



Interior Gas Utility

Board of Directors Work Session & Special Board Meeting
March 26, 2019 @ 4:00 PM
100 Cushman Street, Suite 512, Fairbanks, Alaska

DRAFT AGENDA

I. Call to Order

- Roll call
- Approval of Agenda
- Public Comment – *limited to three minutes*

II. New Business

- New Ethics Policy No. 5Pages 2-17
- Resolution on Review of Upper Management Employment Agreements (Possible Action)
.....Page 18

III. Other Business

- North Pole Storage Update
- Short Term Financing Update
- Transportation Study Update
- Action Items ListPage 19
- Siemens Update (Possible Executive Session)

IV. Closing Comments

- General Manager Comments
- IGU Attorney Comments
- Directors Comments

V. Adjournment

To participate via teleconference, call 1-800-315-6338; when prompted, enter 47499

MEMORANDUM

TO: IGU Board
FROM: Zane D. Wilson
SUBJECT: Ethics policy
DATE: March 20, 2019

I have attached a draft ethics policy for your review. Director Nordale raised two primary concerns with the draft: 1) changing the receiver of ethics complaints from the General Manager to the IGU attorney, and 2) having a hearing officer hear board complaints instead of the board itself.

Rather than make changes that the board may or may not adopt we are forwarding the draft to you for your consideration of the above revisions and any additional revisions that the board may raise.

**INTERIOR GAS
UTILITY POLICY**

Policy NO. 05

Subject: Ethics, Conflicts of Interest and Complaint Procedures

Page 1 of 2

Effective Date: July 7, 2015

Revision Dates:
4/4/2017; 2/6/2019

I. OBJECTIVE

To provide guidelines by which Interior Gas Utility (IGU) Directors and employees conduct themselves in a manner which avoids conflicts of interest, decreased productivity, monetary loss or inappropriate use of IGU's name or property and to provide a process for the filing and resolution of ethics complaints.

II. POLICY

A. Directors shall comply with the Board adopted *Code of Ethics for the IGU Board*.

B. Employees shall comply with the *Employee Code of Ethics*.

C. Every Director and Employee of IGU is expected to avoid situations which might realistically be construed as unethical or a conflict of interest since it is not feasible in a policy statement such as this to describe all of the circumstances and conditions that might be or have the potential of being a conflict of interest.

D. Definitions.

"Anything of value" means:

1. Anything having a monetary value in excess of \$100.00; or
2. Anything, regardless of its monetary value, perceived or intended by either the one who offers it or the one to whom it is offered to be sufficient in value to influence a public official in the performance or nonperformance of an official action; or
3. Anything, regardless of its monetary value, which, under the circumstances,

a reasonably prudent person in the position of the public official to whom the thing is or may be offered, would recognize as being likely to be intended to influence the public official in the performance or nonperformance of an official action; and

4. The term "anything of value" includes, but is not limited to, a valuable act, advance, award, benefit, contract, compensation, contribution, deposit, emolument, employment, favor, fee, forbearance, gift, gratuity, honorarium, loan, offer, payment, perquisite, privilege, promise, reward, remuneration, service, subscription, or the promise that any of these things will be conferred in the future.

"Complainant" means a person filing a complaint.

"Confidential information" means information gained by the IGU in the course and scope of its business, including but not limited to personnel, financial and litigation information which is not generally made available to the public, or information concerning the acts or intended acts of IGU, including but not limited to executive sessions and ethics hearings not generally made available to the public.

"Conflict of interest" means a private or financial interest or an interest in anything of value, as defined in this policy, or a professional interest in a relevant matter. It may also include the filing of a complaint by a public official or a member of the board.

"Entity" means a group of persons organized for any purpose including but not limited to a corporation, company, partnership, firm, association, organization, joint venture, joint stock company, foundation, institution, government, union, trust, society, church or club.

"Financial interest" means:

1. An interest held by a person or entity subject to this policy or an immediate family member, which includes an involvement or ownership of an interest in a business, including a property ownership, or a professional or private relationship, that is a source of income, or from which, or as a result of which, a person has received or expects to receive anything of value; or
2. The public official holds a position in an entity, as an officer, director, trustee, partner, or holds a position of management.

This definition, however, shall be interpreted and applied in a manner that distinguishes between minor and insubstantial conflicts that are unavoidable

in a free society and those conflicts of interest that are substantial and material. Specifically, a public official shall not be disqualified from participation in matters in which the public official:

1. Has a financial interest which is insubstantial;
2. Has a financial interest that is possessed generally by the public or a large class of persons to which the public official belongs;
3. Merely performs some duty or has some influence which would have insubstantial or conjectural effect on the matter; or
4. Has an interest because it involves compensation and benefits for the performance of public official duties.

“Gift” means any benefit or thing or act of value which is conveyed to or performed for the benefit of a public official including any advance, award, contract contribution, deposit, employment, favor, forbearance gratuity, honorarium, loan, payment, service, subscription, or the promise that any of these things or acts of value will be conferred in the future, if such thing or act of value is conferred or performed without the lawful exchange of consideration which is at least equal in value to the thing or act conferred or performed.

“IGU” includes all entities owned in whole or in part by IGU.

“Immediate family member” means spouse, child (step, biological or adoptive), parent (step, biological or adoptive), sibling, grandparent, father in law, mother in law, or a regular member of the public official’s household.

“Person” means and includes a corporation, company, firm, partnership, association, society, organization or business trust, joint venture, as well as a natural person.

“Private interest” means any personal, other than financial, involvement that may be prejudicial to or in conflict with the public interest. This definition, however, should be interpreted in a manner that distinguishes between minor and insubstantial involvement that is unavoidable in a free society and those that are substantial and material. Specifically, a public official shall not be disqualified from participation in matters in which the public official has a personal interest:

- (1) Which is insubstantial;
- (2) That is possessed generally by the public or a large class of persons to

- which the public official belongs; or
- (3) In a matter over which the public official merely performs some duty or has some influence which would have insubstantial or conjectural effect on the matter.

“Public censure” means an official rebuke, which shall be part of the public records.

“Public official” means any IGU employee or person serving on the IGU Board.

“Respondent” means the person against whom a complaint is filed with the board of ethics.

“Subpoena” means a command to appear at a certain time and place to give testimony upon a certain matter. A subpoena duces tecum requires production of books, papers and other things.

III. RESPONSIBILITY

- A. The General Manager shall be responsible for enforcing employee compliance with this policy.
- B. The Board of Ethics and the IGU Board shall be responsible for enforcing a Director’s compliance with this policy.

IV. Employee Code of Ethics and Complaint Procedure

A. General Prohibited Conduct. No IGU employee shall:

1. Solicit, offer or receive money or other item of value in return for the exercise of the person's official duties.
2. Offer or accept any money or anything of value for or in consideration of obtaining any employment, appointment, or promotion of any person by IGU.
3. Offer or accept any money or anything of value for or in consideration of the use of the employee’s position to obtain a contract, payment or engage in any other transaction with IGU.
4. Use for the person's own financial interest, or for the benefit of another, confidential information acquired by reason of the person's IGU position and which is not available to the public.
5. Disclose or release, confidential information acquired as an employee or

from the person's official duties unless authorized by law, the IGU Board, or by court order.

6. Divert or permit the diversion of IGU resources including personnel time, services, vehicles, equipment, materials or other property for a purpose unrelated to IGU business or for personal gain.
7. Accept a gift from an individual or an entity with interests that may be substantially affected by the performance of the employee's IGU duties under circumstances where the timing and nature of the gift would cause a reasonable person to question the person's judgment in exercising IGU duties on a matter affecting the donor.
8. Accept gifts from persons on a basis so frequent as to raise an appearance of the use of the employee's IGUs position for private gain.
9. State or suggest to another person that action on any IGU matter is conditioned on the retention or non retention of services, including without limitation professional services, construction, and the procurement of supplies, from another person or entity.
10. Engage as a representative of IGU or during the Employee's work hours, either directly or indirectly, in partisan political activities or use official position to solicit a contribution, endorsement, or other campaign support for any political candidate.
11. Act in a manner to suggest that the employee is acting in the employee's official capacity or otherwise representing IGU when engaging in political activity during personal time.
12. Sell, distribute or provide gas, supplies or related services or products to other employees or the general public outside of their employment. Any product, procedure, process, intellectual property or invention developed by an employee(s) on IGU's premises, during the employee's work time or using IGU owned equipment or materials shall be the sole and exclusive property of IGU.
13. Engage in any outside activity which creates, has the realistic potential of creating, or has the appearance of creating a conflict of interest with the employee's duties or which is contrary to the interests of IGU. An employee may have another job in addition to the job he or she holds with IGU as long as the "second" job does not create a conflict of interest in their IGU position, as determined solely by IGU. The employee must notify the General Manager, and obtain written approval for the "second" job prior

to accepting the "second" job. A "second" job cannot interfere in any way with their employment with IGU. The "second" job shall not adversely affect the employee's performance, hours of work, ability to meet overtime requirements or the reputation of IGU.

B. Complaint procedure - Employee.

1. Any person may file a complaint under this chapter concerning an employee with the General Manager. The complaint may be filed with the Chair if the General Manager is the subject of the complaint. A complaint shall specify the provisions of this chapter alleged to have been violated and facts alleged to constitute the violation.
2. All complaints under this section shall be in writing and signed and sworn to under oath by the complaining person. Upon request by the complainant, the name of the complainant shall be kept confidential and shall not be revealed unless for good cause shown.
3. Upon receipt of the complaint, the General Manager or Chair shall give the person under investigation notice of the substance of the complaint and an opportunity to present written information or oral testimony including the names of any individuals the person wishes to have interviewed.
4. At the conclusion of an investigation, the General Manager or Chair shall prepare a written report including:
 - a) A summary of the investigation; and
 - b) Recommendations for such administrative or legal action as deemed appropriate.
5. The report shall be delivered to the person under investigation, the Chair, and the IGU attorney.
6. The IGU Board shall be the final decision maker on all complaints, subject to appeal to the Superior Court in accordance with the Alaska Rule of Appeal Procedure. Action on complaints and investigations shall be completed within 90 days of the filing of the complaint unless good cause is shown for an additional 30 day extension.
7. If an employee is found in violation of this chapter or found to have furnished false or misleading information during the investigation, the employee may be subject to reprimand, demotion, suspension, discharge or otherwise subject to disciplinary action. This section does not prohibit

the review of a disciplinary action in the manner prescribed by an applicable collective bargaining agreement.

All documents, records, testimony, final determination and disciplinary action relating to the investigation of the complaint are confidential and shall not be released to the public unless required by state law or court order.

v. Code of Ethics for the IGU Board and Complaint Procedures

A. Purpose and Intent. Directors provide their time and energy in public service to the Board and exercise significant personal commitment, often at substantial financial sacrifice in terms of time taken from other professional endeavors. The appointed and elected members are expected and permitted to earn a living and hold individual financial interests. However, matters coming before the Board may include matters in which the appointed or elected member or a family member has a financial or private interest creating ethical issues which should be regulated in order to ensure that decisions of IGU rest solely on what is in the public's best interest.

B. General Prohibited Conduct. No Director shall:

1. Solicit, offer or receive money or other item of value in return for a vote, or the exercise of the person's official duties.
2. Offer or accept any money or other item of value for or in consideration of obtaining employment, appointment, or promotion of any person by IGU.
3. Offer or accept any money or other item of value for or in consideration of the use of the person's public position to obtain a contract for any person or business with IGU.
4. Use for the person's own benefit, or for the benefit of another, confidential information acquired by reason of the person's IGU position and which is not available to the public.
5. Disclose or release, confidential information acquired as a Board member or from the person's official duties unless authorized by law, by a Board majority, or order of the court.
6. Divert or permit the diversion of IGU personnel time, IGU services, vehicles, equipment, materials or other property for a purpose unrelated to IGU business.
7. Accept a gift from an individual or an entity with interests that may be substantially affected by the performance of the person's official IGU's duties under

circumstances where the timing and nature of the gift would cause a reasonable person to question the person's judgment in exercising official IGU duties on a matter affecting the donor.

8. Accept gifts from persons on a basis so frequent as to raise an appearance of the use of the person's IGUs position for private gain.
9. State or suggest to another person that official action or vote on any IGU matter is conditioned on the retention or non retention of services, including without limitation professional services, construction, and the procurement of supplies, from another person or entity.

C. IGU Exercising Monetary or Management Discretion. When action on a matter involves monetary discretion in the recommendation of policy or funding, Directors shall disclose any financial interest or personal involvement in the matter, including a summary of personal contacts.

D. Disclosure Requirements. Directors shall place the public interest above any financial or private interest when taking official action. If a Director's private relationships or interests prevent the Director from placing the public interest above a financial or private interest, the Director shall disclose this fact on the record. Prior to comment, deliberation or decision on a matter coming before the IGU Board, a Director shall disclose any financial or private interest in the matter, including the financial or private interest of an immediate family member. The nature of the financial or private interest shall be disclosed in sufficient detail to permit the other members of the IGU Board to determine if the financial or private interest is substantial. If the other members of the IGU Board, by majority vote, determine that a financial or private interest is substantial the member may not participate in the matter coming before the IGU Board.

E. Substantial Financial Interest. Whether the financial or private interest disclosed is substantial shall be determined by the Board on a case by case basis, with evaluation of these factors:

1. Whether the financial or private interest is a substantial part of the matter under consideration;
2. Whether the financial or private interest directly and substantially varies with the outcome of the official action;
3. Whether the financial or private interest is immediate and known or conjectural and dependent on factors beyond the official action;
4. Whether the financial or private interest is significant monetarily;

5. Whether the financial or private interest is of a type which is generally possessed by the public or a large class of persons to which the member belongs.
6. Other factors deemed appropriate by the chair under the specifics of the disclosure and the nature of the action before the appointed body.

F. Restrictions on Employment. It is a conflict of interest for a Director to represent, advise, or assist a person for compensation regarding a matter that was under consideration by the Board if the Director participated personally in the matter through the exercise of official duty.

G. Written Disclosure of Present Economic Interest. All Directors shall, promptly after appointment or election, disclose any economic interest that could cause the Director to have a personal or financial interest in a decision of the IGU Board. The Director shall file supplemental written statements with the General Manager as new interests are acquired, and regardless of any prior written disclosure, shall make a full disclosure on the record of a potential conflict when matters come before the IGU Board.

H. Acquisition of an Economic Interest in Board Contracts and Business. If a Director or a member of the Director's immediate family can't take any official action with respect to preparation of a solicitation, award, or administration of a contract, the member or a member of the immediate family shall not acquire directly or indirectly an economic interest in a related IGU contract.

I. Allowable Gifts. Gifts to a Director that are unrelated to the Director's service and gifts without monetary value are not prohibited. In addition, the following unsolicited gifts are allowed subject to disclosure as follows:

1. A gift or award of monetary value presented in recognition of meritorious, civic, or voluntary service to a Director, so long as presented by a recognized civic or non profit charitable organization presenting such a gift or award as part of an established tradition, and not given as financial inducement for official action. A Director shall disclose a gift or award with a monetary value in excess of \$50.00 and file the disclosure with the General Manager within 30 working days of receipt of the gift or award.
2. A perishable gift for immediate consumption or display, from member(s) of the public, expressing general appreciation or holiday cheer, when shared among members of the Board or donated to charity. Directors shall disclose a gift under this category with a value in excess of \$150.00 and file the disclosure with the General Manager within 30 working days of receipt.

J. Political Activity. A Director shall not:

1. Use official position to solicit a contribution, endorsement, or other campaign support for any political candidate.
2. Use official position to discourage or inhibit any person from exercising voter franchise.
3. Act in a manner to suggest that the Director is acting in the Director's official capacity or otherwise representing the IGU Board, when engaging in political activity during personal time.

K. Complaint procedure – Directors.

1. Board of Ethics. The Board of Ethics shall consist of three persons and at least one alternate appointed by the IGU Chair for a three year term.

2. Filing of a verified complaint/legal counsel. Any person may file a verified complaint with the General Manager alleging that a Board Member has violated one or more provisions of this ethics policy. All parties may be represented by counsel but shall bear their own attorney fees for that representation.

3. The complaint must:

- A. Be a written statement of the charge setting out in ordinary and precise language the acts or omissions with which the respondent is charged, so that the respondent is able to prepare a defense;
- B. Specify the subsection(s) of the IGU ethics policy that the respondent is alleged to have violated;
- C. No action may be taken on an untimely complaint. A complaint alleging a violation must be filed within two years from the date the complainant(s) knew or should have known of the action alleged to be a violation; provided, that in no event shall a hearing be initiated more than five years after the alleged violation occurred.

4. Form of verification. The verification shall be substantially in the following form:

I, (complainant/respondent), have read the foregoing complaint/response, know the contents thereof, and the same are true to the best of my knowledge and belief.

The complaint/response and the verification must be signed by the complainant/respondent before a notary public.

5. Confidentiality.

- A. All proceedings in respect of a complaint filed under the IGU ethics policy are confidential and may not be disclosed to any person except as required for the proper processing and handling of the complaint.
- B. It is not a violation of this section for a person to contact or retain an attorney or to participate in a criminal investigation.
- C. All proceedings and records shall remain confidential unless the respondent requests a public hearing or until the board of ethics files with the IGU Board its findings of fact and conclusions of law concerning the complaint.

6. Service of complaint.

Upon receipt of a verified complaint, the General Manager shall:

- 1) Stamp the complaint with the date and time received, number the complaint, establish a docket for further proceedings, and enter the complaint, including date and time received, on the docket.
- 2) Review the complaint to determine that it complies with the IGU ethics policy, that it alleges facts sufficient to constitute a violation, and that the board has jurisdiction over the matter.
- 3) If the General Manager determines that the complaint complies with the IGU ethics policy and that the ethics board has jurisdiction, the General Manager shall serve the complaint and notice on the respondent, personally, or by U.S. mail, certified return receipt requested.
- 4) The General Manager shall notify both the respondent and the complainant that the complaint has been accepted.

The notice shall specify the following:

- 1) The respondent must file a response to the complaint within 30 days from the date of the General Manager's written notice;
- 2) The respondent may file a challenge to sufficiency of the complaint, if any, within 15 days;
- 3) The respondent has the right to submit affidavits or other written evidence in support of his or her response;
- 4) Failure to submit a timely response shall be deemed an admission of the allegations in the complaint;
- 5) The existence of the complaint shall be confidential until the board of ethics files its findings of fact and conclusions of law to the IGU Board concerning the complaint;
- 6) The complainant and the respondent have the right to be represented at any hearing

throughout these proceedings.

If the General Manager determines that the complaint fails to comply with the IGU ethics policy or that the ethics board does not have jurisdiction, the General Manager shall dismiss the complaint, setting forth the grounds in a written decision. The General Manager shall serve a copy of the decision on the complainant.

A complainant may appeal a dismissal of a complaint to the ethics board by filing an appeal with the General Manager within 15 days after the date of the notice of dismissal. The appeal must state all facts and legal grounds for the appeal.

7. Response.

The respondent shall file a verified response within 30 days from the date of service of the complaint.

If the respondent fails to respond timely, the allegations of the complaint shall be deemed admitted. The General Manager shall notify the complainant and respondent the allegations of the complaint are deemed admitted.

The respondent may appeal to the ethics board any deemed admission of the allegations of the complaint, for good cause, by filing an appeal with the General Manager within 15 days after the date on which the response was due. The appeal must state all facts and legal grounds for failure to respond timely.

8. Transmittal.

The General Manager will forthwith furnish to the ethics board the complaint and response, if any, or any appeal and schedule a meeting of the ethics board.

9. Board of ethics review and determination.

The board of ethics shall review and consider all complaints accepted by the General Manager, and timely responses, or any appeal of the dismissal of the complaint.

The board of ethics shall take any action or combination of actions which it deems appropriate and which it is lawfully empowered to take, including but not limited to issuing findings of fact and conclusions of law based on the written record if the respondent admits the allegation(s) or otherwise fails to respond.

The board of ethics may, in its sole discretion, dismiss the complaint, or decide to proceed to resolution of the complaint if:

- 1) The complainant seeks to withdraw the complaint at any time before the board takes final action; or
- 2) The complainant, after notice, materially fails to cooperate in the board's review and consideration of the complaint.

10. Pre hearing conference.

Upon receipt of the response, or the time has passed and the respondent has failed to answer the allegations of the complaint, the General Manager shall furnish copies of the complaint and response, if any, to the complainant, the respondent and the members of the board of ethics, including the notice convening the board and setting the time and place for a pre hearing conference.

The pre hearing conference shall be held no later than 30 days after receipt of the response or the time for filing a response has run.

Both the complainant and the respondent may be represented by counsel at all proceedings after the filing of the complaint. An attorney representing a party shall file with the General Manager an entry of appearance, furnishing the General Manager with his or her name, mailing address, telephone and facsimile numbers and email addresses, if any.

At the pre hearing conference, the following matters shall be considered:

- 1) Time and place for hearing on the complaint and response;
- 2) Any stipulations of fact;
- 3) Any motions to be filed;
- 4) Any simplifications of the issues;
- 5) Scheduling motions, discovery and any other relevant matters;
- 6) Exchange of evidence which shall not be later than 10 days before the hearing; and
- 7) Any other matters that the board determines will provide a fair and orderly hearing.

11. Hearing notice.

If the board determines that a hearing on the complaint must be held, the General Manager shall serve on the complainant and the respondent a notice of hearing setting out the time and place of hearing and the schedule for any preliminary matters. This notice shall include a statement of the right to provide written evidence and oral testimony. The complainant and the respondent shall also be informed of the right to be represented at the hearing.

If the respondent has failed to answer the allegations of the complaint or has admitted the allegations, the board shall prepare findings of fact and conclusions of law based on the written record.

12. Subpoenas.

The board of ethics shall issue subpoenas and subpoenas duces tecum at the request of either the complainant or the respondent, and may issue subpoenas and subpoenas duces tecum to witnesses not called or named by either party but who are deemed by the board to have relevant information.

A subpoena issued under this section may be enforced in the superior court in the manner provided under the Alaska Rules of Civil Procedure.

13. Motions – Depositions.

All motions shall be served in the manner set forth in the Alaska Rules of Civil Procedure and the answering party shall have 10 days from date of service to respond and moving party shall have five days to reply, unless another time has been agreed upon in the pre hearing conference.

Either party or the board's attorney may depose witnesses. Notices of deposition shall be served on the parties no less than three business days before the date scheduled for the deposition.

Motions and depositions may not be used to extend the time for hearing. For good cause shown, either party may apply to the board for an extension of the time for hearing.

14. Service by mail and filing.

If service by mail is used, three days will be added for response time from the date of mailing. The party must certify the date mailed on the document.

All documents shall be filed with the General Manager.

15. Hearing.

All hearings shall be before the board of ethics. The chair of the board shall preside, unless another member of the board has been so designated by the board. The chair shall rule on admission and exclusion of evidence.

The board may administer oaths, hold hearings, and take testimony. Upon motion by the board or application by a party to the hearing, the board may issue subpoenas to require the presence of witnesses and the production of records, books and papers at the hearing.

The IGU attorney, or designee, shall act as the attorney for the board and shall advise the board on matters of law.

The complainant and the respondent may each present an opening statement setting out the matters they intend to prove. The complainant shall proceed first with his or her evidence and the respondent shall follow, setting forth his or her evidence. The complainant and the respondent may make closing arguments.

The ethics board may obtain additional information by a request to the IGU attorney or designee, to investigate the complaint and report all information to the board.

The Alaska Rules of Evidence do not apply to the admission of evidence in a hearing, but the ethic board's findings of fact must be based on reliable and relevant evidence.

At the conclusion of the presentation of evidence and closing arguments, the ethics board shall consider the allegations, the evidence supporting them and the respondent's evidence. If fewer than three members of the ethics board are available for deliberation an alternate shall be seated as a voting member until conclusion of the matter, including any appeals; otherwise, the alternate is excused at the conclusion of the hearing.

The complainant, the respondent, and their counsel shall be excluded from all deliberations of the board.

16. Findings of fact and conclusions of law.

The ethics board shall enter its findings of fact and conclusions of law no later than 30 days after the conclusion of the hearing. The ethics board shall notify the parties and their attorneys if an extension is required to permit the ethics board to prepare its findings of fact and conclusion of law.

If the ethics board finds that no violation has occurred, the ethics board shall dismiss the complaint. The General Manager shall serve the notice of dismissal on the complainant, the respondent and attorneys. The notice of dismissal remains confidential.

If the ethics board finds that a violation of the IGU ethics policy has been committed, it shall prepare and submit its findings of fact and conclusions of law to the assembly.

The findings of fact and conclusions of law are final and conclusive.

The IGU Board may not change, modify or otherwise alter the findings of fact and conclusions of law as submitted.

The IGU may impose any legally authorized penalty on the public official including public censure.

If the ethics board determines that no violation has occurred, or otherwise dismisses the complaint for substantive reasons, the board may, in its discretion, award full or partial attorney fees to a Director who reasonably incurred those costs defending the complaint. This award may be made only to the extent that the IGU Board has appropriated funds for that purpose.

17. Appeal of findings of fact and conclusions of law and penalty.

After the IGU Board has determined an appropriate penalty, appeal of the findings of fact and conclusions of law and the penalty may be taken to the superior court in accordance with the Alaska Rules of Appellate Procedure.

Notice of an appeal must be filed with the superior court within 30 days of the imposition of the penalty.

18. Records retention.

The General Manager shall provide for the storage or destruction of all records of the proceedings of the ethics board in accordance with IGU's approved retention schedule.

IGU Board Chair

Date

Secretary to the Board

Date

IGU MOTION

WHEREAS Article V of the IGU Bylaws authorizes the Board of Directors to appoint standing temporary committees to advise the Board of Directors on specific matters;

WHEREAS it is the obligation of the Board of Directors to establish and monitor the employment agreements between IGU and IGU upper management;

IT IS HEREBY MOVED THAT:

1) the Chair of the IGU Board of Directors shall establish a standing committee, consisting of two board members and one member of the public, to review employment contracts with upper management and to make recommendations to the IGU Board of Directors regarding the terms and conditions of employment for upper management.

2) the standing committee shall provide recommendations to the Board of Directors that shall include the following:

- a) analysis of existing employment agreements and any suggested changes thereto;
- b) a comparison of compensation paid by IGU compared to other similar sized utilities; and
- c) recommendation on how to proceed in light of the existing general manager's contract expiration in the fall of 2019.
- d) development of standards for upper management performance evaluations.

Pamela Throop - Chair, IGU Board of Directors

Date