

**Minutes of the
Energy Northwest
Special Executive Board Meeting
Hilton Seattle Airport and Conference Center
Boardroom & Elliott Room
17620 International Blvd.
Seattle, Wash.
Sept. 26, 2016**

Chair Sid Morrison called the special meeting of the Executive Board to order at 11:02 a.m. on Sept. 26, 2016 in conjunction with the Compensation Subcommittee meeting in the Boardroom at the Hilton Seattle Airport and Conference Center in Seattle, Wash. The meeting recessed at 1 p.m. and reconvened at 1:05 p.m. in the Elliot Room. There was a quorum present. An environmental analysis of the meeting agenda had been prepared which reflected that all items on the agenda were exempt from further procedural compliance with the State Environmental Policy Act.

Roll Call

Executive Board Members

Sid Morrison, Chair	Present
Jack Janda, Vice Chair	Present
Lori Sanders, Secretary	Present
Linda Gott, Assistant Secretary	Present
Marc Daudon	Present
Jim Moss	Present
Skip Orser	Present
Will Purser	Present
Dave Remington	Present
Tim Sheldon	Absent
Kathy Vaughn	Present

Others Present: Board of Directors member – Terry Brewer; Pillsbury (via teleconference) – Jeff Merrifield, Daryl Shapiro and Tim Walsh.

Staff Present: Mark Reddemann and Bob Dutton; and public session only – John Irvan; Mike Paoli; Angela Smith; and Jeff Windham.

Special Executive Board Meeting

Mr. Jeff Windham led the group in the Pledge of Allegiance.

Approval of Minutes

The following meeting minutes were presented for approval:

- Executive Board Meeting – Aug. 24 – 26, 2016

Mr. Jack Janda moved that the minutes be approved. Ms. Linda Gott seconded. MOTION CARRIED.

Public Comments

Hearing none, the next agenda topic was covered.

Bond Resolution

Mr. Jeff Windham, Treasury & Budgets supervisor, presented the Internal Revenue Service letter ruling requests and supplemental bond resolution. Key highlights included: a background of the requests; multipurpose allocations; cooperatives; next steps; and the recommendation.

Resolution 1888

Audit, Legal and Finance Committee Chair Kathy Vaughn moved that the Executive Board approve EXECUTIVE BOARD RESOLUTION NO. 1888 a supplemental resolution authorizing the issuance of Project No. 1 electric revenue refunding bonds, Series 2017-A and Series 2017-B (taxable); Columbia Generating Station electric revenue and refunding bonds Series 2017-A and Series 2017-B (taxable); and Project No. 3 electric revenue refunding bonds, Series 2017-A and Series 2017-B (taxable). Mr. Jack Janda seconded.

Chair Morrison opened the floor for discussion; hearing none, he called for the question. EXECUTIVE BOARD RESOLUTION NO. 1888, UNANIMOUSLY ADOPTED.

Executive Session

Chair Morrison called a one-and-a-half-hour executive session beginning at 1:35 p.m. in accordance with:

RCW 42.30.110 (1) (f):

To receive and evaluate complaints or charges brought against a public officer or employee.

AND

RCW 42.30.110 (1) (i):

To discuss with legal counsel representing the agency matters relating to agency enforcement actions, or to discuss with legal counsel representing the agency litigation or potential litigation to which the agency, the governing body, or a member acting in an official capacity is, or is likely to become, a party, when public knowledge regarding the discussion is likely to result in an adverse legal or financial consequence to the agency.

The executive session was extended by 30 minutes at 3:05 p.m.

The executive session was extended by 15 minutes at 3:35 p.m.

The meeting reconvened as an open public meeting at 3:40 p.m.

Motion 2016-20

Mr. Skip Orser moved on behalf of the Ad Hoc Subcommittee, that the Executive Board having received the Phase 2 report, hereby makes it available to the public as presented by the law firm of Pillsbury Winthrop Shaw Pittman, LLP to the Executive Board on Sept. 26, 2016, for Phase II of the Investigation conducted at the direction of the Executive Board addressing factual allegations presented to the Executive Board in four of the anonymous letters received by the Executive Board. The Executive Board directed that Pillsbury prepare a non-privileged report of investigation of its findings and recommendations. By making available to the public the final report of Phase II of the Investigation, to the extent permitted by applicable law, the Executive Board expressly does not waive the attorney-client privilege and/or the attorney work product doctrine as to any drafts of the report, comments to any drafts of the report, to the working papers, interviews notes and all other documents associated with the final report for Phase I or Phase II and the Investigation, to discussions between Pillsbury and members of the Executive Board, the Board of Directors, and the Participants Review Board regarding the investigation and the report, and further, does not waive the privilege associated with the executive sessions conducted by the Executive Board associated with the Investigation or the release of the Phase I or Phase II report. Mr. Marc Daudon seconded. MOTION APPROVED.

Mr. Skip Orser moved that he understands the direction of the board and will revise the document reviewed; and will issue it as soon as the board is satisfied with it. Ms. Lori Sanders seconded. MOTION APPROVED.

Other Business

Mr. Skip Orser moved to approve the Tri-City Herald display ad for Public Power Week. Ms. Lori Sanders seconded. MOTION APPROVED.

Ms. Sanders requested to work with Mr. Mike Paoli to finalize the Tri-City Herald ad.

Mr. Jim Moss and Mr. Jack Janda recognized Mr. Paoli's assistance regarding the Washington State Democratic Central Committee in Yakima passing Resolution 786 - Retain the Columbia Generating Station.

The board requested this information be shared with newspapers.

Hearing no further discussion, Chair Morrison adjourned the meeting at 4:10 p.m.

Respectfully submitted by,

Angela Smith
Board Relations