ORIGINAL

BEFORE THE SEATTLE ETHICS AND ELECTIONS COMMISSION

In the matter of	)	No. 11-1-0701-1
	)	
Sharon Howard	)	SETTLEMENT AGREEMENT
	)	

This settlement is made between Sharon Howard 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 Howard, the Director, and the Commission (the "Parties"), and their successors, heirs and assigns, and shall constitute the complete agreement between the Parties.

Howard and the Director agree to the following:

FINDINGS OF FACT

1. Howard worked for Seattle Public Utilities (SPU) in the Customer Service Branch from 1999 to 2011. She was a Utility Account Representative (UAR) Team Supervisor for the last several years of her employment with SPU. In her official capacity as a City employee, she had 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. Howard's CCSS access allowed her to make account adjustments, set up payment arrangements, cancel shut-off notices, waive an extra garbage fee, waive a returned check fee, or waive 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 an SCL account and "_02" for work on an SPU account. Howard's identifiers were HOWARDS_01 and HOWARDS_02. Howard received training at the

inception of CCSS in 2001, and was aware of department policies regarding payment arrangements.[1]

4. Howard is the accountholder of record for SPU and SCL City residential utility accounts.

5. Howard's parents also have City residential utility accounts.

6. Between 2008 and 2010, Howard on several occasions used her CCSS access to create payment arrangements and reverse fees on both her and her parents' accounts.

SPU Payment Arrangements:

7. SPU customers are billed every two months. The bill is due 21 days after issuance.

8. SPU offers 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 current charges regularly billed.

9. If a customer fails to successfully complete a payment arrangement, the automatic utility billing system will cancel the arrangement, impose late fees, and reinstate the account balance. Customers are not eligible for another payment arrangement if they fail to successfully complete two payment arrangements in any 12-month period.

10. SPU's Credit and Collections Billing Policy and Procedure permits a UAR to establish a payment arrangement without an upfront payment when the account is in past due status. If SPU has sent an "Urgent Notice," the customer is required to pay 50 percent of the amount due before the customer can make a payment arrangement. If SPU has issued a "Shut

[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."*

Off Notice," the customer is required to pay 75 percent of the amount due before the customer can make a payment arrangement.

Howard's SPU Account:

11. On June 21, 2010, despite having failed to successfully complete two payment arrangements in the preceding 12 months, Howard established a payment arrangement on her SPU account.

12. On July 15, 2010, Howard again used her CCSS access to create a payment arrangement contrary to SPU policy. The arrangement, due to be completed by August 19, failed due to non-payment and was automatically canceled by the CCSS system.

Howard's Parents' SPU Account:

13. Between April 2008 and July 2010, Howard created four payment arrangements on her parents' account, three of which they were not eligible for because of failed arrangements.

14. In 2008, Howard used her CCSS access to make adjustments to her parents' account. Seven adjustments, each deducting a charge of $10, were made between March 2008 and September 2008; five on March 5; one on June 27 and one on September 10.

Howard's SCL Account:

15. In January 2008, Howard agreed to make two payments of $212 on her bill in the month of February in order to secure a $500 payment under a utility assistance program. She made the second payment four days late. Howard used her CCSS access to post the confirmation of the payment two days before the payment would have posted through the normal accounting process.

Howard's Parents' SCL Account:

16. Howard established four payment arrangements on her parents' SCL account between April 2008 and October 2010. Due to failed arrangements, her parents were ineligible for new payment arrangements on three of these four occasions.

17. In 2008, Howard used her CCSS access to reduce her parents' bill by $120 in total. She deducted a dozen $10 late fee charges from her parents' SCL account; three on March 5, and nine on September 10.

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, or an immediate family member, has a financial interest.

2. SMC 4.16.070.2.a states that a Covered Individual may not use or attempt to use "his or her official position for a purpose that is …primarily for the private benefit of the Covered Individual or any other person …"

3. Howard is a City employee, and therefore a Covered Individual.

4. Howard's parents are her immediate family members as that term is defined in the SMC 4.16.030.

5. Decisions regarding utility accounts are City matters.

6. When Howard accessed her and her parents' utility accounts to make payment arrangements, she violated SMC 4.16.070.1.a by participating in City matters in which she and her immediate family members had a financial interest.

7. When Howard accessed her and her parents' utility accounts to reduce the amounts due, and to make payment arrangements that violated utility billing policies, and were therefore unavailable to other utility customers, she violated SMC 4.16.070.2.a by using her City position for the private benefit of herself and her immediate family members.

AGREEMENT

1. Howard acknowledges that she violated the Seattle Ethics Code when she participated in City matters in which she or her immediate family had a financial interest, and when she used her position to provide her and her parents with benefits unavailable to other customers.

2. Howard agrees to pay the City of Seattle $2,000 for the violations described above.

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. 11-1-0701-1. 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 Howard rejects any Commission modification of this agreement and requests a hearing.

5. The Parties agree that if Howard 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 Howard 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.

Sharon Howard

Sharon Howard
Date: 12/5, 2011

Wayne Barnett, Executive Director
Date: Dec. 6, 2011