



PUBLIC UTILITY DISTRICT NO. 1
of Jefferson County
September 11, 2017

Final Minutes
Special Board Meeting
PUD General Manager
Succession Planning Agreement

The Special Meeting of Public Utility District No.1 of Jefferson County (PUD) was called to order by the President of the Board of Commissioners at 3:00 p.m. at the PUD Administration office at 230 Chimacum Road, Port Hadlock, WA 98339. Present:

Commissioner Kenneth Collins, President
Commissioner Jeff Randall, Vice President
Commissioner Wayne King, Secretary

Jim Parker, Manager
Kevin Streett, Assistant Manager
Susan Carter, Chief Financial Officer
Richard Hughes, General Counsel
Debbie Lund, Human Resources and Communications Manager
Bill Graham, Resource and Conservation Manager
Don McDaniel, Consultant
Jerry Wilson, Telecom Manager

Cammy Brown, Recorder

AGENDA

Commissioner Kenneth Collins stated that the purpose of the meeting was to discuss the General Manager Succession Planning Agreement.

The commissioners and Richard Hughes convened an Executive Session at 3:01 p.m. to discuss the performance of a public employee which would require 30 minutes with a return time of 3:31pm. If additional time is required an extension will be requested.

The special meeting of the Jefferson County PUD reconvened at 3:31 pm. Richard Hughes discussed the PUD General Manager's Separation and Release Agreement. There was some contrast from the original agreement and the current agreement that was posted on the website which has been corrected and changed. There was a negotiated agreement with Manager Jim Parker and his attorney. It will replace the existing agreement concerning the General Manager which was entered into by the PUD on January 19, 2016.

The new agreement provides that Jim's last day of employment will be February 1, 2018. Should the Board approve this agreement, Jim would receive separation pay in the sum of \$70,000 which represents six months of his current salary. That would be the first payroll following the separation date and that is equivalent to the separation pay he would receive under

the existing agreement if he were to depart at the Board's request before May 1, 2018. That has not changed.

The current agreement would also provide that Jim gets health insurance benefits until age 65, which is what the current agreement also provides. There is no change there.

The main difference is that upon approval of the agreement, Jim would transfer authority as General Manager to the Assistant General Manager to assist the PUD in its transition to new leadership because the PUD is currently reviewing succession planning – planning for the future. Jim has been here 23 years and the PUD and the Board have been working together to have an orderly succession plan.

Jim would be at work from today's date until September 19, 2017, and he would use accumulative paid time off (PTO) – not any additional time provided by the PUD, but PTO that he earned and accumulated on his own until the separation date.

Jim would be available to the Assistant General Manager for advice and support as requested, but not be actively involved in the PUD following his last day of work here.

The current agreement requires that upon separation pay that Jim sign a complete agreement. The original agreement was approved by the Board and at the time the Board felt that the PUD was at some risk because the finances were not where they wanted them to be, and the General Manager possibly retiring, which he could have done back then, put the utility at risk. That was the motivation for the Board to enter into this existing agreement. The Board did get something substantial from that existing agreement about Jim's services until presumably today.

PUD Attorney Hughes stated he contacted the Attorney General's Office for the advice of the State Auditor and asked that they look at the agreement. They looked at it and they said they didn't see any audit issues.

All three commissioners voiced their appreciation for Jim's many years of service with the PUD. Jim Parker made the statement that this was the right time to leave and that he thought the PUD will do well in the future.

MOTION: Commissioner Wayne King made a motion and Commissioner Jeff Randall seconded the motion to accept the PUD General Manager's Separation and Release Agreement. Motion carried unanimously.

ADJOURNMENT:

MOTION: Commissioner Jeff Randall made a motion and Commissioner Wayne King seconded the motion to adjourn the special meeting of the Jefferson County PUD. Motion carried unanimously.

Meeting adjourned at 3:43 pm.

Minutes prepared by Cammy Brown, Recorder

Approved:

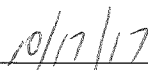
Commissioner Wayne King, Secretary

Date

Attest:

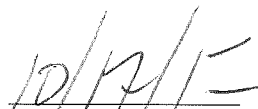


Commissioner Kenneth Collins, President



Date


Commissioner Jeff Randall, Vice President


Date

Please note PUD Board of Commissioner meetings are audio recorded and posted to the PUD website at www.jeffpud.org, usually within 1-2 business days of each meeting. If you experience any difficulty accessing a particular recording, you may call 360.385.5800 for assistance. Jefferson PUD provides reasonable accommodations to persons with disabilities. We invite any person with special needs to contact our staff at 360.385.8351 at least 24 hours before the meeting to discuss any special accommodations.