**Noticed Meeting City Council Roles, JEA Governance, City Council**

**Proposed Calendar of Public Hearings, Proposed Charter Revision**

**Council Member Priestly Jackson, Council Member DeFoor and Council President Scott Wilson**

Thursday, October 17, 2019 3:00 p.m. – 4:00 p.m.

City Hall, 117 W. Duval Street, 1st Floor - Committee Room B

**Attendance:** Council President Scott Wilson, Council Vice President Tommy Hazouri, Council Members Priestly Jackson, DeFoor, Boylan, White, Dennis, Carlucci, Deputy General Counsel Peggy Sideman-Legislative Affairs,  Council Auditor Kyle Billy, Kendra Mervin-ECA District 10, Dame Brooks- ECA District 14. All other attendees are listed on the attendance sign-in sheet.

**Meeting Convened:**  3:06 p.m.

**City Council Roles- Relative to JEA Pursuant to Charter of Consolidated Government of Jacksonville**

CM Brenda Priestly Jackson explained that City Council has the authority to make changes to the Charter of the Consolidated Government of the COJ, specifically in regards to the independent authority, JEA.  She emphasized the importance of City Council’s governing role relative to the recapitalization of JEA and the independent authority’s seemingly incongruent ability to utilize the procurement process to sell itself. Doing so equates to effectively writing itself out of the Charter.  Her understanding is that City Council also has the authority to determine procurement procedures and she recommended a full discussion and examination of language and any Charter provisions that empower an independent authority to sell itself through the procurement process without the approval of City Council.  CP Scott Wilson stated that fact-finding workshops will be scheduled. CM Boylan conceded that the first JEA workshop should focus on clarifying governance and the relationship between the independent authority and City Council.

CM Priestly Jackson reported that General Counsel Jason Gabriel confirmed that Council has the prerogative of introducing legislation that would address any concerns regarding the procurement process in the future; there are no time constraints.  CM Priestly Jackson further stressed the necessity for prescriptive revisions to the Charter that would address an independent authority’s power to allocate funding to engage in an activity that the public would deem inappropriate or inconsistent with the public’s welfare.

CM Boylan confirmed the public workshops would cover a range of topics including: the relationship between JEA and City Council, the history of the PFM (Public Financial Management) report to JEA, the 2018 Special Committee findings and report commissioned by former CP Anna Brosche, a follow up report by Council Auditor Kyle Billy, the 2019 JEA Audit and prospects for the future.  He stated that he also wanted to focus on water and specific state statutes pertaining to privatizing water. CM Boylan contended that the challenge would be securing subject matter experts to assist, but noted that he is working with General Counsel Gabriel, Ethics Director Carla Miller, and CP Wilson to identify experts along with the selection of the outside counsel to City Council. He will then solidify a full calendar of workshops.  The 90 minute fact finding workshops will educate City Council as well as be available to the general public (via audio files and video broadcast). CM Boylan committed to setting workshops to occur on regularly scheduled days and times that work best for broadcasting, beginning in mid-November.

CM Carlucci interjected that JEA is Jacksonville’s greatest asset and asked: *Why is Jacksonville’s greatest asset being sold by the independent authority and not us [Council on behalf of the citizens of Jacksonville]?* He also wanted to know the fiscal and infrastructural health and status of the potential buyers. CM Boylan responded that the identity of the suitors will not be a point of conversation for the workshops.  His goal is to stay focused on the pros and cons of the five different scenarios of recapitalization. If JEA presents a final proposal of sale resulting from the ITN, an assessment of the selected candidate will be necessary at that time. CM Hazouri voiced that he would prefer an analysis and assessments prior to receiving a final proposal and asked about the status of an outside attorney being hired to assist Council.  CM DeFoor requested the presence of both the Council Auditor and JEA’s auditors during the workshops. CM Boylan confirmed that they would be present. CM DeFoor also requested a copy of the engagement letter submitted by the McKinsey consulting firm.

**Proposed Calendar of Public Hearings for JEA Concerns**

CM Priestly Jackson reiterated CP Wilson’s sentiment to have the fact-finding workshops. CP Wilson explained that by hosting regular fact-finding workshops, rather than mandatory subcommittee meetings, Council Members will be able to attend as their calendars permit.  Additionally, all parties will understand that Council is in a fact-finding mode, rather than a “gotcha-caught you” position accusing anyone of wrong-doing. CM Boylan restated that the workshops will commence in November.

CM DeFoor recommended the administration of oaths for speakers presenting on the financial status of JEA, as practiced at the state level. CP Scott Wilson opposed putting anyone under oath because he does not want to deter anyone from attending the meetings and speaking openly.  CM Boylan agreed that presenters should not be put under oath during the fact-finding workshops. CM Carlucci noted the ability to put presenters under oath is permitted by the Rules Committee and precedence exists. CM Hazouri asked whether a subcommittee would be established and CP Wilson reiterated that workshops will be conducted and Council Members can attend as their calendars permit. CM Hazouri added that any conflicting information or subject matter that Council Members need verified could be directed to Council Auditor Kyle Billy.

CM Jackson expressed the need for the public to be aware and engaged in advance. She then asked CP Wilson if Council should host public engagement hearings in addition to workshops. CM Boylan agreed that Council should host public hearings to learn from the constituents and local experts. CM Hazouri noted that public hearings should be scheduled early-on, but questioned when JEA planned to hold its public meetings. The two should not conflict. CP Wilson affirmed that he was supportive of official public hearings once JEA files a bill with a recommendation. In the interim, Council will utilize the time to become fully educated.

CM DeFoor reminded attending Council Members of Florida Statute 180.301 and its requirements:***No municipality may purchase or sell a water, sewer, or wastewater reuse utility that provides service to the public for compensation, or enter into a wastewater facility privatization contract for a wastewater facility until the governing body of the municipality has held a public hearing on the purchase, sale, or wastewater facility privatization contract, and made a determination that the purchase, sale, or wastewater facility privatization contract is in the public interest****.* She also noted, per the statute, the proceeds must be used for specified purposes and Council is legally obligated to meet all criteria. CM Priestly Jackson asked Deputy Counsel Peggy Sidman to confirm whether statute 180.301 could potentially be negated in this case.

CM Dennis suggested Council Auditor Kyle Billy identify accounting firms who would operate as 3rd party entities tasked with completing an in-depth value assessment of JEA. CM White recommended Council set a minimum timeline (ex: 90 or 180 days) for public hearings to occur once a bill is introduced for Council approval to sell JEA.  This will allow enough time for the public to be involved before Council takes any action on the bill.

**Miscellaneous**

CM Wilson stated that any parties interested in being retained as outside legal counsel to City Council should submit their resumes of qualifications and any other supporting documents to Council Secretary/Director Dr. Cheryl Brown no later than October 25, 2019. General Counsel Gabriel, Carla Miller, and CP Wilson will review submissions, recommend a final selection and then file legislation for an in-and-out emergency Council vote on November 12. CM Boylan noted that he has contacted half-a-dozen firms and requested them to provide a list of subject matter experts (SMEs) that can be brought to the table. CM Hazouri inquired whether the City would be obligated to pay them. CP Wilson confirmed that the outside counsel hired to assist Council would be responsible for paying any SMEs/expert witnesses from their fees.

**Meeting Adjourned:**  3:57 p.m.

*Written minutes for this meeting represent an overview of the discussion*

*Minutes prepared by Kendra Mervin, Executive Council Assistant – District 10 and Brooks Dame , Executive Council Assistant – District 14. Contact Kendra Mervin with any questions or concerns at 904-255-5146,* *mervink@coj.net**.  The following items were submitted for public record and can be accessed by contacting the Legislative Services Division:  minutes, agenda, attendance sheets, handout, audio recording.*

BPJ/km

cc:    Council Members/Staff

    Cheryl L. Brown, Director/Council Secretary

Jessica Matthews, Chief of Legislative Services

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