ORIGINAL

BEFORE THE SEATTLE ETHICS AND ELECTIONS COMMISSION

In the matter of	)	No. 11-1-1012-1
	)	
	)	
FREDERICK SPENCER	)	SETTLEMENT AGREEMENT
	)	
	)	

This settlement is made between Frederick Spencer and the Executive Director of the Seattle Ethics and Elections Commission (the "Director"). Upon approval by the Seattle Ethics and Elections Commission (the "Commission"), the following findings, conclusions and agreements shall be binding upon Frederick Spencer, the Director, and the Commission (the "Parties"), and their successors, heirs and assigns, and shall constitute the complete agreement between the Parties.

Spencer and the Director agree to the following:

FINDINGS OF FACT

1. Spencer has worked for Seattle Public Utilities (SPU) since 2002. He is a Utility Account Representative (UAR) in the Customer Service Branch. In his official capacity as a City employee, he has access to the City's Consolidated Customer Service System (CCSS).

2. UARs have CCSS access to aid Seattle City Light (SCL) and SPU customers with billing questions or requests. Spencer's CCSS access allows him the ability to make account adjustments, set up payment arrangements, cancel shut-off notices, deduct extra garbage charges or dismiss late payment fees.

3. UARs can access both SCL and SPU accounts. Each time a customer account is accessed a unique UAR identifier is automatically recorded by the system. The UAR identifier is tagged "_01" if the UAR works on a SCL account and "_02" for work on a SPU account. Spencer's identifiers are SPENCEF_01 and SPENCEF _02. Spencer received training beginning

in 2002 regarding use of the CCSS system, and was aware of department policies regarding payment arrangements.[1]

4. Spencer is the accountholder of record for a City residential utility account.

Payment Arrangements

5. SPU offers customers payment arrangements to customers who need time to deal with larger-than-expected bills or as a process to reduce and manage monthly payments. A payment arrangement results in deferred income for the utility and defers credit action against a utility customer, including the application of late fees. Payment arrangements extend over a 60-day period. Successfully completing a payment arrangement requires a customer to pay both the payment arrangement amounts and keep current with their regular bills.

6. In the last three years, Spencer used his access to the CCSS to make 16 payment arrangements on his own utility account. The payment arrangements that Spencer set up for himself were available to any SPU utility customer who needed the accommodation. Spencer used payment arrangements to spread his utility payments over a period of two months rather than paying the entire bill in the month it was due.

CONCLUSIONS OF LAW

1. SMC 4.16.070.1.a states that a Covered Individual may not participate in a matter in which that individual has a financial interest.

2. Spencer is a City employee, and therefore a Covered Individual.

3. Decisions regarding SPU customer accounts are City matters.

4. When Spencer accessed his personal SPU utility account and made 16 payment arrangements over the course of three years, he violated SMC 4.16.070.1.a by participating in a City matter in which he had a personal financial interest.

[1] SPU's "Expectations for Utility Account Representatives" states: *"Ask a supervisor or Utility Account Representative II to provide maintenance to your account and the accounts of your relatives, friends, and co-workers."*

AGREEMENT

1. Spencer acknowledges that he violated the Seattle Ethics Code when he accessed and worked on his personal utility account.

2. Spencer agrees to pay the City of Seattle $700 for these violations.

3. The Parties agree that this settlement agreement, upon the Commission's approval, will constitute, insofar as is legally possible, a full and final settlement between the Parties, as to any violation of the Seattle Code of Ethics related to the findings of facts cited above. The Parties, release, acquit and discharge each party, its present or former officials, employees, agents, representatives, heirs and assigns from all present claims, demands, damages, costs (specifically including attorney's fees and costs), actions or causes of action which arise out of the specific facts outlined in this violation of the Ethics Code, and the acts or omissions of the Commission, its members, agents or employees in handling the matter filed under Ethics and Elections Commission Case No. 11-1-1012-1. This release by the Director and the Commission does not preclude actions by other parts of the City of Seattle, including the employee's employing department or any other law enforcement agency.

4. The Parties agree that the Commission's review of this settlement agreement does not preclude the Commission from hearing this case in the event that the Commission rejects this agreement and calls for a hearing, or in the event that Spencer rejects any Commission modification of this agreement and requests a hearing.

5. The Parties agree that if Spencer breaches this agreement, in any respect, the Commission will be entitled to hold a special meeting or a regular meeting to issue a determination that Spencer has violated the Seattle Ethics Code. Under the municipal code, the Commission may impose a fine of up to $5,000 per violation, and may require costs that do not exceed the amount of any monetary fine.

6. The Parties agree that this settlement incorporates and supersedes any and all other oral and written agreements and assurances of any and all kinds between the parties, and that there are no other written or oral agreements that alter or modify this agreement.

Frederick Spencer
Date: November 18, 2011

Wayne Barnett, Executive Director
Date: November 22, 2011