

LOCAL

'Unwarranted and unfounded': State attorney knocks down complaints against JEA board

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State Attorney Melissa Nelson determined JEA board members did not violate state Sunshine Law during the period when the CEO post abruptly shifted from Jay Stowe to Vickie Cavey in April.

City Inspector General Matthew Lascell asked Nelson in October to decide if a [report by his office](#) showed JEA board members broke the Sunshine Law's requirements when they talked privately with each other during that CEO transition process.

Nelson's office emphatically cleared the board members on Friday, calling allegations of Sunshine Law violations "unwarranted and unfounded" because the conversations were about matters that would not come up for action by the board.

The state attorney's 12-page report said the inspector general has the power to refer cases to the state attorney for potential prosecution. But in the case of the inspector general's report on JEA board members, "there is no objectively reasonable suspicion of criminal activity in this matter."

"In this referral, the allegations were without merit and no referral should have been made," the State Attorney review said.

Stowe's decision to step down as CEO caught many utility employees and city leaders by surprise, but he had faced criticism from some board members. The Office of Inspector General's investigation, prompted by a complaint by an unidentified JEA employee, delved into whether board members were communicating privately with each other about CEO-related matters that would come up for board action.

JEA board met in emergency session in April for CEO vote

The inspector general's report found that JEA board member Bobby Stein, who was board chairman at the time, and incoming board Chairman Joe DiSalvo had a phone conversation on April 10 when they "briefly discussed" that the board needed to call an emergency meeting for announcing Stowe's resignation and naming an interim CEO.

The state attorney's review said that phone call did not violate the Sunshine Law because Stowe's decision to resign was "not itself a matter that requires board action." The state attorney's report said the rest of the conversation was about administrative procedures and board chairman duties, which are the kinds of discussions that don't violate open meeting law.

Stein also talked to fellow board member John Baker in April. Stein told Baker that Stowe had submitted his resignation, and Stein asked Baker to contact Stowe for more information about it, according to the Inspector General's report.

The state attorney review said that as was the case for the conversation between Stein and DiSalvo, Stein informing Baker about Stowe's decision to resign did not violate open meeting law because board action would not be required on the resignation itself.

The third conversation between board members identified in the inspector general's report occurred at a lunch when then-board member Marty Lanahan told Baker she was frustrated with Stowe's job performance and she was mulling resignation from

the board. Baker "encouraged her to meet with Stowe" about her concerns, the inspector general report said.

The state attorney's review said a board member's resignation does not require any action by the board so the Sunshine Law doesn't apply to that conversation.

"Moreover, the substance of the conversation concerned Lanahan's frustration with Stowe's performance," the review said. "Expressing frustration in this manner is not a violation of the Sunshine Law."

The state attorney's review said the inspector general interviewed all the board members and based on those interviews, none of the board members said he or she had any conversations with another board member about hiring Cavey before the April 15 meeting "and there is no evidence any board member was untruthful."

Meeting at Southern Grounds didn't violate Sunshine Law

The review also examined a meeting described in the inspector general report between Stein and two JEA administrators — Kurt Wilson and Laura Schepis — [at Southern Grounds in Avondale](#) on April 4.

An unnamed JEA employee who met with the inspector general investigators told them that Stein assigned Wilson and Schepis the tasks of informing other board members about Stowe's resignation, organizing a severance package for him and drafting a three-year employment offer for Cavey to become CEO.

The state attorney review said Stein did meet with Schepis and Wilson at Southern Grounds to talk about Stowe's resignation, but Stein denied telling any employee to draft an employment offer for Cavey. Stein said he did not know such an employment offer existed before the April 15 meeting and he also did not know any details of Stowe's severance package before that meeting.

The utility's human resources department had prepared a draft employment agreement before the April 15 meeting that showed a three-year term for Cavey to serve as CEO.

Baker said in his interview with the Inspector General's Office that while he was driving to that emergency meeting, JEA's chief legal counsel called to tell him she had drafted an employment offer for Cavey to become the interim CEO, according to a summary in the state attorney's review.

Cavey has said she never saw the draft employment agreement, and it didn't come up during the April 15 meeting.

The review by Nelson's office of the Southern Grounds meeting found that a discussion of Stowe resigning wouldn't be covered by Sunshine Law.

The review also said even if the conversation occurred exactly as the complainant described, Stein could task Wilson and Schepis to inform other board members about Stowe's resignation, put together a severance package for Stowe and draft a three-year employment offer for Cavey without convening a publicly noticed meeting.

"None of these delegated activities are violations of the Sunshine Law," the report said.

Schepis no longer works at JEA. Wilson serves as Cavey's chief of staff.

JEA employee initiated the inspector general investigation

The review by Nelson's office also examined a conversation between Stein and former JEA board member Mike Hightower that wasn't mentioned in the public report released in October by Lascell. Stein talked to Hightower before the April 15 emergency meeting, but because Hightower no longer was a member of the JEA board, the Sunshine Law did not apply, the review said.

Hightower spoke during the public comment portion of the meeting and urged the board to hire Cavey as CEO.

The Office of Inspector General opened its investigation after an unnamed JEA employee met with the office's investigators in May and alleged that JEA board

members met or spoke with each other leading up to the April 15 meeting.

The State Attorney's Office knows the identity of the complainant but did not disclose that because the complainant declined to waive the confidentiality provided by the Inspector General, the review said.

"Considering the complainant's identity, the substance of the written complaint, alleged supporting documentation and the complete absence of corroborating or supporting evidence found by OIG (Office of Inspector General), there is no objectively reasonable suspicion of criminal activity in this matter," the State Attorney review concluded.

The review also said that while there is no evidence of Sunshine Law violations, even if there were violations, the JEA board met in publicly-noticed meetings on April 15 to hire Cavey as interim CEO on a 5-1 vote and [then decided Sept. 24 to lift "interim" from her title](#) on a 5-2 vote. Board members engaged in discussion at both of those videotaped meetings that offered public comments.

The state attorney's review said the formal action at those meetings cured any purported violations.

JEA says state attorney review vindicates board members

Cavey said the "thorough investigation" by the State Attorney's Office shows JEA board members complied with Sunshine Law.

Did JEA board violate Sunshine Law?: [Inspector general asks state attorney to decide](#)

"The baseless allegations by a former employee cast a shadow over the good work our board and more than 2,200 employees do each and every day delivering foundational services to Northeast Florida," she said in a statement. "Maintaining the trust of our community is of utmost importance and this report could not have provided a clearer vindication."

DiSalvo said the state attorney's findings "reinforce the fact that each member on the JEA board of directors fully embrace transparency and Sunshine Law compliance and our commitment to remain above reproach when it comes to ethics and integrity."

This story has been updated to add a gallery.