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LOCAL

# JEA CEO speaks out on potential sale controversy

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19	20	
	RFP (REQUEST FOR PROPOSAL) INITIATED	MICHAEL MACE (REPORT) VISITS J
26	27	

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JACKSONVILLE, Fla. -- Since the airing of a [First Coast News investigation](#) into who was involved, and for how long, in the potential sale of JEA First Coast News has not received any response from the mayor's office. However, on Tuesday Paul McElroy, the CEO of JEA, spoke out about the controversial issue.



McElroy answered questions following a combined nearly five hours of meetings with the JEA board.

He denied any deep involvement by the mayor's office to push for a JEA sale, other than "discussion" with the administration in early January in regard to hiring an expert to place a valuation on JEA.

When asked about who was behind the JEA sale, McElroy said the suggestion solely came from ex-board chair Tom Petway.

"In terms of pullings strings and behind this, those are words that aren't in my vocabulary, when chairman Petway raised this issue at our meeting [Alan Howard] and I discussed it and we met with the administration," McElroy said.

In regard to meetings between JEA leadership and the mayor's office with a banking investment team from the Moelis firm, he said that was to discuss privatization of JEA but that "it went nowhere." He said he didn't know any details about Moelis' meeting at City Hall.

"I think Moelis has a relationship at the level of one of their founders that might have made a call in to say, 'can we have a conversation now that this is teed up', and early in the process they had a conversation with us and then probably the mayor's office as well."

In regard to the JEA access badge that was recently issued to the mayor's chief financial officer Mike Weinstein, McElroy says access badges are issued to many individuals for various reasons. He says Weinstein's meetings with PFM and the JEA CFO are "perfectly appropriate".

McElroy acknowledged other meetings between the mayor's CFO, JEA and PFM but said he only stopped in to say "hello."

JEA Board Chair Alan Howard echoed his answers, telling First Coast News that he has no knowledge of the mayor's office pushing for the sale of JEA. Although he admits to meeting with Weinstein and the mayor's Chief of Staff, Brian Hughes, Howard says they were not pushing an agenda about JEA.



On Tuesday, the JEA board held its first workshop to discuss the subject of privatization. Toward the end of the workshop one board member suggested meeting further with PFM, the company JEA hired to find their valuation. Howard and McElroy agree any meetings with PFM should be made public. When asked why PFM met privately with JEA leadership so many times in the past, McElroy said it was to discuss the data for the PFM report.

