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JEA's former leadership team all terminated

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The JEA leadership team that served under ousted CEO Aaron Zahn have all been terminated, with interim CEO Paul McElroy saying their involvement in the controversial performance unit plan made their continued employment untenable.

"I have concluded you as individuals and as a group have lost the confidence of management, employees, City Council, the media and the community," McElroy said, according to a statement released by JEA.

The plan would have seen senior executives receive a windfall if the utility had been sold to a private operator; the employees would have been allowed to buy "shares" in the municipal-owned utility for \$10 each, with the value skyrocketing to \$3,000 a share if JEA was sold for billions of dollars, Zahn testified during an Office of General Counsel investigation.

"Individually or collectively, real or perceived, you have been complicit or implicitly involved with or simply a direct beneficiary of the ITN or Performance Unit Plan," McElroy said. "Over the last number of weeks I have reviewed testimony and spoke with many people about the ITN and the Performance Unit Plan; nothing I've read or heard clarifies your role, real or perceived, in a positive light."

The terminated executives include:

- General Manager of Energy Systems Caren Anders
- General Manager of Water and Wastewater Systems Deryle Calhoun
- Chief Information Officer Shawn Eads
- Chief Human Resource Officer Jon Kendrick
- Chief Supply Chain Officer John McCarthy
- Chief Energy and Waste/Wastewater Planning Officer Steve McInall
- Chief Environmental Officer Paul Steinbrecher
- Chief Customer Officer Kerri Stewart

The employees are being terminated without cause. They will receive 20 weeks of compensation and health benefits, the utility said.



JEA

JEA presentation to rating agencies, April 2020

Most of the team has been replaced on an interim basis by current JEA employees. Two retired employees — Bruce Dugan and Brian Roche — returned on an interim basis as chief customer officer and chief financial officer, respectively.

Joe Orfano, who has been serving as interim CFO, will continue working with the utility's treasury team.

The decision to put the team on administrative leave eliminates the remainder of the team that helped to execute the ITN process.

Former interim CEO Melissa Dykes was terminated without cause last month, after an entirely new Board of Directors came on. The former board exited the utility en masse following the unraveling of the PUP plan.

Various other executives were terminated following the termination of former CEO Aaron Zahn, who is now being sued by the utility.