

CITY OF SPOKANE ETHICS COMMISSION

Ethics Commission's Decision Approving Requests by the  
Upriver Superintendent Seth McIntosh, and  
Waste to Energy Interim Plant Manager Chris Averyt

On June 9, 2021, Seth McIntosh, City of Spokane Upriver Superintendent, and Chris Averyt, City of Spokane Waste to Energy Interim Plant Manager, notified the City of Spokane's Ethics Commission pursuant to SMC 1.04.030 O. 3 of their requests for the Commission's approval of the City contracting with a former city employee for expert or consulting services. Copies of the letters are attached to this decision.

SMC 1.04.030 O. 3 provides that whenever a City officer or employee wishes to contract with a former City officer or employee for expert or consultant services within one year of the officer or employee leaving City service, advance notice shall be given to and approval received from the Ethics Commission.

The Ethics Commission met on June 16, 2021 to review the request. Pursuant to the facts set forth in the letters from Mr. McIntosh and Mr. Averyt, the testimony presented to the Commission and the provisions of SMC 1.04.030 O. 3, the Ethics Commission determines that:


1. Notice has been given to the Ethics Commission,
2. The evidence submitted in the letters from Mr. McIntosh and Mr. Averyt and the testimony provided to the Commission demonstrates benefit to the City by having the former City employee, Dana Zentz, work on the project, which the City will be contracting for with his new employer, Fish Bay Resources, LLC,
3. There are no adverse effects to the City in granting approval, and
4. No violations of the Ethics Code would occur by approving the request.

The Ethics Commission approves by a vote of 6 to 0, with Commissioner Cronin being absent, the request by Seth McIntosh, City of Spokane Upriver Superintendent, and Chris Averyt, City of Spokane Waste to Energy Interim Plant Manager, for approval of the City contracting with Fish Bay Resources, LLC, a solely owned company of former city employee Dana Zentz, for expert or consulting services as set forth in the attached letters.

  
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Sarah O'Hare, Co-Chair

  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Clayton McFarland, Co-Chair

  
\_\_\_\_\_  
Date

City of Spokane Ethics Commission  
Office of the City Attorney  
5<sup>th</sup> Floor City Hall  
W. 808 Spokane Falls Blvd  
Spokane, WA 99201

June 9<sup>th</sup>, 2021

Dear Members of the Ethics Commission,

The City of Spokane Solid Waste Disposal Department is seeking review and approval for consulting services with a former City project employee within one year of leaving City service, as defined in the City's Code of Ethics section 01.04A.030. In full transparency, the Department was unaware that this applied to project employees and a contract has been generated, but no work has been conducted under this contract or will be until a determination has been made by the Commission.

Dana Zentz, owner of Fish Bay Resources, has recently had his project employee term expire. Dana worked with the City's Sustainability Department to evaluate the City's energy consumption and production to provide an energy management strategy that would reduce energy costs as well as maximize the value of our energy production assets. Dana's understanding of local and national energy production, markets, and regulations proved to be a valuable asset to the City during his term.

The Solid Waste Disposal Department has submitted a Request for Proposal to lease a portion of the Northside Landfill for development of a photovoltaic solar production facility. While the Department staff is knowledgeable on the specifics of the Northside Landfill, we require additional resources and consultation in the field of energy markets and solar production to maximize the financial and environmental benefits to the City from this project.

Due to Dana's knowledge and contacts within the local energy sector, familiarity with energy production and transmission regulations, and his experience in development of similar solar projects, we feel that he is the ideal candidate to assist with this project and would ask for your approval to proceed with this contract. There are no further obligations with Fish Bay Resources once we have identified and entered into a contract with the selected solar developer.

Thank you for your review of this request. Please let me know if I can answer any questions or provide any information that you may need in your determination.

Sincerely,



Chris Averyt  
Waste To Energy Interim Plant Manager

City of Spokane Ethics Commission  
Attention: Salvatore J. Faggiano  
Office of the City Attorney  
5th Floor Municipal Building  
W. 808 Spokane Falls Blvd.  
Spokane, WA 99201



**Water & Hydro Services**  
UPRIVER DAM  
2701 N WATERWORK ST.  
SPOKANE, WASHINGTON 99212

Dear Mr. Faggiano,

The City of Spokane Water and Hydroelectric Services Department is seeking review and approval for consulting services with a former City short-term project employee within one year of leaving City service, as defined in the City's Code of Ethics section 01.04A.030.

Dana Zentz most recently worked for the City of Spokane as a part-time project employee with Environmental Programs, assisting with Power Purchase Agreement negotiations and contract development between the City of Spokane and Avista Utilities, along with providing greater understanding of the energy industry, trends, and future challenges. The City has two separate PPA contracts with Avista, one for the Waste to Energy Plant for power produced at that facility and one with the Water Department Upriver Dam facility for the sale of excess power produced. The two separate PPA agreements each have their own complexities and challenges. Mr. Zentz, as a well-respected consultant in the energy industry as well as a former Avista Utilities employee, has intimate knowledge and a unique skillset that doesn't exist at the City. His expertise provides great benefit to the City of Spokane as part of these negotiations and contract development.

Mr. Zentz during his employment with Environmental Programs was instrumental in providing financial analysis and modeling of PPA alternative structures. As part of his negotiations he worked with outside legal counsel to optimize the details of the PPA. His attendance and participation in meetings as part of the negotiations was informative and instrumental in structuring and developing additional benefit to the agreements.

Coincidentally, Mr. Zentz's project employment contract expired in June of 2021 before the PPA agreement for the Upriver Dam could be completed. We feel Dana has fundamental knowledge of the subject material and an understanding of the issues the PPA will be attempting to address and his participation would benefit the City and the outcome for this 15-year contract. We strongly encourage consideration of Mr. Zentz's participation with completing the development and implementation of the 15-year Power Purchase Agreement with the City of Spokane and Avista Utilities.

Thank you for taking the time to review this matter. Please let me know if I can be of further assistance.

Sincerely,

A handwritten signature in blue ink, appearing to read "Seth McIntosh".

Seth McIntosh  
Upriver Superintendent