

**COLUMBIA RIVER PEOPLE’S UTILITY DISTRICT**  
**Special Meeting – Training & Workshop**  
**January 11, 2016**

The Special Meeting of the Board of Directors of the Columbia River PUD was called to order by President, David Baker, at the Deer Island District Office at 9:00 a.m. Notice was provided to the press and interested parties. The following individuals were present:

**Directors:**

David Baker  
Jake Carter  
Craig Melton  
Richard Simpson

**Staff:**

John Nguyen, Interim General Manager  
Heidi Ralls, Administration Supervisor

**Consultants:**

Philip Griffin, Attorney                      Nick Herman, Attorney

**Public:**

Heather Arnis

David Baker advised the Special Meeting was called for the purpose of Board Training and to hold a Workshop to discuss a Board Governance Policy.

- 1. Training/Board Governance Policy:** Introductions were made. J. Nguyen reviewed the background of how the draft policy progressed from a draft Code of Conduct in 2013 to the current draft form. This version came about as part of an action plan requested by the underwriter for new insurance to show how the Board and Staff will move forward. The goal of this discussion is to define the roles and duties of the Board, individual Board members, the General Manager and General Counsel as outlined in the draft Board Governance Policy.

The Introduction provides a brief history of the PUD and information on how it is to be governed.

Director Carter asked if it would become part of a governance book or utilized as a policy. He also questioned what would happen if the policy was not followed. P. Griffin indicated it is a policy and that the questions would be addressed as the policy is reviewed. He encouraged the Board to ask questions and provide comments and they progress through the document line by line.

**Section 1 - The Columbia River PUD:** No comments/questions

**Section 2 – Guiding Principles:**

2.3: Focus of Governance: P. Griffin noted it is a statement to the public of how the Board is to operate.

2.4: Ethical Standards: Director Carter suggested the Board receive in-depth training on the ethics laws outlined in ORS 244.

2.5.4: Mandatory Reporting by the Board; and 2.5.5: Management of Reports: P. Griffin pointed out these subsections clarify how seriously the PUD takes good faith reports or disclosure of fraud, waste, abuse or other improper, unethical, or unlawful conduct within the PUD. It also outlines a process of the Board directing these reports to the General Manager and/or General Counsel, which will aid in transparency and the reduction of potential liability from employment claims.

**Section 3 - Board of Directors:** This section covers their Authority as described in Article XI, section 12 of the Oregon Constitution and ORS 261, Duties, Orientation and Training, Officers, Code of Conduct, Conflicts of Interest, Meetings, Executive Sessions, Communication, Records, Compensation and Expenses, Indemnification, and Violation of Governance Policy.

It was reiterated how important it is for the Board to remember it is a legislative body and that individual Board members have no inherent authority to act on behalf of the PUD or the Board.

Director Carter expressed concerns about individual Board members attending outside meetings and misrepresenting what the majority of the Board had decided. P. Griffin reminded them it is imperative that the individual indicates that it is their own opinion such as: "I, Joe Smith, believe..."

3.2.2(c) Duties of the Board: Director Carter requested clarification on the recruitment/hiring of a General Manager and how it relates to the current situation with an Interim General Manager. P. Griffin indicated there was no clear policy of how the Board would proceed and that this policy will provide articulation and clarification of how the Board is to move forward in the future.

3.3: Orientation & Training: This speaks to the obligation of existing Board Members have to new Board members to be sure they have appropriate training and orientation in Board governance, policies, procedures, and other aspects of the PUD's operations that would assist new them in achieving excellence in governance.

Director Simpson stressed how important it is for all Board members to keep up to date on all the information provided from outside meetings as it can change quickly from one meeting to the next.

Director Carter suggested the Board receive training as a whole on parliamentary procedures. Discussion occurred on how that, and other desired training would be arranged.

3.5: Code of Conduct: Director Carter asked about emails that are sent through private email accounts; what are the ramifications if information discussed in Executive Session gets out to the public; and with being a Business Representative for IBEW, are there other

topics, aside from union contract negotiations, that need to be abstained from or declare a conflict of interest? P. Griffin clarified that if the email was sent or received within the capacity of a Board Member, it is considered a public record; an individual sharing information discussed in Executive Session could be subjected to legal liability; and anytime there is a hint of conflict, ask the for clarification.

Discussion occurred on the process of preparing the agenda. P. Griffin will add language to institutionalize the process to include the General Manager, President of the Board and one other Board member to review the proposed agenda prior to finalizing.

3.9: Communication: P. Griffin suggested this subsection is a statement that enforces that the primary opportunity for interaction with the Public occurs at Board Meetings. He stressed that when a Director is communicating outside of Public Meetings, they may be perceived as taking an official position.

3.9.2: Communication Prior to Public Meeting: Director Carter verified that the opportunity to express an opinion as a Board member comes prior to the vote, after a second to a motion.

3.10: Records: Director Carter asked if there is anything not "request-able" like individual salaries. P. Griffin clarified that anything can be requested but through the review process they may be deemed not available.

3.12.1: Oregon Tort Claims Act: P. Griffin explained this deals with civil claims while 3.12.2: Criminal Prosecution: deals with criminal claims.

3.13: Violation of Governance Policy: Director Carter asked if this part of the policy comes into play if a Board member makes false statements that result in a recall. He indicated this is a good policy taking the Board down the right path. Director Melton expressed appreciation that it is clearing up the questions to avoid future situations.

After a brief break the Board reconvened at 10:55am.

N. Herman indicated there were questions during the break about subsections *3.1.3: Individual Board Members* and *3.9.3: Outside of Public Meetings* - he explained that individuals have a right to speak their mind but the Board has a duty when they are voicing an opinion to articulate when they are voicing an opinion speaking as an individual, not as a member of the Board.

**Section 4 - General Manager:** Director Carter asked for explanation on the phrase: "Experienced Executive with Administrative ability." P. Griffin explained it is someone who has the skills to competently fill the position, who has held a management decision making position and has supervised people and has experience integrating that department with others. Discussion occurred.

Director Carter inquired if anything had been done wrong with the appointments of S. Hursh, R. Lugar, and J. Nguyen? P. Griffin commented there is no well-articulated policy so this allows the Board to act intuitively. Director Simpson indicated that in S. Hursh's case, he was the "next in line" so it seemed right. J. Nguyen indicated there was a Management Succession Planning Policy but it had been rescinded.

**Section 5 - General Counsel:** P. Griffin stated there was no job description for General Counsel so this gives some guidelines.

5.5: Evaluation: Director Carter suggested the Board Management Team participate in the evaluation.

P. Griffin indicated the next step would be to incorporate the additions and comments into the draft that will be available for the Board review prior to the next Board meeting.

There being no further business to come before the Board, the meeting was adjourned at 11:27 a.m.

**Columbia River People's Utility District**

By  \_\_\_\_\_  
**Heidi Ralls, Board Secretary**