

COUNTY

Despite 'cone-of-silence' over JEA sale, top mayoral official spoke to Florida Power and Light CEO during private party at Jaguars game

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The Jaguars' season was already slipping away by the time they faced the New York Jets at TIAA Bank Field on Oct. 27, but JEA's now-abandoned efforts to sell the city-owned utility were still in play. On that day, one of the private companies competing to buy JEA, Florida Power and Light, hosted a private party in a luxury suite in the stadium.

The suite was right next door to the one leased by Jacksonville City Hall, and the doors separating the two rooms remained open during the game.

Dozens flocked to FPL's suite and all of its offerings: an open bar, a buffet stocked with steak bites and other finger foods, and the chance to score face-time with city officials, business leaders and other political heavyweights, according to attendees who spoke with the Times-Union on the condition of anonymity out of concerns they would suffer retaliation.

One of the visitors was Brian Hughes, Mayor Lenny Curry's top administrator. Several attendees said they saw Hughes speaking with FPL's CEO Eric Silagy.

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Hughes confirmed this week being in the FPL suite and that he spoke with Silagy, but he said they didn't have a substantive conversation.

However, Silagy recalled speaking with Hughes about several issues related to "economic development," but not about JEA.

A conversation between a top official for the mayor, who would play a role in

approving or denying any sale of JEA, and the leader of FPL, a powerful company considered a front runner to purchase JEA, certainly skirted a gray area.

City Hall attorneys told city officials that state law prohibited them from discussing JEA's privatization efforts with any representatives of the entities who submitted bids to purchase the utility. And while city officials and the bidders were allowed to discuss matters unrelated to JEA, city attorneys cautioned them to "consider the appearance of impropriety" before doing so.

Hughes said in a series of text messages to the Times-Union this week that he couldn't recall the specific date he visited FPL's suite but said he didn't stay longer than 10 minutes. He said if he spoke to Silagy, the conversation "would have been a minute of pleasantries, certainly nothing of substance or related to any city business."

However, an FPL spokesman said Silagy recalled having a substantive conversation with Hughes during the game.

"The discussion was not about JEA. This was more about economic development," said David Reuter, a vice president and chief communications officer for FPL's parent company, NextEra Energy. "They talked about the state of the city, FPL's investments in solar, and some of the work the company has been doing with economic development."

In a written statement issued by a city spokeswoman, Curry said he wasn't aware that Hughes visited FPL's suite or spoke with Silagy. He wouldn't say whether the conversation concerned him but that he was assured that none of his staffers discussed privatization with any bidders.

Curry said in the statement he didn't visit FPL's suite and doesn't recall seeing Silagy in any suite he's visited this season, including the box of Jaguars owner Shad Khan. Curry said he recalled passing Silagy in the hallway during one game, but they didn't speak beyond "exchanging a mere, 'hello.'"

Silagy said he doesn't recall speaking with Curry at any Jaguars games this year. At the time of the game, JEA was evaluating the 16 bids it received from private companies interested in buying the utility, including FPL's parent company, NextEra. After JEA aborted its privatization efforts on Dec. 24, the city's ethics office released records showing that NextEra submitted the highest offer for JEA.

Although the controversies that would ultimately doom the privatization efforts

hadn't yet surfaced by the Oct. 27 game, council members had already begun questioning JEA officials' rationale for exploring a sale of the utility and criticizing their highly secretive process they were using.

Council members, already frustrated that JEA decided to explore selling the utility without their input, expressed outrage in September when city attorneys advised them they were under a "cone of silence" that prohibited them from discussing many details about a potential sale of JEA with constituents, the media and each other during public meetings until JEA decided whether to award a deal to one of the bidders.

The cone-of-silence restrictions derive from state laws designed to prevent bidders seeking government contracts from gaining an unfair advantage by trying to influence officials who would decide which bidder receives a contract.

General Counsel Jason Gabriel published a memo on Sept. 24 offering advice for complying with the cone-of-silence rules, which applied to council members, Curry and members of Curry's administration. The memo said city officials were prohibited from discussing privatization with bidders trying to buy JEA, but other conversations weren't prohibited.

"However, Council should consider appearances of impropriety when engaging in any permissible communications with Vendors/Respondents," Gabriel wrote.

Despite that advice, FPL rented a luxury suite directly next to City Hall's suite on Oct. 27. Reuter, the FPL spokesman, said the company rented a suite during another game later in the season.

Reuter said the Oct. 27 party was an opportunity for company officials to interact with customers and business partners in the Northeast Florida area, although the party also attracted city officials and local politicians.

Among the attendees: Tim Baker, Curry's top political strategist and consultant who has attended several private meetings with JEA executives to offer advice on privatization; Susie Wiles, a political consultant who worked on Curry's 2015 election campaign; and Paul Harden, a local lobbyist whose clients include FPL and the Jaguars.

Baker, who has said he hasn't been paid by JEA or any other company related to JEA's privatization effort, said he didn't discuss anything related to JEA while he attended FPL's party.

When Wiles was asked whether she was working for FPL, she said she doesn't reveal the identities of her clients.