of the
21 JEA, something that literally didn't happen
22 until he took over. And so there is so much
23 information that we haven't even seen yet.

24 But having said that, we spent an
25 inordinate amount of money trying to get it

1 initially. So, you know, at least, I mean,
2 the benefit of what we've done so far has
3 helped in this other lawsuit and reduced
4 what the JEA will have to incur as it
5 relates to the Aaron Zahn suit. Thank you.

6 CHAIRMAN DIAMOND: Thank you,
7 Councilwoman.

8 To the extent that some of these folks
9 are going to come before our Committee and
10 not necessarily in front of Mr. Busey and
11 his team, I would just ask to my colleagues,
12 especially the two that are lawyers, if we
13 can split these up. I usually spend an
14 entire three days getting ready for one of
15 these, and I'm happy to keep going. But if
16 we can split some of these up so one of you
17 are lead questioner, and I'm happy to
18 assist, so we can split up the pie a little
19 bit, I would certainly appreciate it as we
20 go forward, because there is some
21 substantive stuff that looks like will be
22 coming forward.

23 Okay. So Ms. Priestly Jackson.

24 BOARD MEMBER PRIESTLY-JACKSON: Two
25 points, but happy to assist, was unaware

1 that you had that sole role. That's the
2 first time I've heard there was a request or
3 a need for us to help prep for the
4 investigations or the interviews of certain
5 witnesses, happy to do that.

6 Secondly, I wanted to say that, you
7 know, to talk about 1.8 million being the
8 cap we've appropriated when we're talking
9 about a multibillion dollar transaction, to
10 me, is negligible, very candidly, if we get
11 to the truth. And I am not going to sign
12 off on a report that is a -- does a
13 disservice to the charge that we have been
14 entrusted with. So I want us to thoroughly
15 vet the items and issues that are before us.
16 And once we do that, then we will have a
17 report.

18 That's why I was a little surprised when
19 some said we have an interim report, because
20 I didn't think we were at an interim phase.
21 I thought we might have some ideas, but it's
22 important that we look at the charge.

23 And I would also advise us going
24 forward, Mr. Chairman, for our agenda, we
25 probably want to lump the agenda in --

1 organize the agenda in such a way as to
2 address the charge so it's specific as to
3 what issues and items we're looking to
4 address going forward.

5 So again, Mr. Busey can let us know what
6 he thinks are additional cost. I don't
7 particularly look forward to months and
8 months of ongoing work, but I also
9 understand that we're entrusted with getting
10 to the bottom of this and the answer. And I
11 believe most of us are willing to take
12 whatever time we need to get the witness
13 testimony and answer the questions for the
14 public.

15 CHAIRMAN DIAMOND: Okay. And I think
16 the public needs to know that our incoming
17 Council President Tommy Hazouri will also
18 have to recreate this Committee once he's
19 sworn in. We'll have to choose the
20 membership and all the rest, so we just want
21 to highlight that the Committee will have to
22 continue. And I hope my colleagues will
23 encourage him to do that so we can keep
24 going and get to the end.

25 BOARD MEMBER PRIESTLY-JACKSON:

1 Mr. Chairman, I believe Councilman Hazouri
2 has articulated that he's going to continue
3 the work of the Committee until the
4 Committee has reported and answers the
5 questions of the charge. And I think he
6 also shared with me that he doesn't have to
7 re-create everything. And Ms. Sidman can
8 say this, maybe it's a continuing -- some
9 form of a continuation document is all he
10 has to do as the chairman; is that correct,
11 Ms. Sidman?

12 MS. SIDMAN: Through the Chair to
13 Councilwoman Priestly Jackson, so he would
14 actually just do another memo that would
15 either continue or refocus or however it
16 would be under his council presidency.

17 BOARD MEMBER PRIESTLY-JACKSON: Thank
18 you.

19 CHAIRMAN DIAMOND: Thank you for that.

20 BOARD MEMBER DeFOOR: Let me jump in on
21 that. He has represented that he has every
22 intention of moving forward with this
23 Committee and keeping the same members of
24 the Committee with the exception of
25 President, you know, Wilson who will be

1 moving on, but other than that the three of
2 us, my understanding, remain.

3 And I just would like to speak to the
4 prep work for the witnesses. I have -- you
5 know, I actually sat in on some of these
6 depositions myself personally and have
7 prepared significantly on all these -- I
8 have looked at all the discovery, I have
9 prepared for every witness.

10 CHAIRMAN DIAMOND: Yeah. I should be
11 more direct. It sounded like I was implying
12 that you all weren't doing work; that wasn't
13 my implication at all. I just meant, as we
14 get witnesses actually in front of our
15 Committee, that's a -- it's a very
16 heightened level of getting ready to go,
17 because we'll have to ask questions, it has
18 to be relevant, we have to know the
19 documents and all that. So I just want to
20 split it up who the lead person would be,
21 that's all I meant. I should have been more
22 direct.

23 BOARD MEMBER DeFOOR: I think all three
24 of us were well prepared --

25 CHAIRMAN DIAMOND: I have all the faith

1 in the world that you two will correct me if
2 I get off track, so that's what I meant. So
3 thank you.

4 Why don't we go to, I think -- let me
5 just check our agenda real fast. I think
6 subpoenas are next. Yeah, so we have an
7 update from OGC on subpoenas?

8 Is that you, Ms. Sidman, or is that
9 Jason?

10 MS. SIDMAN: I think Chris Garrett, who
11 is on the line, can update on the documents
12 and subpoenas. Thank you.

13 CHAIRMAN DIAMOND: All right. Can we
14 unmute Chris, please.

15 MR. GARRETT: Good morning. With
16 respect to the subpoenas, as Mr. Gabriel
17 stated, 18 of the 20 have been served. Most
18 all of them have either responded or they've
19 at least reached out to us and gotten
20 extensions. I think the three that remain
21 are E&W, which has asked for a deadline of
22 June 18th. Due to COVID they had kind of
23 misplaced this when it came in the door.
24 And then Morgan Stanley, their current
25 deadline is June 15th that they were going

1 to provide some additional documents.
2 They've already provided some. And then JP
3 Morgan, I spoke with them just end of last
4 week, and they're actively working on
5 reviewing several thousand emails to get
6 those to us as quickly as possible.

7 CHAIRMAN DIAMOND: Do we know when those
8 will come? Because those are really
9 critical, the two investment banks.

10 MR. GARRETT: As I said, the Morgan
11 Stanley, I think, should be here June 15th.
12 As far as JP Morgan, they were hesitant to
13 put a specific date on it, but I know that
14 they're aware of this meeting today and that
15 they are working actively to get this to us.
16 They intend to do a rolling production as
17 they have them available. And we've been
18 working with them to try to -- and with
19 Smith Hulseley to narrow down the request or
20 work on search terms to find what it is that
21 we need to find.

22 CHAIRMAN DIAMOND: Did they give you a
23 sense of the scope of documents of how many
24 we're dealing with?

25 MR. GARRETT: There are, I believe,

1 about 2,000 emails that are to what we call
2 the nonJEA addresses, which is former and
3 current board members of JEA who had
4 personal email addresses, as well as
5 Mr. Zahn. So because those aren't on JEA's
6 system, those were kind of a priority item
7 that we've asked them for. And that's the
8 first wave that we should be getting.

9 CHAIRMAN DIAMOND: Sure. Okay. Thank
10 you.

11 Ms. DeFoor.

12 BOARD MEMBER DeFOOR: Yes. Can you tell
13 us, Mr. Garrett, again, the three that were
14 not served?

15 MR. GARRETT: Yes, ma'am. The two that
16 were not served were Three Degrees Group and
17 New Solutions For Business, LLC.

18 BOARD MEMBER DeFOOR: New Solutions For
19 Business, okay. Have we done any research
20 on those companies to find out who the
21 principals are?

22 MR. GARRETT: We're doing some follow-up
23 research on that. I believe that the
24 process servers in both cases went to the
25 homes of the principals when they couldn't

1 serve them at the business locations. And
2 in both cases they were -- even though they
3 kind of staked them out, they were unable to
4 get them. So it may be now that at least
5 some of the states are reopening, or things
6 are reopening, that these people may be more
7 active and more servable. So if the
8 Committee is interested, we could reissue
9 the subpoenas with a new response date and
10 send those back out.

11 BOARD MEMBER DeFOOR: I mean, do we --
12 walk me through that, is that -- I mean, do
13 they, like, expire?

14 MR. GARRETT: Well, they had a response
15 date on them --

16 BOARD MEMBER DeFOOR: I got it, okay.
17 Well, I think we should follow up, yes.

18 As a matter of fact, let me ask this
19 question of you Chairman: Do we need a
20 motion for all these, like the depositions?
21 I mean, I would like to make a motion for
22 the witnesses that I would like to be
23 reached out to and deposed.

24 CHAIRMAN DIAMOND: Let me just make sure
25 we're in proper procedural posture.

1 Ms. Sidman, I just want to make sure
2 we're properly noticed for that motion. I
3 know it seems like a silly question. I just
4 want to make sure. I want to get it
5 perfect. Ms. Sidman, does that make sense?

6 DR. BROWN: Please unmute yourself,
7 Ms. Sidman.

8 MS. SIDMAN: Sorry.

9 Through the Chair to the Committee, yes,
10 you have a noticed meeting of the SIC
11 Committee. And if that -- those are items
12 that are in front of you that you would like
13 to make a motion on, I would just ask that
14 it be very specific and clear as to the
15 individuals and subpoenas and who is going
16 to take the witness testimonies, et cetera.

17 CHAIRMAN DIAMOND: So we can do a
18 motion. What I would just recommend is that
19 we start with invitations, right, that's how
20 we've been doing this, ask people to appear
21 and, if they don't, go to the subpoena
22 level. Whatever motion you want to make,
23 you can make.

24 MR. BUSEY: Mr. Chairman, may I be
25 heard?

1 CHAIRMAN DIAMOND: Yeah, Mr. Busey.

2 MR. BUSEY: The way the witness (audio
3 distortion) so far is that we issue an
4 invitation. And if the person is responsive
5 and is willing to come and testify under
6 oath with us, then it will not require a
7 subpoena to be issued by the Rules
8 Committee. And that's a much more efficient
9 way to proceed. If the witness is not
10 willing to come voluntarily and come to our
11 office and have the deposition taken in that
12 manner, then the Committee will need to
13 request from the Rules Committee a subpoena.
14 And in that event, under the code, if the
15 Committee issues a subpoena through Rules,
16 the witness is required to appear before the
17 entire Committee and testify. And in that
18 event. Members of the Committee in a public
19 hearing would inquire of the witness.

20 It would be preferable, I think, to
21 proceed the formal way rather than the
22 latter way, but we can -- as we go along, we
23 can report whether or not people are
24 responsive to our request or not or whether
25 the Committee needs to issue a subpoena for

1 their testimony.

2 CHAIRMAN DIAMOND: And, Ms. DeFoor, I'm
3 okay, if you're okay, to just go by a
4 consensus of the Committee of all the names
5 you have given. I think if there is a
6 motion, everyone is going to agree. It's up
7 to you.

8 BOARD MEMBER DeFOOR: I'm going to do a
9 motion just because I think we need to
10 formalize it. So I'm going to make a motion
11 that we --

12 CHAIRMAN DIAMOND: Let me recognize
13 Ms. Priestly Jackson, she's waving, if you
14 don't mind.

15 BOARD MEMBER DeFOOR: You're muted.

16 BOARD MEMBER PRIESTLY-JACKSON: Before
17 you make your motion, I'm calling attention
18 back to the memo dated April 17th regarding
19 how we get the testimony. And so I think,
20 again, we need to follow that document,
21 particularly number two requires that we
22 respect -- any employees of the City of
23 Jacksonville, a request is made of the
24 supervisor. So I think that, for those
25 individuals that are employed by the City,

1 Ms. DeFoor, when you make your motion, we
2 might want to either reference the memo or
3 separate them in bunches, the ones that will
4 just get invited who don't work for the City
5 and the ones that we need to have a letter
6 similar to what we did with Ms. Burch to ask
7 to come before the Committee. That's it.

8 BOARD MEMBER DeFOOR: Thank you.

9 So my motion -- my initial motion is
10 Brian Hughes and Mike Weinstein with the
11 City of Jacksonville pursuant to the memo
12 that was described by Ms. Priestly Jackson,
13 first motion.

14 CHAIRMAN DIAMOND: All right. There is
15 a motion. Do we have a second? All those
16 in favor, raise your hand.

17 Scott, we can't see you.

18 COUNCIL PRESIDENT WILSON: I'm trying to
19 get there. Can you just mark me as a yes
20 vote?

21 CHAIRMAN DIAMOND: I can.

22 So that's four yeses on that.

23 Ms. Sidman, do you have what you need for
24 that?

25 MS. SIDMAN: So there is a motion, and

1 it's passed by four yeases to invite Brian
2 Hughes and Mike Weinstein pursuant to the
3 memo, and that would be invite them to an
4 interview in front of the Special Counsel;
5 is that correct?

6 CHAIRMAN DIAMOND: Yes.

7 Did you have another motion?

8 COUNCIL MEMBER DeFOOR: Yes. And then I
9 have a motion to invite Tim Baker, Allen
10 Howard, Kelly Flanagan, Sam Mousa to be
11 deposed by our -- Steve Busey for the
12 purpose of the SIC committee.

13 CHAIRMAN DIAMOND: Tim Baker, Allen
14 Howard, Kelly Flanagan. What was the fourth
15 one?

16 BOARD MEMBER DeFOOR: Sam Mousa.

17 CHAIRMAN DIAMOND: We have a motion. Do
18 we have a second?

19 BOARD MEMBER PRIESTLY-JACKSON: Second,
20 second.

21 CHAIRMAN DIAMOND: Any discussion?

22 BOARD MEMBER PRIESTLY-JACKSON: I do.
23 Before we finalize it, I want to just be
24 clear. I think we had some ambiguity
25 before. It was our desire, I think, at the

1 last meeting, that for the letters to
2 request the testimony of COJ employees, that
3 that was done between outside counsel and
4 general counsel, but the letter should come
5 from outside counsel, Steve Busey, not a
6 Member of the Committee. And that was -- I
7 know last time, I think, Mr. Diamond, you
8 actually signed the letter and sent it to
9 the Mayor, which to me created some
10 challenges for us.

11 So, Ms. DeFoor, if we could have that
12 added, that that's a unique role for outside
13 counsel to send those letters requesting the
14 testimony for the COJ folks, I think that --
15 if you would take that into consideration.

16 BOARD MEMBER DeFOOR: Okay.

17 CHAIRMAN DIAMOND: Okay. Logistically
18 we'll just do it that way, no sweat.

19 All right. So we have a motion and a
20 second. All those in favor, just raise your
21 hand.

22 CHAIRMAN DIAMOND: So that will be four
23 to zero.

24 You're on a role, Ms. DeFoor. Any more
25 motions?

1 BOARD MEMBER DeFOOR: I think I've
2 caused enough heartburn today; that's it.

3 CHAIRMAN DIAMOND: All right. I will go
4 buy some new Roloids.

5 Okay. So that's subpoenas.

6 Next agenda item is documents. So,
7 Mr. Busey, that's you, if you want to give
8 us an update. Also, as you're talking about
9 documents, can you please explain to folks
10 what the Ryan Wannemacher schedules are,
11 because you've referenced it twice, but I
12 think people would be kind of curious to
13 know what that means.

14 MR. BUSEY: We've addressed it in our
15 prior interim reports to the Committee, but
16 what we've uncovered in the course of the
17 production to date is that contrary to the
18 testimony that Mr. Wannemacher gave to
19 Mr. Salem and Mr. Diamond on December 16th
20 to the Committee, when he said nobody
21 considered who is going to get what under
22 the PUP, we found schedules allocating PUP
23 shares, which shows that the lion's share of
24 the PUP proceeds would go to the senior
25 leadership team. And it was contrary to the

1 testimony we heard on December 16th. And it
2 is just further evidence of the fact that
3 this was a, as Mr. Diamond has said, a
4 scheme to enrich the senior leadership team
5 in the process of the disposition of JEA.

6 CHAIRMAN DIAMOND: Have you covered
7 everything else document related for the
8 day?

9 MR. BUSEY: Yeah. I think we've
10 adequately, between Jason and I and Chris,
11 talked about all the document production so
12 far, and the outstanding request to the
13 investment bankers, which is going to be
14 material.

15 CHAIRMAN DIAMOND: Okay. That would
16 then take us to the last thing we need to
17 do, which is budget extension. We had
18 planned kind of like what the budget would
19 be for wrapping up testimony and then having
20 a drafted report by August. It doesn't look
21 like that's where we're going. So I think
22 what we need is just an extension of 250,000
23 for now and then -- if you would,
24 Ms. Priestly Jackson.

25 BOARD MEMBER PRIESTLY-JACKSON:

1 Mr. Chairman, Mr. Busey has already
2 indicated that he's probably closer to
3 600,000 now; correct? We've been averaging
4 -- right?

5 MR. BUSEY: Let me defer to Paige,
6 because I think she has the numbers more
7 accurately as to what we've accrued through
8 May.

9 MS. SIDMAN: Am I recognized?

10 CHAIRMAN DIAMOND: Yes, you are.

11 MS. SIDMAN: Through the Chair to the
12 Committee, so we have an engagement letter
13 by which Smith Hulsey & Busey give us the
14 bills on the 10th of the month. So what I
15 have in my numbers that I've shared with the
16 Committee is through the end of April. We
17 will be getting the May bill here shortly in
18 a couple of days.

19 So to date I have \$444,285. Our initial
20 engagement letter made known that the Smith
21 Hulsey & Busey firm would let us know when
22 they reach 450, which they're there and
23 we've been preparing to do that, so we are
24 ready at the direction of the Committee to
25 do an extension.

1 I did earlier on informally pole the
2 Committee about what the number would be.
3 We had suggested to go up to 750 with a
4 revisit at 700. So right now we have -- I
5 don't know when the Committee is going to be
6 extended to, but May, June, July, August, so
7 that would be four months. And again, we
8 can revisit it if the 250 number is where
9 you want to go and do another extension if
10 more legal fees are needed.

11 MR. BUSEY: May is going to be about
12 \$600,000 based on what Peggy just said.

13 CHAIRMAN DIAMOND: Ms. Priestly Jackson.

14 BOARD MEMBER PRIESTLY-JACKSON: Yeah. I
15 was onboard with the 250 when we talked
16 before, we knew that we still had the
17 witnesses and some other work. So I would
18 just propose that we make it 350, at least
19 that, because I don't want to have to come
20 back in a week, I don't want it to be that
21 time frame, so I just propose raising it by
22 another 350. That means when Mr. Busey gets
23 to 800,000, he would let us know, which is
24 almost half what was allocated.

25 CHAIRMAN DIAMOND: That's a motion. Do

1 we have a second? Or do you want to discuss
2 before we have a motion?

3 BOARD MEMBER DeFOOR: No. I'd second.

4 And I just wanted to thank Mr. Busey,
5 because, you know, let's be -- most lawyers,
6 if they knew they had a \$1.8 million budget,
7 would be seeking to fully use it. I mean,
8 so the fact that he is so conscious about
9 the fees, I really appreciate.

10 CHAIRMAN DIAMOND: Yeah. I'll also just
11 echo that. Every time we talk about cutting
12 things and all the rest, and Ms. Sidman has
13 done a lot of that work, you have been very
14 kind and very generous to the City,
15 Mr. Busey -- I do appreciate it very much --
16 as well as being very diligent; it's a
17 little scary how good you guys are
18 sometimes.

19 All right. We have a motion and a
20 second for 350. Is that enough information
21 for you, Ms. Sidman?

22 MS. SIDMAN: Yes, sir.

23 CHAIRMAN DIAMOND: All those in favor,
24 just raise your hand.

25 Scott, are you there? There we go.

1 COUNCIL PRESIDENT WILSON: Yes, sir.

2 CHAIRMAN DIAMOND: So that's all the
3 official business we have today. Do you
4 have any other comments or thoughts on this?

5 Yes, Ms. Priestly Jackson.

6 BOARD MEMBER PRIESTLY-JACKSON: Thank
7 you. I just wanted to share, Mr. Chairman,
8 that, as we transition as a Council with
9 leadership, that I am looking forward to
10 having the meetings with social distancing
11 protocols back at City Hall because it's
12 very important for the work of the Committee
13 that the public is able to come and see our
14 work.

15 One of the big issues regarding this was
16 the lack of transparency with everything
17 that happened at JEA. So the last thing I
18 know we want to do as an SIC is to not be
19 transparent, open, and available, because
20 everyone can't chime in at 8 o'clock on a
21 Monday morning on a Zoom meeting. And so
22 again, I look forward to us resuming and
23 hopefully we can have physical meetings,
24 even if a part of that is not so much new
25 information, but bringing the public up to

1 speed with the work that we have been doing
2 while we were meeting virtually on Zoom.

3 And I also want to take this opportunity
4 to thank you, Mr. Diamond. I want everybody
5 to know that you have been far out and ahead
6 of things and made yourself readily
7 available, and I appreciate that. I am
8 mindful that each of us have, what I call,
9 real jobs, and so that you have given a lot
10 of time and you have advanced and stood
11 forward representing the Committee. I just
12 want to thank you so much for that.

13 CHAIRMAN DIAMOND: I appreciate that.
14 Thank you.

15 Ms. DeFoor, and then I'll go to
16 Mr. Boylan.

17 BOARD MEMBER DeFOOR: I just wanted to
18 echo. I mean, you have been an incredible
19 chairman. And I look forward to your
20 continued leadership on this Committee. And
21 it's been -- it's not -- I'm sure everyone
22 understands it's more complicated than it
23 appears, and you make it look easy. So
24 thank you.

25 CHAIRMAN DIAMOND: I appreciate that.

1 Thank you.

2 Mr. Boylan, who is doing hard work and
3 about to fire up on his own committee in an
4 hour or so.

5 COUNCIL MEMBER BOYLAN: I only aspire to
6 be as strong a chairman as you have been on
7 this Committee, so you have done good work
8 and continue the perseverance; I appreciate
9 it very much.

10 Actually, I did have a question for
11 Mr. Busey and Mr. Gabriel. Obviously, I
12 have been working with the OGC's office a
13 great deal. I wanted to get some feedback
14 while I have the two of them available to
15 make certain that what we're doing in our
16 meeting here today is consistent and speaks
17 to the concerns and the ideas. I would love
18 to get their feedback on is there something
19 missing in what we're doing while I have
20 them available to answer that question with
21 respect to the changes to the Charter.

22 MR. BUSEY: I can speak to that from the
23 Special Counsel's perspective. We have been
24 following closely Councilman Boylan's
25 committee. I have attended meetings. I

1 intend to attend the meeting at 11 o'clock
2 this morning. I see the work they're doing.
3 I know that Peggy has drafted legislation
4 pursuant to the work of that committee. And
5 it appears to me that, to the extent that
6 part of this Committee's charge is to make
7 recommended changes in the code and in the
8 Charter, Councilman Boylan's committee is
9 largely accomplishing that. We haven't
10 gotten to that point in our Committee's work
11 yet. But I'm following it closely. I hope
12 to take advantage of the work that has been
13 done by Councilman Boylan's committee.

14 To the extent that we feel there may be
15 additional recommendation or changes that
16 are not being considered by the Committee, I
17 will communicate with Councilman Boylan
18 about that, but I think what we're going to
19 do is avoid any duplication here and take
20 advantage of his good work. So I'm onboard
21 with that and following it closely.

22 CHAIRMAN DIAMOND: Mr. Boylan.

23 COUNCIL MEMBER BOYLAN: Thank you,
24 Mr. Busey. I do appreciate that.

25 And rest assured, Councilman Diamond,

1 that in the event, at some point in time,
2 additional work needs to be done, we are
3 looking to wrap our work up before the end
4 of this term for Mr. Wilson, in terms of at
5 least getting the bill done so that we can
6 get it into the hands of the Committee for
7 consideration in July and thereafter. I
8 just wanted to make certain that there were
9 no glaring mistakes.

10 I should mention, as you may well know,
11 Council Members Priestly Jackson and DeFoor
12 are actively involved. As a matter of fact,
13 today we are taking up some of the concerns
14 that they have raised in this process. So
15 hopefully I'm trying to make -- I think
16 we're trying to work in tandem with the work
17 you're doing at the same time without
18 getting too far ahead of ourselves in that
19 process, recognizing there very well may be
20 other things that need to be incorporated
21 into the Charter once you complete your work
22 in August or September, wherever that may
23 be.

24 CHAIRMAN DIAMOND: Thank you,
25 Mr. Boylan.

1 Okay. Do we have any other business,
2 any other comments before we go?

3 Ms. Sidman.

4 MS. SIDMAN: Through the Chair, and I
5 just wanted to say this for -- I know the
6 Council knows this, but for maybe anybody in
7 the public: Once the Charter bill that
8 Council Member Boylan's committee has taken
9 up is introduced, it changes the JEA Charter
10 by the Council, and therefore has -- once
11 it's filed will have a delayed public
12 hearing, and then thereafter will have a
13 delayed period by which the Council can take
14 action.

15 And by delayed I don't mean it's going
16 to be -- it will be slowed down, but that
17 will give it enough time for any input from
18 the information that comes out at the SIC
19 committee to be introduced into that
20 separate bill, so I just want to share that
21 with you. I think the time frame we shared
22 at the last committee meeting was it would
23 come out in November of 2020, so that
24 hopefully will give enough time for
25 additional input. Thank you.

1 CHAIRMAN DIAMOND: Appreciate it.

2 And thank you, Councilman Boylan, I have
3 been following all your stuff very
4 carefully. And that bill is a whopper, that
5 took a lot of work. I think it's critical
6 work you've been doing. It's really the
7 second half of what we're doing, which is to
8 make sure these types of things don't happen
9 again. So thank you for all that.

10 I'll just close with the idea that
11 consensus on this Committee is incredibly --
12 I'll get you, Ms. Priestly Jackson, go for
13 it. It's all good. Go for it. Can't hear
14 you.

15 BOARD MEMBER PRIESTLY-JACKSON: Okay.
16 Mr. Diamond, would you announce the next
17 date of our next meeting? I think we
18 defaulted to our schedule, so that would be
19 June 22nd, I think that's our 5 o'clock, we
20 don't have any morning or afternoon. So
21 just confirm that for the public so they
22 know when we'll be meeting again.

23 CHAIRMAN DIAMOND: And I'm getting a
24 note from OGC on subpoenas.

25 Peggy, what do we need to cover there?

1 Ms. Sidman?

2 MS. SIDMAN: So through the Chair, we
3 had a dialogue when Mr. Garrett was sharing
4 with you the actions of the subpoenas. The
5 two that were unserved were the Three
6 Degrees and the New Solutions. And so my
7 question was I didn't get final direction on
8 whether we're going to go ahead and pursue
9 service of those two subpoenas with a new
10 date or not.

11 CHAIRMAN DIAMOND: Yeah. I think the
12 answer is yes. Is there a consensus? Can
13 we nod heads?

14 Yeah, there is consensus to go and
15 reserve properly if we can. If there is
16 reason service wasn't able to be affected,
17 then do we have like -- are these not
18 serviceable entities or is there an issue?

19 MS. SIDMAN: I'll let Chris Garrett
20 answer that. And I would also like to know
21 what the date is that we would like to put
22 in for that so we can get those subpoenas
23 reissued.

24 CHAIRMAN DIAMOND: Gotcha. Okay. Thank
25 you for that. Is that sufficient?

1 MS. SIDMAN: Just the date, is someone
2 going to give me a date far enough in the
3 future that we can --

4 CHAIRMAN DIAMOND: Can we do 40 days
5 out? Does that give you time to effectuate
6 service and have 30 days' response?

7 MS. SIDMAN: I would request maybe Chris
8 Garrett give us some information on that.

9 CHAIRMAN DIAMOND: I know what that
10 means. Chris, do this right wherever you
11 are. There you are.

12 MR. GARRETT: Thank you. I think 40
13 days would be a reasonable amount of time.
14 I believe, and I don't have them in front of
15 me right now, I'm having some technical
16 issues -- but I believe at least one of them
17 is in California. So some of the challenge,
18 I think, is we're going across state lines
19 to try to get this service performed by -- I
20 think now, you know, some time has passed.
21 Sending another one out there is a
22 reasonable exercise. And I think we can
23 probably find out within a week, 10 days
24 whether or not we're going to be able to
25 catch someone from these companies to be

1 able to serve them.

2 CHAIRMAN DIAMOND: All right. Is that
3 helpful, Ms. Sidman?

4 All right. So any other business before
5 we adjourn?

6 All right. Well, thank you, everyone.
7 I appreciate it. Have a good morning. Have
8 a good Monday.

9 (Meeting adjourned at 9:07 a.m.)

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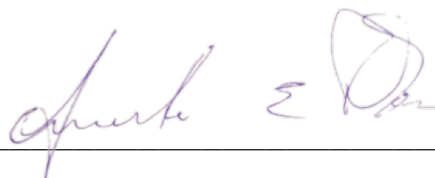
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CERTIFICATE OF REPORTER

STATE OF FLORIDA
COUNTY OF DUVAL

I, Amanda E. Robinson, Registered
Professional Reporter, do hereby certify that I
was authorized to and did report the foregoing
proceedings; and that the transcript, pages 1
through 66, is a true record of my stenographic
notes.

DATED this 22nd day of June, 2020.



Amanda E. Robinson,
Registered Professional Reporter