

General Notes – M. Munz
7-10-19

JEA Planning meeting

There are generally 4 tracks/teams for the group to deal with today:

1. Deal Team
2. Comms Team (comms needs to be made aware of the work product of the other various teams)
3. Engagement Team
4. Team to discuss how we align the issues related to what will be discussed on July 23rd and the sequence of events

Need to discuss how we manage Aaron's schedule and also board members who can be on the road show.

We will need to make sure we are clearly defining what we are doing and what the ITN – key terms and definitions are being worked on by the legal and finance team

During the board meeting – they will be reminded that they received information on SQ 1; SQ2 and now they are being presented with the third option

We need to think through the options and optics of the day – prior to board meeting there will be SLT meetings; union meetings (due to collective bargaining) - after the board meeting we will have to prepare a letter from April (April is going to be a key messenger in this) – and a video that she will record right after the board meeting. Her message in both the video and the letter will reflect the outcome of the board discussion and action. We will need to have three scenarios ready – the board goes with SQ1, SQ2 or the presentation as put forth by management to the board on the 23rd.

Our comms protocol needs to be discussed – who is calling who right after the board meeting. Comms needs to prioritize the community groups (Chamber, Civic Council, City Council, etc) who calls who and what is said to each.

Will need to define the various benefits to employees – which is starting to take shape – including what we will call “retention and protection program.” This will how we reference any and all employee related programs in the go-forward scenario (3).

We need to define:

- Retention and Protection Program
- Ratepayer benefits
- Employment agreements
- Environmental values

- Discussions revolved around looking to guarantee to provide that City of Jacksonville (and possibly school system) will both be 100% renewable by 2035 year. They will also have an alternative water supply by 2035.
- Keeps a downtown HQ which is a community asset
- Things to consider
 - Who are the largest customers who will complain?
 - How will the military react?
As we do this – what will the economic impact be overall – jobs created – public infrastructure invested in that otherwise would not be and how much money is actually going to go back into the pockets of people (ratepayers)
- We will need to consider call center talking points

We decided that Aaron can't be the only voice – he is the CEO and needs to lead – but we need the board chair to be a key messenger and also talk about other community leaders who can help sell this

Timing of information flow is also going to be important

Some groups we are most concerned about: (not in any specific order)

- Press
 - Local
 - Trade – national
 - Political – statewide blogs, etc.
- City Council
- Mayor's office
- Other elected officials – state and federal
- Bond Rating agencies – publications who cover same
- Cocktail circuit (what I call the thousand friends of Jacksonville)
- Business Community
- Non-profit leaders
- Religious leaders
- General Political leaders

A quote that came out during conversation that I thought was interesting: “We can create multiple record levels of value by being in a different structure than we can in the current structure – why would we not unlock that value.”

We will need to create a community conversation to show the value - we need to work with local businesses who will benefit from this to get them engaged. Letters to editor; emails to City Council, etc.

“A fundamental shift in the market has changed in the last decade to give us this opportunity.”

In the last 7 years – Melissa has consistently raised these issues – so we have a record of her bringing these issues to the forefront and we need to use that in our talking points. This should not be a surprise if you were listening. Melissa has been saying things are bad – she has credibility both inside the organization and outside.

Something we need to think about – is we need to reconcile the past mistakes – we learned today that one of the former CEO's actually took out debt to cover payroll because JEA had no cash.

A goal we need to set – take the fear out of the path that the board decides to take

We need to pay close attention to the point that specific pension legislation is going to be filed right-a-way – I am getting a copy of it. We will need to draft talking points to go along with this. It will be introduced by the Council President at the request of the mayor. All talking points must be coordinated with Mayor's office.

We need to define: re-capitalization – that is what the board will actually be voting on – that is the go forward path.

I continue to point out that any changes to benefit for employees beyond the benefits that are required to be collectively bargained is going to not be well received by anyone.

We need to develop a series of actions that will take place on 7.22 and 7.23.

Once the ITN is developed – we will create a comms roadmap – we need to start to think about the various scenarios that the board may adopt and put before the City Council – which may eventually make their way to the voters depending on the decision made by Board, City Council and Mayor's office.

Our biggest challenge is that the CEO gets in front of the board – if in planning and working with the various lawyers, bankers, etc – board action must take place before any real work is done to advance a change in how JEA operates. I am very concerned the timing and sequencing of events is not going to follow process. Have expressed that in various conversations and meeting