

CITIZENS PROPERTY INSURANCE CORPORATION

**MINUTES OF THE
AD HOC COMMITTEE MEETING
Wednesday, November 18, 2020**

The Ad Hoc Committee of Citizens Property Insurance Corporation (Citizens) convened telephonically on Wednesday, November 18, 2020 at 1:00 p.m. (EST).

The following members of the Ad Hoc Committee were present:

James Holton, Chair
Carlos Beruff
Reynolds Henderson

The following members of the Board were present:

Bette Brown
Marc Dunbar

The following Citizens staff members were present:

Barry Gilway
Violet Bloom
Huw O'Callaghan
Barbara Walker
Lynn Hewitt

Call Meeting to Order

Barbara Walker: Good afternoon and welcome to Citizens' November 18, 2020 Ad Hoc Committee meeting that was publicly noticed in the *Florida Administrative Register* to convene at 1 PM. Those in attendance through the public link are automatically in listen-only mode. Citizens board and committee meetings are recorded with transcribed minutes available on our website. Thank you for addressing/identifying yourself before addressing the committee. For the record, Governor Dunbar and Governor Brown have requested a speaking line for this committee meeting, and at this time, I do not have any other speaking requests. Chairman, may I proceed with roll call?

Chair Holton: Please do.

Barbara Walker: Thank you. Chairman Jim Holton.

(Chair James Holton, Carlos Beruff, and Reynolds Henderson were in attendance.)

Barbara Walker: Chairman, you have a quorum.

Chair Holton: Okay, thanks, Barbara. For the record, this is the time we would ask for public comments.

Barbara Walker: No, sir, we do not have any other public speaking requests.

Chair Holton: Okay, and I assume the other two board members that want to speak will reserve their comments until the appropriate time during the discussion.

Barbara Walker: Yes, sir.

1. Approval of Prior Meeting's Minutes

Chair Holton: All right, guys. The first order of business is approval of the prior minutes. Are there any changes or corrections? If not, I'll accept a motion to approve.

A motion was made and seconded to approve the October 27, 2020 Ad Hoc Committee Meeting Minutes. All were in favor. Motion carries.

2. Introduction and Opening Remarks

Chair Holton: Up next, basically this is a follow-up to our first Ad Hoc Committee Meeting about the staff's recommendations in moving forward with the process for selecting a new Legal Officer and General Counsel. The discussion, as you guys remember, was about the necessity of hiring an outside search firm to help with this procurement. In furtherance of that today, we are going to have that discussion with some more concrete recommendations and hopefully a path forward. So, with that said, I'll recognize Barry Gilway for introductory remarks.

Barry Gilway: Thank you, Mr. Chairman and committee members. I will keep my remarks pretty brief. As you indicated, Mr. Chairman, following that last meeting we really took a hard look at the most appropriate way to move forward with what is the best way to attract the most qualified candidates in the broadest way possible and still, you know, complying with the Sunshine Law. So, we really considered all the committee's feedback, and as you indicated really the way to approach it, you know, in our opinion and what we are recommending, is a formal executive search firm. We think is the best way really to develop most interest, to develop the most flow of qualified candidates . . . and we also reviewed the Sunshine Law to make sure that whatever steps that we took including, you know, the hiring of an executive search firm in that process is totally transparent and in full compliance with, you know, the Sunshine Law. And to that regard, I have asked Lynn Hewitt, who is the Senior Counsel, to really just spend a few minutes with us to hit some highlights of the Sunshine Law, you know, with your agreement just so that it kind of reminds all of us of the steps basically that we have to follow to be in compliance. That will be followed by Huw O'Callaghan who, as last time, really will kind of lay out the process that we have in mind. I did want to point out that as you, Mr. Chairman, and other committee members . . . you're provided with a proposed position description (PD). I have received recommendations and suggestions from two of you so far relative to some changes and recommendations relative to that position description. That obviously would be included in the material that we provide to the executive search firm to provide them with the base, but I would also have to say that today I still have one meeting planned with a committee member, and following all of those recommendations, will incorporate the recommended changes from the committee members in that position description and that will be the final format that we provide to the executive search firm in order to kind of launch this search. With that

Mr. Chairman, I would suggest we turn it over to Lynn Hewitt, unless you have any questions for me, turn over to Lynn Hewitt for a brief Sunshine Law overview.

Chair Holton: Members, any questions for Barry before I recognize Lynn? [silence]. Okay, none being heard, Lynn being recognized.

3. Florida Sunshine Law Overview

Lynn Hewitt: Thank you, Chairman. Barbara, can you share the PowerPoint? Thank you. Good afternoon. For the record: Lynn Hewitt, Senior Counsel at Citizens. I apologize in advance. I know most of you are probably very familiar with the Sunshine Law, but I am just going to give a brief overview. As you know, Florida is committed to operating its government in a very transparent way with meetings that are open to the public and access to public records. So, in Florida we have codification in the Florida constitution and then in the statutes we have chapter 286 open meetings and chapter 119 that deals with public records. We have a couple sections in our Citizens enabling statute that defines us as a governmental entity; and therefore, we are subject to the Sunshine Law, including the 286 and 119. So, when does it apply? It applies to all meetings of the board and this committee, including communications between two or more members of the board or committee on any matter which may come before them, and so this would include, you know, conversations at a coffee shop between two or more members of the board or committee about this topic (e.g., casual conversations and any communications between those members of the other board and committee on this matter). So, when does it apply as well . . . enter all records made or received unless statutorily exempt, and we have a few exemptions in 119 and under our enabling statute, but for the majority of records, they are going to be subject to disclosure. That would include in this scenario any applications received, any resumes received in response to the General Counsel position . . . also any communications that are sent to a committee member in their official capacity as on this committee should be preserved in case we get any public records request relating to any communications at any committee member or board members have received in their official capacity in the selection of a new General Counsel. So, what is exempt? Generally one-on-one communications with staff between a committee member or a board member are exempt and are not subject to Sunshine, but we need to be careful that those communications are not for the purpose of relaying information to other members or using the staff as conduit to pass messages along. Also, your personal notes meant to refresh your recollection of an applicant – let's say, for example, you're at an interview and you do, you know, are just free handing notes and it's simply a note that would only make sense to you for your use only not to circulate or share – those would not be subject to disclosure under public records. So, I did a high-level Q&A to hopefully address some questions that you may have, but I'll take some questions after this as well. So, number one, can member of this committee communicate with an executive search firm should we engage one? And the answer is yes a member of this committee may participate in fact-finding discussions and provide feedback as needed. Number two, are applications and resumes received by an executive search firm subject to disclosure? Yes, the search firm should only accept applications and resumes in which the applicant understands that their records are subject to disclosure. Number three, how should the executive research firm present applicants to the committee for consideration? So, an option here that the committee may set mandatory minimum qualifications in advance and at a public meeting eliminate any applicants that do not meet those mandatory minimum qualifications; however, those records received from those applicants would still be subject to public record disclosure. Then at an open meeting, the executive search firm would present all applicants meeting those mandatory

qualifications and provide feedback to the committee as needed. So, I know that was very high-level but hopefully it was helpful. Do we have any questions?

Chair Holton: Members, questions for Lynn? [silence] I think we are good. You can proceed.

Lynn Hewitt: Thank you, Chairman. That concludes my presentation. I hope it was helpful.

Chair Holton: It was very helpful. One question I do have as a general follow up. Obviously, you've given us a broad overview of the Sunshine stuff. Some of the specific questions that will come up, for example, are there if there is a weeding out process that goes on with the selection firm and any member of the committee or staff what are the specific requirements of Sunshine for that process to occur and when is Sunshine triggered in that weeding out process?

Lynn Hewitt: Sure. I am happy to answer that question. I have done that research. I read the minutes from the last meeting. I know there was some discussion regarding that. Culling or eliminating applicants would be subject to the open meetings because that is more of a decision-making activity, not a fact-finding activity. So, any attempt to . . . let's say you delegate to one committee member to cull or eliminate applicants with the executive search firm, that would need to be open and in the Sunshine; however, you could designate a committee member to provide feedback, to be a factfinder that may be helpful in that regard by any attempt to eliminate would need to be in the Sunshine.

Chair Holton: Got you. Members, do you have any questions about that because that was somewhat of a point of discussion in the last meeting?

Barry Gilway: Mr. Chairman, if I may. Barry Gilway?

Chair Holton: Yes.

Barry Gilway: The only comment I would make as an add to Lynn's presentation is I think given that Governor Henderson is the recommended board representative, you know, in order to work with the executive search firm, and then, of course, from a staff's standpoint, I would be working with the executive search firm, obviously given the process, it's going to be absolutely imperative that both myself and Governor Henderson, you know, really spend a lot of time with executive search firm to make absolutely sure we're crystal clear in terms of what might constitute an appropriate applicant for the job. So, I think that communication, you know, from both of us with the executive search firm is going to be an absolute necessity.

Chair Holton: Right. I appreciate those comments, and I think it's important as we discuss too that the actual executive search firm had a working knowledge of Florida Sunshine Law because we want to be absolutely transparent here and a good firm should know how to do that especially if they've ever done business with the governmental entity that has similar laws or another state or certainly here. So, I think that going into the next step which is a procurement of a search firm ought to be a criterion for selection that they are well-versed in Florida Sunshine.

Carlos Beruff: Mr. Chair, may I ask a question?

Chair Holton: Carlos, you are recognized.

Carlos Beruff: Last time we spoke, I just want to be clear we have not changed and that I didn't miss something, we're going to broadcast the Request for Proposal (RFP) to the sources we have and all the abilities we have and engage a search firm – both, correct?

Barry Gilway: So, Mr. Chair, for clarification, this is a change in direction we are presenting from the last meeting. So, the approach that we are now recommending is that in lieu of the approach that we had recommended previously and that is basically having internal staff, you know, broadcast the job availability and descriptions, this approach, as will be outlined by Huw O'Callaghan, you know, following, is really to rely on the executive search firm, you know, to conduct the search. And, part of the approach that the executive search firm will utilize in order to develop appropriate qualified candidates for the job will certainly be part of the selection criteria associated with that firm.

Carlos Beruff: So, this meeting is about a change in direction from our last meeting, whereby we are not going to do both?

Barry Gilway: That is correct. I think Huw O'Callaghan will run through the proposed methodology. That might answer some of the questions regarding the proposed approach.

Carlos Beruff: Well, Governor Henderson, the last time we met, we decided that the Chairman made liaison, correct?

Chair Holton: Yes.

Carols Beruff: So, I would like to hear what Governor Henderson has to say about the directional change at this point if he is on the line with us.

Reynolds Henderson: I am on the line. Yes, thank you. I had a conversation with Barry and Violet and Barbara and Christine yesterday. It was my understanding that we need to go in this direction because the Sunshine Law and because it would simplify things. As you brought up the last meeting and I brought up, I do not view this as an ideal way to do this but the way they presented it is we need to go this direction because of this. So, I must rely on the staff for that, but ideally, like you, we would put out an RFP, you know, kind of broadcast now and not rely on a specific executive search firm who is going to almost monopolize the process; however, like it was brought up yesterday, I want us to be in compliance.

Carlos Beruff: Can somebody walk me through why we cannot do both, which is what we had the direction we discussed? Obviously, we did not have the pleasure of having a discussion with staff because you're the liaison with the staff, but if somebody can give me a real – other than the Sunshine . . . I mean I can see why the search firm . . . until it presents a client to us, okay, there is no Sunshine violation, right? It is only when it comes to us, then we have to disclose to everyone, right? Correct?

Barry Gilway: Correct.

Carlos Beruff: But there are some people out there who are . . . and, I understand the idea of recruiting people who have jobs and other commitments that don't necessarily want them to know that they have

an interest in coming to work for us, right? So, we are trying to bridge that promise, but there might be some people who are not concerned about that challenge who don't have to go through an executive search, so my query is simple. Why do not we have both processes and then the people who don't have the concern about others seeing what they're doing come straight to us.

Barry Gilway: I am not sure whether Violet wants to handle this one. My input on that, Carlos, would be if you do a general release on the position, I think the key is really having only qualified applicants presented to the board. The way to provide qualified applicants without the necessity frankly of really posting and making public every single application that might potentially come in I think it gives us an advantage by having an executive search firm who receives the applicants. . . I mean you can still insist that they broadly distribute the need, the requirements, etc. . . . they are doing the outreach, but they're in a position basically to assess the applications against, you know, a specific set of requirements and then only present to the board under Sunshine those individuals where they actually receive an application. Otherwise, you could potentially have hundreds of applicants, you know, that are made public even though they might not qualify for the requirements of the position.

Marc Dunbar: Chair Holton, this is Marc Dunbar. Can I weigh in a little bit?

Chair Holton: I was going to recommend that you jump in on that Marc because I know you have a lot of experience here, so you're recognized.

Marc Dunbar: Thank you. The issue at hand relates to the Sunshine for all applicants when they submit their name forward will be subject to Sunshine at some point: their application, whether it's on a list or whether it's a detail CV that they submit becomes a public record. And the public record will be held by whoever retains it, whether it's the outside search firm or whether it's our own staff, so it's impossible for an applicant to hide at all, you know. If someone makes a public record and says, "I want to see all who have applied for the job," we are going to have to provide all of them whether they were qualified or not. The public record law requires if it is a third-party or is staff or is the board members – if they prepared documents that evaluate those individuals and culls them out- the documents, the evidence, the process, or if it was a meeting of the search firm, your committee, a committee of your staff, whatever that is, it is a Sunshine event, if there is more than one person involved. There is nothing that prevents both processes from going forward like Carlos described and like what we talked about at the last meeting. The critical part is, at least the way I see it is, you three should be aware of all of the people that were considered by the outside search firm and potentially the reasons or why they didn't make it through and the reasons why they did make it through because when I had to do this with public sector clients in the past, there were instances where the search firm culled people out that the board didn't want culled out that they wanted to consider. So, they added them back to the list. And you guys should be . . . because in a position description, there is sufficient ambiguity. What does "10 year's experience of senior leadership" mean necessarily? You know, how you evaluate that term, you three should be able to say, "No, we think that if you are in this position at an agency or this position and in the insurance company in this position in a law firm, we view that is senior leadership or we don't view it as senior leadership." That is ultimately your decision, and so, I think that it would be important for Reynolds and for the committee as a whole to be able to look at the list if you wanted to look at the list and move it. There is nothing wrong with that, but we have to understand that there is no element of the disqualification of an individual that we could ever keep private if someone wanted to see it at the end of the day. What happens is that by keeping it outside with a third-party search firm and they can sign a nondisclosure is the one thing you

can do is prevent leaks during the process itself; whereas if it comes inside to our entity and there are lots of hands that touch it, we all understand particularly in Tallahassee there are no secrets and things have a way of leaking out. But, if the press wants to go sit on the executive search firm or someone wanted to file a public records request, they would be able to have access to that information because all of that is ultimately a public record. I don't know if that helps in the deliberation, but, Carlos, I think there's nothing that forecloses the committee from going along the lines that you had mentioned at the last meeting of being able to use the sort of free mechanism to see who would apply and then if the executive search firm provides us somebody else then they might get paid for that as well. But all of the applications can go through the executive search firm for processing and vetting and things like that more than anything that will control the potential for leaks during the review process. Does that make sense?

Carlos Beruff: That's a complete explanation. I guess my question was back to Governor Henderson because if the public process is open, both channels will be open, he would be the one who would be meeting with staff to review the hundreds as Barry says of potential applications could come in. And then, he does, according to what I understand and please correct me, he could not, or the staff and he cannot cull those out without it coming to the full board. Is that correct?

Marc Dunbar: You can cull against the criteria as Barry mentioned, but he and Barry couldn't get together and say, "I'm on the fence about Marc Dunbar. What do you think? Should we let him through, or should we not let him through?" The moment they have that discussion that then becomes a Sunshine event that must be noticed and all that kind of stuff, but as it relates to the basics – do they have the education – that culling process does not trigger a Sunshine event; however, the criteria if they input it in the file it rejected the lack of educational experience that statement that evaluation is a public record.

Carlos Beruff: Right. So, you can cull them out as long as it is the reason for the culling out is that they don't meet the description of the job that we offered, correct?

Barry Gilway: I think my point, Carlos, and then I'll turn it over to Violet, I think my point was in the opening comments was how critical it is to really, you know, for Governor Henderson and myself to really communicate with the executive search firm under the process that we were proposing, absolutely sure they understood that we're not interested in individuals outside of the set of parameters and don't meet the set of criteria.

Carlos Beruff: I have no problem with you and Mr. Henderson communicating with the executive firm. I just want to know when the boat changed direction since our last discussion: we were going to follow two lanes and see which one was more productive and why we changed direction and just going to one lane.

Reynolds Henderson: Mr. Chair, can I say something real quick?

Chair Holton: Of course.

Carlos Beruff: We can move on if you would like. I am just a participant asking questions.

Reynolds Henderson: No. They are good questions. Since we have got the criteria which is going to be published with the executive search firm, and maybe this is a question for Violet and Barry, why could not

we post it just do a general posting and see what we get outside of the search firm. They are based on the same criteria. You will have two sets, you know. You obviously have a different dynamic with executive search firm. You can talk it out more. But, from the general standpoint of letting people in the public know about this and transparency, it may be good to go down that dual path and just base it on the criteria. You provide the applications to this committee and the board. Couldn't you do that?

Violet Bloom: Governor Holton, if I could respond?

Chair Holton: Please do.

Violet Bloom: So, I do want to clarify that at the point that we select a search firm that would be the only path. The search firm would require that. We would not be able to continue down our path. What we were originally proposing in the last meeting was that we post it and then staff facilitates the process. They would identify the applicants based on who met the minimum qualifications and then move those individuals forward to the committee. Based on further review of the Sunshine Laws, we determined that it may be best to go straight to a search firm to be sure that we were in full compliance with the Sunshine Laws. I also heard some potential concern in the last meeting about staff making those determinations about what applicants met the minimum qualifications (are not), and so that would be another reason if there is that concern to put it with the search firm. But we absolutely could go back to - we post it, staff facilitate the process, if we don't find the applicants that meet the qualifications, then we can turn it over to a search firm. I would recommend regardless that we move forward with the procurement and have a search firm identified so that we have them ready if you do want us to go down the path of staff posting and facilitating a process.

Carlos Beruff: So, what I heard is that it has become evident to staff that a search firm will not let us engage their services if we go out on our own and have a dual lane? Is that what I heard?

Violet Bloom: Governor Beruff, at the point that we engage the third term we would have to suspend our efforts.

Chair Holton: My sense is that most search firms that are worth their weight require an exclusivity provision. That has been my experience, too, but again, that doesn't preclude us not engaging the search firm until we take one bite at the apple first.

Marc Dunbar: I have experience where we have gone through this process with a public search where in the procurement you have an exception to that exclusivity that says, "We are going to dual track it and we're going post on LinkedIn and everything else and all of those applications that we get in are going to go over to the search firm for their evaluation." So, you are able dual track it, while they are also doing their own recruiting. That is just a function of the procurement document letting the search firms know that there is going to be applications that are going to come outside of their private search processes . . . that there are going to be public search of availability and those applications are going to cross over to them. It is really a function of how you set the procurement.

Chair Holton: Right and that is a viable solution, I think, because I mean ultimately the search firm is going to want to get paid and I think most of those things, in terms of any solicitations that you might get or unsolicited resumes you have an obligation to refer over to us to vet. I think what you are saying is a good

way of not mutually excluding either lane of action here. It is all written in the document, but I think you're probably right. They are not going to insist upon receiving all the applicants; they just prefer anything we do over to them. Even if we hire one of those people with little input from them, they are going to want a fee, which is reasonable under the circumstances. That dual pathway might be the best approach to build that into the terms of the procurement.

Barry Gilway: Absolutely. I think, really, it is the best of both worlds, really. What you are describing is the approach that we had initially, you know, presented, and that is what we would do, you know – a staff search, if you will. When we go out, we would use every mechanism available to us to make sure that your knowledge of the position and the requirements were out there, and then I think where we left off in the last meeting is that if we were to do that and we were not successful then we would engage, you know, an executive search firm. I think this proposal makes absolute sense and that is we can go out and do the independent and then, you know, go along the path of engaging an executive search firm and then provide to that executive search firm any outside candidates that are received to really compare against the requirements that we've establish. To me the joint proposal makes absolute sense.

Carlos Beruff: It is a good compromise for the overall position.

Violet Bloom: If I may ask a clarifying question. I believe where we blended is that the committee would like staff to post the position, facilitate the process of doing the review of the candidates against the minimum qualifications, also do some sourcing . . . what I'm not clear on is if in that process we identify a good pool of candidates, do you want staff to move forward and bring that to the committee or do you want us to turn it over to a search firm?

Reynolds Henderson: Carlos, I think you are in the real estate business. A lot of times you might have a listing with a broker, and you supplement advertising and you feed them to that broker or to that realtor. I think the steps are we probably need to establish an executive search firm and then do our postings. It is a supplemental posting essentially because you are feeding it into their system is the way I view it because we don't want staff to get into reviewing things. In my opinion, it taints the process. I think if we go with the executive search firm, if we have a list of candidates, if this committee makes recommendations, the board approves it, once that is established, we do the supplemental postings, for lack of a better word, and they are basically feeding in but casting a wider net. That is the way I view it.

Chari Holton: I tend to agree with that, absolutely. I think it gets messy if you do one first and then segue into another one because there are issues that arise. I am in real estate, too. It's just like an exclusive listing that yeah you can do things on your own but you're going to eventually pay the broker if someone comes and they can help facilitate and review any offers that come in. Very similar and very analogous and I think Carlos you probably agree with that as well.

Carlos Beruff: Mr. Chair, we are in full agreement.

Barry Gilway: In that case, Mr. Chairman, we can include that provision within the procurement request.

Chair Holton: I think that makes perfect sense. That is the best of all possible worlds for everyone, I think because we don't want to exclude anyone that is a wonderfully qualified applicant nor, on the other hand,

do you want to go the other way and give complete authority to a search firm. It makes perfect sense to me. Other questions at this point or should we move on to Huw's presentation?

4. Selection of Executive Search Firm

Huw O'Callaghan: Thank you, Mr. Chairman. For the record, Huw O'Callaghan, Assistant Director Talent Acquisition. As suspected, several of my original talking points are possibly moot at this point, but I think it is still valuable for me to take a moment and outline a few milestones in terms of timing. We do have, as mentioned, RFP documentation that I will say is prepared and does still allow for some of the suggestions that have just been discussed. It is open enough for vendors to propose and be in line with what we have just suggested, so that that is not of concern. We have considered existing professional recruitment contracts that we do have currently, but we have decided and concluded that the complexity and the level of this search that an executive search firm would be required. So, the possible RFP release could be done as early as this afternoon. The final piece of documentation, however, for that release would be the position description. It would need to be added so that the vendor could review and consider it, but again from a timeline perspective, I have got all of this to have a contract approve dates in line with the December board meeting. Again, assuming a release of the RFP this afternoon, we would obviously add those documents to the Citizens website and the bid notification system would alert vendors and invite them to submit proposals up until December 4th. I will not go over every detail of the RFP in terms of the questionnaire and what it is that we're requiring of interested parties, but in a very high-level, we are asking vendors to include in their proposals, a company overview and detail prior relevant experience as it relates to a search of this nature, and that does include any involvement with clients that may have also been subject to Florida Sunshine. We are asking for see proposed services to Citizens' key vendor personnel qualifications and obviously a pricing breakdown as well. Staff will then have until December 9th to evaluate those proposals and a public award meeting will be held on December 10th announcing the awarded vendor. As mentioned previously, the action item will then be presented at the December board meeting to be approved. Post contract approval strategy meetings will then be scheduled with Barry, Governor Henderson, Lynn Hewitt, and the successful vendor just to ensure that they have a detailed and thorough understanding of Citizens and understanding of the organizational structure, position description clearly, any Sunshine implications, all to ensure that a successful search is initiated.

Carlos Beruff: Mr. Chair?

Chair Holton: Yes, Carlos?

Carlos Beruff: May I ask Mr. O'Callaghan a question?

Chair Holton: Please.

Chair Beruff: So, all we are doing is posting for a vendor to provide our services today, correct?

Huw O'Callaghan: Can you repeat that? I am sorry.

Chair Beruff: All we are doing is proposing to post for a vendor to provide services today, correct?

Huw O'Callaghan: Correct.

Chair Beruff: That is all I wanted to know. So, the detail of the job description will come after we decide on who the vendor is.

Barry Gilway: So, Carlos, the only the point I was going to make to Huw is that I still have input from two of the board members relative to the job description and had intended to make a couple of changes as respect to job description. I still have yet one meeting to go. And then, you know, my intent would be to incorporate those recommendations into suggestions into the proposed job description so it would entail a delay in the release of the RFP if the job description is part of the RFP.

Carlos Beruff: Does the job description have to be part of the RFP to just get a vendor to provide a service? I do not understand why the job description needs to be at this moment . . . an executive search firm that we hire they know that we're going to hire them to do something. You have got that contract approved by us that's going into December anyway. I do not know why the job description apparently doesn't need to hold up the search for the search firm. Am I missing something?

Huw O'Callaghan: I would agree if I may. It is not necessary. It would be nice to give vendors responding as much detail as possible, but I think from the position title alone gives vendors enough information to make a decision whether they believe they're qualified to respond.

Chair Holton: I'll even add to that, guys. In prior experiences with me, we hired a firm with a general description of what they're looking for in a space with transportation words and its law this time a good experience with that . . . I would even propose that the vendor selected could help tailor the actual PD or amend it. I don't see the need for elaborate PD to be included in the procurement to RFP for the vendor. I think to say "hire you for a search for a legal counsel" they are going to go right off the bat what we are looking for and probably help us craft it even better.

Carlos Beruff: Okay. I'm at the same point the Chair is.

Reynolds Henderson: Mr. Chair, I've got one question for Huw. The search firm obviously will do a general background check I imagine on any candidate – somebody who is a lawyer – they passed the bar. Do they do any kind of mental competency to make sure that they know . . . some of these firms . . . they do like they have some kind of psychological evaluation. Do they do that kind of work?

Huw O'Callaghan: Some of them do, yes. I think that is the sort of information we'd be looking for in their proposals to get and understand the level in which they evaluate and consider their applicants. To the earlier point regarding the background check, we would conduct a Citizens background check utilizing our vendor as they would be an employer of ours. We would not rely on somebody else's background check.

Reynolds Henderson: Great. Thank you.

Chair Holton: Other questions? [silence] One general question I had. Barry and I discussed a little bit about the remuneration for the vendor. Barry, can you just briefly touch on that now since we're going to send this RFP out?

Barry Gilway: Part of the RFP is a request obviously to outline what their remuneration requirements are. The intent obviously is to get the most qualified vendor on the most reasonable terms. As you and I have discussed, this is a relatively high paid, you know, position and most executive search firms, I think we compared notes, it could be in the 30% range. But we are trying it as a result of this RFP to make the responses as open as possible to give us as much flexibility as we can, you know, in negotiating the final terms. Possibly, we could reduce the overall fee for example from what a standard percentage would be given the open concept at where we are running here. Now we are running a dual concept, so they're going to be receiving, you know, applicants through a different source than what we had originally proposed. All of that, I think, would I enter into negotiations with the firm.

Chair Holton: All within the parameters. 30% is not unreasonable, but they are negotiable. We will do some more research as we discussed on some of that.

Carlos Beruff: Obviously, some of the things, has Mr. O'Callaghan done this before?

Huw O'Callaghan: Yes, sir. On both sides of the fence.

Carlos Beruff: My experiences are executive, and we've had positions not quite \$400,000, but we've hired positions through a recruiting firm at a quarter million dollars. My experience has been more than 20% range and then what we worked real, real hard on is to get a guarantee so that if the person doesn't work out in a certain period of time, they provide another person for the fee that we've already paid them. So, I don't know what your experience is, but you may have a broader experience than I did.

Huw O'Callaghan: I would agree that in guiding vendors and potential proposals too strongly we certainly expect to see something of that nature.

Chair Holton: With that said we're prepared to move forward then with the solicitation pretty quickly within the next few days correct?

Barry Gilway: Given the decision on the PD, there should be nothing holding us back from releasing the RFP.

Chair Holton: Good. Perfect. So, guys, it seems like we got a fairly good pathway now. Bette or Marc, if you guys are still on the line, any comments from you?

Marc Dunbar: I have a couple, but I'll defer to Governor Brown if she has something, since she hasn't weighed in yet.

Chair Holton: Governor Brown, are you on the line? Barbara, do you indicate she is on the line?

Barbara Walker: She is no longer on the line, sir.

Chair Holton: Okay. Marc, you're recognized, then.

Marc Dunbar: I just had a couple of questions about the PD, and Chair, it really is what your pleasure is in terms of how that is going to be adopted and if there is going to be Sunshine discussions about it. Barry has

provided me with a draft of it and some other things and we swapped some emails, but I just didn't know if this would be a good time (this might be my only time) to convey my thoughts on the PD to you guys.

Chair Holton: I said very appropriate time because this is a publicly notice meeting. Now is as good as ever to get some of this stuff out proactively. Absolutely.

Marc Dunbar: These are more general things to consider, and Barry and I talked about this, our candidate could be just as likely located in Seattle as they are in Florida, and I want to make sure that we do not tailor the position description too tightly based on the person we have today and exclude people; that might not fit Dan's unique background. I would recommend that as it relates to the type of lawyer we're looking for is certainly . . . I want to have a lawyer that showed competence and passed the bar but if they have not passed the Florida bar, if they're willing to take the Florida bar, I think that we shouldn't disqualify folks that have that experience that may want to bring their talents to Florida if we don't have somebody that has a Florida bar license. I know that in the draft PD I saw the Florida bar license was a potential qualifier or disqualifier, so I think it should be suggested but I don't think that we should lock ourselves in particularly if a candidate has passed the bar elsewhere and would be willing to pass the bar here. The other thing that I was a little concerned about in the PD was a requirement that the applicant had agency experience meaning essentially, they came from government. I do not know necessarily if we need to have that requirement. Maybe having worked with government or having worked with an Office of Insurance Regulation or something to that equivalent and years of experience there but I don't think that you necessarily have to work in government to then come and work for an insurance company and so I throw that out there as a couple of recommended tweaks to make sure that you have somebody that's had a career in the private sector working with government but certainly understanding the insurance industry that they would be disqualified because there was a criteria that said you had to work in government for x-period of time. Those are the couple items that I want to, you know, essentially put on your radar. I think it's a great idea maybe the headhunting firm helping fine-tune it but I just I think we should cast a broader net and try and see what the best talent, you know, that that comes to the side of the boat before . . . as opposed to going the other way and draw the net too narrowly.

Barry Gilway: Governor Dunbar, we took both of those recommendations. We agree completely with both recommendations. In fact, we've had some pretty extensive conversations regarding particularly the admission to the Florida bar because if you do put in a requirement that they are admitted to the Florida bar by definition we're excluding anyone out of state given Florida's exclusivity. We have already looked at different language where we could incorporate a provision that ultimately it would be required, you know, that they be admitted to the Florida bar, but we agree with you. I think the current language in the PD was too restrictive and might have excluded out of state attorneys that might otherwise be well qualified. We also agree with your comments and we are incorporating some language that really indicated two things that you suggested: one is that, you know, possible insurance company knowledge and experience which doesn't exist in the PD today, and secondly interaction with state agencies as opposed to being, you know, participating in a state agency. I think the recommendations that you made were right on and we had intended to incorporate it in our suggested language within the PD.

Chair Holton: Thank you, Barry. I totally concur with that. I think in general a broader net is better than a very narrow one, and we should not exclude anyone but obviously these are factors for consideration once the ranking occurs. That is that the distinction. Again, I go back to a good search firm can help, having been in this business before, draw some of that tailored definition of the PD of what we need,

hopefully we can rely on them to help broaden that for the final product. I think that makes perfect sense. Members any other questions on this? [silence] Any other new business?

[silence] Meeting adjourned.

FINAL