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Sent: Thursday, August 20, 2020 12:12 PM
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Subject: COJ/JEA - Update to the Committee

Special Investigatory Committee Members,

This memo summarizes our activity on behalf of the Committee since our July 16 interim report.

1. Status of Document Review: SHB has reviewed in excess of 400,000 files (a file may contain thousands of documents) produced by JEA and others. In our July 16 report, we identified more than 180,000 documents JEA produced to us since July 7, including approximately 144,000 documents JEA provided to the FBI. On August 6, we received several thousand more pages of documents from Foley & Lardner. We have reviewed all of the documents provided to us to date with the exception of the documents JEA delivered to the FBI. We applied predictive coding to those 144,000 documents and have identified approximately 35,000 material documents that require closer review. We expect to complete that review next month.
2. Status of JEA's Document Production Issues: Our July 16 interim report identified several issues with JEA's document productions to date, including the redaction of documents based on overbroad trade secret assertions by JEA ITN bidders and bankers. We met with OGC at City Hall on August 6 for over an hour and resolved most of those issues. We agreed JEA will provide us all outstanding documents by the end of August, with limited exceptions.
3. Plant Vogtle Article: On August 12, the Florida Times-Union published an article (available [here](#)) describing a February 2018 memo in which Allen Maines, a lawyer with Holland & Knight (JEA's initial outside counsel for Plant Vogtle), reportedly said Mayor Lenny Curry's desire to privatize JEA influenced JEA's initiation of JEA's Plant Vogtle litigation. We requested and obtained from OGC this week the referenced email communication, and related documents. We are working with OGC regarding public records issues.
4. Document Request to JAX Chamber: Aaron Zahn and JEA helped organize the JAX Chamber Infrastructure Innovation Summit on October 5, 2018. The summit was a predicate to JEA's strategic planning and attempted recapitalization. Last week we asked Daniel Davis for documents regarding the Summit, including JEA's payments to JAX Chamber or Southern Strategy totaling \$325,000. Mr. Davis confirmed yesterday the Chamber will provide us responsive Chamber documents.

5. Interview of Brian Hughes: We interviewed Brian Hughes, Mayor Lenny Curry's Chief Administrative Officer, for nearly five hours on July 20. Mr. Hughes denied any substantial involvement in the Mayor's appointment of Mr. Zahn to the JEA Board, Mr. Zahn's selection as interim and permanent CEO, any involvement in Mr. Zahn's JEA privatization efforts, any predetermination of FPL as the successful ITN bidder, any awareness of Mr. Zahn's PUP plan prior to October 2019, or any awareness of the potential magnitude of PUP payouts in the event of a sale transaction. The transcript is posted on the Committee's website (available [here](#)).

6. Additional Sworn Witness Interviews: At its July 27 meeting, the Committee requested the Rules Committee issue subpoenas compelling sworn statements from five additional material witnesses, Messrs. Hyde, Howard, Mousa, Munz and Baker, most of whom had previously declined to be interviewed. All five have now agreed to provide voluntary, sworn statements.

- Alan Howard: We interviewed Alan Howard, former Chair of the JEA Board, for nearly seven hours yesterday. Mr. Howard provided useful insight into JEA's privatization efforts from 2017 through 2019. Mr. Howard acknowledged attending the January 24, 2018 JEA meeting at the Jacksonville International Airport (approximately 60 days after the City's December 20, 2017 RFP for financial advisors for disposition of City assets). At the meeting, among others, were Michael Weinstein, Melissa Dykes, Paul McElroy and financial advisors selected pursuant to the RFP. According to Mr. Howard, the attendees discussed the potential value to be realized, as well as the process *and timeframe* for JEA's privatization. Mr. Howard also acknowledged JEA's SLT provided the JEA Board inadequate notice and data about the PUP, and made misrepresentations and omissions regarding the basis for privatizing JEA. We have requested the transcript and will provide it to the Committee after OGC completes its exemption review.

We have scheduled the balance of the interviews for Messrs. Hyde, Mousa, Munz and Baker to be completed by September 8. We have requested each witness produce documents to us prior to his interview.

7. Interviews With Councilmembers: Since the Committee's July 27 meeting, we have completed interviews with several Councilmembers. These interviews have been helpful, and demonstrate that the Council is closely following the Committee's progress. We will continue making ourselves available to Councilmembers as requested.

8. Looking Forward:

- we intend to interview additional key players from JEA's outside professionals and consultants in the next several weeks, and have obtained JEA's waiver and consent to do so;
- we will complete the interviews of the five witnesses compelled by the Committee by mid-September;
- we should complete our review of JEA's remaining document production by mid-September; and
- we hope to have a draft Committee report by the end of October.

9. Please let me know if you have questions or suggestions. Thank you for your continued support in these efforts.

Steve

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Chairman

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