



**Agenda Package**  
**Executive Search**  
**Committee Meeting**

**February 18, 2016**  
**10:00 AM**

**Executive Search Committee**

Bill Conrad, Newberry – Chairman  
Barbara Quiñones, Homestead – Vice Chairman  
Larry Mattern, Kissimmee – Treasurer  
Lynne Tejeda, Key West – Secretary  
Howard McKinnon, Havana, Executive Committee Chairman  
Allen Putnam, Jacksonville Beach  
Robert Page, Green Cove Springs  
Mike Poucher, Ocala

Executive Sponsor – Nicholas Guarriello

**Meeting Held 10:00 a.m.**  
**Thursday, February 18, 2016**  
**Florida Municipal Power Agency**  
**8553 Commodity Circle**  
**Orlando, Florida 32819**



Florida Municipal Power Agency

Nicholas P. Guarriello  
General Manager and CEO

## MEMORANDUM

**TO:** FMPA Executive Search Committee  
**FROM:** Nicholas P. Guarriello  
**DATE:** February 15, 2016  
**RE:** FMPA's Executive Search Committee Telephonic Meeting  
Thursday, February 18, 2016 – 10:00 a.m.  
**PLACE:** Florida Municipal Power Agency, 8553 Commodity Circle, Orlando, FL  
32819

Chairman Bill Conrad, Presiding

### **DIAL-IN INFORMATION:**

**Toll Free 866-411-8247, Local 321-239-1100 – ACCESS CODE 91583#**  
**(If you have trouble connecting via phone please call 407-355-7767)**

### **AGENDA**

- 1. Call to Order, Roll Call, Declaration of Quorum**
- 2. Recognition of Guests**
- 3. Set Agenda (by vote)**
- 4. Consent Agenda**
  - a. Approval of Minutes – Telephonic Meeting Held February 11, 2016**
- 5. Discuss Leadership Needs Assessment Information from the December 16, 2015 Facilitated Meeting with Representatives of FMPA's Board of Directors to Establish the Criteria for its Next General Manager and CEO**
- 6. Member Comments**
- 7. Adjournment**

NPG/su

One or more participants in the above referenced public meeting may participate by telephone. At the above location there will be a speaker telephone so that any interested person can attend this public meeting and be fully informed of the discussions taking place either in person or by telephone communication. If anyone chooses to appeal any decision that may be made at this public meeting, such person will need a record of the proceedings and should accordingly ensure that a verbatim record of the proceedings is made, which includes the oral statements and evidence upon which such appeal is based. This public meeting may be continued to a date and time certain, which will be announced at the meeting. Any person requiring a special accommodation to participate in this public meeting because of a disability, should contact FMPA at (407) 355-7767 or 1-(888)-774-7606, at least two (2) business days in advance to make appropriate arrangements.

CLERKS DULY NOTIFIED.....February 5, 2016  
AGENDA MATERIALS SENT TO MEMBERS .....February 5, 2016

**MINUTES**  
**FMPA TELEPHONIC EXECUTIVE SEARCH COMMITTEE MEETING**  
**FLORIDA MUNICIPAL POWER AGENCY**  
**8553 COMMODITY CIRCLE**  
**ORLANDO, FLORIDA**  
**THURSDAY, FEBRUARY 11, 2016**  
**2:00 P.M.**

**MEMBERS** Bill Conrad, Newberry, Chairman  
**PRESENT** Barbara Quiñones, Homestead, Vice Chair\*  
**VIA** Lynne Tejeda, Key West, Secretary  
**TELEPHONE** Larry Mattern, Kissimmee, Treasurer\*\*  
Howard McKinnon, Havana, Executive Committee Chairman  
Bob Page, Green Cove Springs  
Allen Putnam, Jacksonville Beach  
Mike Poucher, Ocala

\*joined the meeting at 2:26 p.m. after the Consent Agenda  
\*\*joined the meeting after Roll Call

**OTHERS** David Anderson, Ocala  
**PRESENT** Jim O'Connor, Vero Beach  
**VIA**  
**TELEPHONE**

**STAFF** Nick Guarriello, General Manager and CEO  
**PRESENT** Fred Bryant, General Counsel (via telephone)  
Sue Utley, Executive Asst./Asst. Secy. to the Board  
Sharon Adams, Human Resources/Administrative Services Manager

**ITEM 1 – CALL TO ORDER, ROLL CALL AND DECLARATION OF QUORUM**

Chairman Bill Conrad, Newberry, called the telephonic Executive Search Committee meeting to order at 2:02 p.m. on Thursday, February 11, 2016, via teleconference with staff participating in the Executive Conference Room at Florida Municipal Power Agency, 8553 Commodity Circle, Orlando, Florida. A speaker phone was present for public attendance. The roll was taken and a quorum was declared with 7 members present via telephone

**ITEM 2 – RECOGNITION OF GUESTS**

None

**ITEM 3 – SET AGENDA**

Chairman Bill Conrad requested an addition to the agenda. Add Item 5b – Set the Date for the Next Meeting of the Executive Search Committee.

**MOTION:** Howard McKinnon, Havana, moved to set the agenda as amended. Allen Putnam, Jacksonville Beach, seconded the motion. Motion carried 7-0.

**ITEM 4 – CONSENT AGENDA**

a. Approval of Minutes – Telephonic Meeting Held January 14, 2016

**MOTION:** Lynne Tejeda, Key West, moved approval of the Consent Agenda. Larry Mattern, Kissimmee, seconded the motion. Motion carried 7-0.

**ITEM 5 – ACTION ITEMS**

**a. Consider and Approve Contract with Mycoff, Fry & Prouse, LLC for Executive Search**

Discussions ensued. Questions and concerns about the executive search process were addressed.

**MOTION:** Lynne, Tejeda, Key West, moved approval of the consulting services agreement between Florida Municipal Power Agency and Mycoff, Fry & Prouse, LLC dated February 11, 2016. Howard McKinnon, Havana, seconded the motion. Motion carried 8-0 (Barbara Quiñones, Homestead, Vice Chair joined the call bringing the total Members present to 8 of 8).

**b. Set the Date for the Next Meeting of the Executive Search Committee**

Discussion ensued about the date and time for the next meeting of the Executive Search Committee.

**MOTION:** Larry Mattern, Kissimmee, moved approval of February 18, 2016 at 10:00 a.m. for the next Executive Search Committee meeting. Lynne Tejeda, Key West, seconded the motion.

Discussion ensued about this meeting being held in person or via telephone. Some members said they would attend in person. Others who travel the farthest said they would attend via telephone.

The motion was called and carried 8-0.

Fred Bryant, General Counsel, updated the Executive Search Committee on the refunding/refinance for the ARP Series 2016A bonds.

**ITEM 5 – Member Comments**

None.

**ITEM 6 – ADJOURNMENT**

There being no further business, the Executive Search Committee adjourned at 2:35 p.m.

\_\_\_\_\_  
Bill Conrad  
Chairman, Board of Directors

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Lynne Tejada  
Secretary

Approved: \_\_\_\_\_

Seal

BC/LT/su



**AGENDA PACKAGE MEMORANDUM**

TO: Executive Search Committee  
 FROM: Bill Conrad, FMPA Chairman  
 DATE: February 18, 2016  
 ITEM: 5 – Discuss Leadership Needs Assessment Information form the December 16, 2015 Facilitated Meeting with Representatives of FMPA’s Board of Directors to Establish the Criteria for its Next General Manager and CEO.

Strategic Relevance **FMPA’s Relevant Strategic Goals**

1. Have highly effective, qualified leadership and staff

**Policy Decisions/Implications**

- Achieve consensus of Leadership Needs Assessment and desired qualifications for FMPA’s next General Manager and CEO

Introduction

- The Executive Search Committee members are; Bill Conrad , Larry Mattern , Howard McKinnon , Bob Page , Allen Putnam , Lynne Tejada , Barbara Quinones , and Mike Poucher.
- On January 14, 2016 the Executive Search Committee met to review and rank Executive Search consultants proposals. The short-list ranking of executive search consultants are as follows: 1) Mycoff, Fry & Prouse LLC, 2) Russell Reynolds Associates, and 3) Little & Associates, Inc.
- On Jan. 21, 2016, The Board of Directors approved the Executive Search Committee’s short-list ranking. They authorized the Executive Search Committee to undertake to negotiate with the first-ranked consultant a contract for a scope of services at a level of compensation that the Executive Search Committee determines is fair, competitive and reasonable. If the Committee cannot reach a mutually acceptable agreement with the top-ranked consultant, the Committee can commence negotiation with the second-ranked consultant and so on until, at the Committee’s discretion, a contract is executed.
- On Feb, 11, 2016 the Executive Search Committee met via Teleconference to approve the Consulting Services Agreement and “Schedule A” of the top ranked consultant, Mycoff, Fry & Prouse LLC. The Executive Search Committee unanimously approved the negotiated contract with Mycoff, Fry & Prouse.

Discussion                    The Search Committee will discuss desired qualifications for the next General Manager & CEO to reach consensus. Leadership Needs Assessment discussion notes from the workshop on December 16, 2015 are attached for your review. Topics discussed were:

- Goals, responsibilities and duties of the General Manager & CEO.
- Desired training, experience, talents, skills, and personal attributes of candidates for the General Manager & CEO.
- FMPA’s organization and related operating performance and business strategies.
- Organizational information (revenues, financial condition, customers, staff, resources, organizational structure, corporate culture, compensation issues, etc.).

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Next Steps                    Mycoff, Fry & Prouse will begin the search process according to the recruitment schedule outlined in the Consulting Services Agreement, “Schedule A”. Consultant will use the gathered information, in consultation with FMPA to develop a position profile that describes the General Manager & CEO’s goals, responsibilities, and duties; required education, training, experience, and personal abilities; and organizational and regional information.

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BC/sa

Attachment

December 16, 2016 FMPA GM specification discussion.

1. Leadership Needs Assessment

- a. A frequent complaint heard from municipal utilities is that their joint action agency does not understand the issues of retail utilities. What issues are important to your utility that the next General Manager of FMPA must know?
  - i. Political implications at home.
  - ii. Low wholesale rates; enable members to offer competitive retail rates.
  - iii. Reliability
  - iv. Some want good marketing comparing FMPA to other providers, while others want FMPA invisible and behind the scenes. One community wants to sell to an IOU.
  - v. Political involvement; Want help educating City Managers and elected officials. This means the GM must understand the industry and power contracts and have the technical and financial skills to lead FMPA complimented by political skills. Someone able to build consensus. Understand industry/contracts. A “larger than life person”. Trustworthy.
  - vi. Retail customers: Must be able to explain the retail and wholesale business to end use customers. Want to be proud to get power from FMPA.
  - vii. FMPA members are diverse in size, load profile, and local culture.
  - viii. Distributed generation and storage are coming issues that must be addressed.
  - ix. FMPA, must be active in state politics.
  - x. FMPA also provides engineering, training, compliance, regulatory/state agency liaison, and legal service to members. Some question if FMPA needs to provide all the services offered. Others envision joint action in other functions.
  - xi. Some do not want to build more power plants, but others want that decision to be based on cost/benefit.
  - xii. Flexibility is essential.
  - xiii. A majority wants to refine governance model.
  - xiv. The next GM needs courage to make tough recommendations/decisions based on long-term benefit. Thick skin is required.



- xv. The GM must be a visionary capable of making a realistic assessment.
  - xvi. People person; team builder; coach.
- b. What are FMPA's current strengths and weaknesses?
- i. Strengths
    - 1. "Iron clad contract", but the organization strives for a one for all attitude. Governance provides for any 2 members asking for super majority.
    - 2. All requirements contract:
    - 3. Have excess power to sell that is priced to sell.
    - 4. Good leadership. Previously the staff recommended risky deals and had worked under a us vs them manner. That has been resolved.
    - 5. Good technical staff.
    - 6. Strong assets
    - 7. Close to paying off assets.
    - 8. Services
  - ii. Weaknesses
    - 1. Iron clad contract
    - 2. Some staff who recommended risky ventures are still employed.
    - 3. Relations with some vendors/partners are poor.
    - 4. FMPA perpetuating itself over serving the cities.
    - 5. Weak culture of service to members.
    - 6. Public Relations.
    - 7. Not getting bang for buck in Tallahassee.
    - 8. Difficulty understanding financials/information.
- c. What specific challenges do you expect the next FMPA General Manger to face within the next 5-10 years? (i.e., Clean Power Plan, legislative, distributed generation, renewables portfolio standard, low load growth, etc.)

- i. FPL
  - ii. Regulatory (EPA) and local (PSC regulation)
  - iii. Distributed generation/storage/RPS
  - iv. Industry change. Next GM must protect the cities' investments. Must be nimble. Has to have the courage to deliver contrary opinion. Might need COO in addition to a CEO
- d. Should FMPA maintain its current direction or adopt a new direction?
  - i. What is the existing direction?
    - 1. Strategic Plan is in place.
    - 2. Nimble.
  - ii. What changes in direction should be considered, if any?
    - 1. Own/operate plants vs contracted power
- e. What professional experience or expertise should the next General Manager have?
  - i. Industry knowledge
  - ii. PR/marketing skills
  - iii. Political skills/credibility/integrity
  - iv. Visionary/planning
  - v. Public power commitment
  - vi. Work for multiple city activities.
  - vii. Leadership
  - viii. Appreciates joint action
  - ix. Short learning curve; no tolerance for risks.
- f. What personality traits should the next General Manager have?
  - i. Communication skills
  - ii. Not egotistical
  - iii. Credible

- iv. Do what is right even when difficult
  - v. Walk the talk
  - vi. Negotiator/peacemaker
  - vii. Good listener
  - viii. Team builder
  - ix. Member responsiveness
  - x. Corporate integrity
  - xi. Discretionary effort/extra effort.
  - xii. Strong personal relations
  - xiii. Risk adverse
  - xiv. Nimble/reacts quickly
- g. What leadership and management style should the next General Manager have to be successful?
- i. Properly aligned priorities
  - ii. Hold self and staff accountable
  - iii. Annual member meetings.
  - iv. Accessible/laid back/leads from behind
  - v. Calls on trusted advisors.
  - vi. Decisive
  - vii. Vet issues well.
  - viii. Let CEO decide on COO
  - ix. Delegation
  - x. Dedication
- h. What external relationships are important for the General Manager to maintain or develop?
- i. IOU

- ii. Legislature
    - iii. Cities
    - iv. Associations
    - v. Trade Associations
    - vi. Coop Associations
  - i. How should the General Manager focus his/her time?
    - i. External dependent on return to FMPA
    - ii. Hands on leadership
    - iii. Balance of external and hands on management
2. Compensation
- a. Discussed recent JAA compensation survey results. No bonuses