

COUNTY

JEA: CEO Aaron Zahn talked about hiring Mayor Curry adviser as consultant for utility sales talks

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Editor's note: *This story was updated to correct the status of Sam Mousa's \$120,000 consulting contract with the city. The contract ended Dec. 31. The original story indicated the contract was current.*

JEA CEO Aaron Zahn wanted to hire Tim Baker, one of Mayor Lenny Curry's top political strategists, to help with the city-owned utility's now-canceled efforts to sell itself to a private operator, according to a statement released Friday by a JEA administrator.

That interest came about a year after Baker attended meetings between at least two City Council members and a Florida Power & Light lobbyist. FPL was later one of the companies in the running to buy JEA.

JEA Chief Administrative Officer Herschel Vinyard said in a statement Friday to the Times-Union that JEA did not end up hiring Baker for the "invitation to negotiate" process and Zahn later told his senior leadership team that JEA was not paying in any way for Baker's services.

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Baker was a top strategist for Curry's winning campaigns for mayor in 2015 and 2019. Baker also has worked on campaigns for several City Council members.

Baker said he is unaware of any conversations between Zahn and Vinyard or other senior JEA executives about Zahn wanting to hire Baker as a consultant.

"I did have a discussion with Aaron Zahn about ways we could work together, and we were both of the mutual decision that wasn't something we were going to pursue," Baker said. "I

never worked for JEA.”

JEA disclosed in early January that Baker was at a “handful of meetings” with JEA officials pertaining to the invitation to negotiate process. Baker previously confirmed those meetings. Both JEA and Baker said he did not receive any pay for those meetings, which Baker said he went to in his capacity as a political consultant.

The statement issued Friday by Vinyard showed that while Baker was not paid, Zahn did have an interest at one point in bringing Baker on board in a paid role.

“Aaron spoke of hiring Tim Baker as a consultant,” Vinyard said in a statement responding to questions from the Times-Union. “He wanted to hire Mr. Baker through one of the law firms associated with the ITN process.

“He was told that no consultants could be engaged via any of these contracts – engaging third party consultants through a law firm’s contract requires approval by both JEA and OGC,” Vinyard said, referring to the city’s Office of General Counsel.

“Approval was not granted and when asked by members of the senior leadership team directly, Aaron said that JEA was not paying Mr. Baker — directly or indirectly,” Vinyard said.

Although Baker has said he hasn’t been paid by JEA or any of the entities that submitted bids to purchase the utility, the Times-Union has over the last few weeks revealed he was involved in providing guidance to JEA during its pursuit of privatization, as well as previously on behalf of FPL, a bidder considered to be the front runner to buy JEA.

When JEA officials first explored privatization in 2018, Baker was at meetings where an FPL lobbyist met with Jacksonville City Council members.

Then Councilman Bill Gulliford said that Baker set up a meeting with an FPL lobbyist, whose name he couldn’t remember. He said they met at a coffee shop. Baker attended the meeting, as did local political consultant Susie Wiles.

He said Wiles and Baker didn’t say whether they were working for FPL, although it “was certainly what I was assuming.”

“I wasn’t privy to what arrangement they had, but usually, when someone sets up a meeting, it’s not because they’re doing it for the community. I suspected there was obviously some relationship there,” he said.

Gulliford, who has openly expressed support for privatizing JEA, said the meeting primarily served as an opportunity for introductions.

“They weren’t pitching anything. It was simply introductory. We didn’t talk anything specifically about it,” Gulliford said. “It was obvious they were not introducing me to these folks for no apparent reason, realistically.”

Baker said he attended “one or two meetings” where a FPL representative and lobbyist were in attendance with a council member, but he didn’t set up the meetings.

“I’ve never arranged any meetings like that,” he said.

He said he is a “staunch believer as a private citizen of Duval County that JEA is broken and the business model holds this community back. I’m a strong believer that where privatization makes sense, it should be looked at. I’ve never been a paid advocate for any of those things,” he said.

“To me, my interest as a citizen is something has to change at JEA,” he said. “Where I can add my political perspective and people think that’s valuable, I’m willing to do that.”

Then-Councilman Matt Schellenberg said Baker also invited him to meet with an FPL lobbyist at Baker’s downtown office, where they spoke for roughly a half hour about the “broad strokes” of privatization. Schellenberg, who was also openly supportive of privatizing JEA, said he never asked Baker if he was working for FPL, although the meeting certainly left him with that impression.

“I felt like he was representing FPL in regards to their involvement in investigating the purchase of JEA,” Schellenberg said.

Baker was also one of the attendees, along with Curry’s current chief administrative officer Brian Hughes, at an FPL party at a Jaguars game on Oct. 27 in the suite adjoining the one used by the City Council. The door between the two boxes was open. FPL’s CEO Eric Silagy was at the party and seen talking to Hughes.

Baker said he didn’t discuss anything related to JEA during the party. Hughes said he didn’t have a substantive conversation with Silagy. However, Silagy said the two spoke about issues related to “economic development” but not about JEA.

Baker is a political consultant who helped Curry win election, as well as other candidates in local and state races. Baker was part of the city’s successful half-cent sales tax referendum for

pension reform in 2016, and if City Council had backed a JEA sale, that decision would have gone before a voter referendum where Baker would have been a sought-after consultant.

Baker has done work for some of the city's independent authorities, but said he hasn't been paid by JEA. He also has been lobbying on behalf of entities seeking business or approval from City Hall.

Baker recently started a consulting firm with Sam Mousa, Curry's former top administrator. Mousa had a \$120,000 contract with the city to assist Curry's administration. The contract ended Dec. 31.

Mousa has previously said he wouldn't say if he's working for any of the entities that tried to buy JEA.

This is a developing story. Check back with jacksonville.com for updates.

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.