

State of Washington
PUBLIC DISCLOSURE COMMISSION
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MINUTES – Regular Meeting
9:30 a.m. | October 27, 2022
711 Capitol Way S. #206
Olympia, Washington

Commission Members Present (In-Person)

Fred Jarrett, Chair; Nancy Isserlis, Vice Chair.

Commission Members Present (Participated via Microsoft Teams)

Bill Downing, Member; Allen Hayward, Member

Commission Members (Absent)

Jocelyn Cooney, Member.

Staff Present

Peter Frey Lavalley, Executive Director; Kim Bradford, Deputy Director; Jana Greer, Administrative Officer; Phil Stutzman, Compliance Officer; Tabitha Townsend, Compliance Coordinator; Chad Standifer, Assistant Attorney General representing PDC staff; Susie Giles-Klein, Assistant Attorney General representing PDC staff.

Staff Present (Participated via Microsoft Teams)

Sean Flynn, General Counsel; James Gutholm, Chief Information Officer; Kendra Hodgson, Communications and Outreach Director; Tabatha Blacksmith, Compliance Officer; Jordan Campbell, Compliance Coordinator; Kurt Young, Compliance Officer; John Meader, Assistant Attorney General representing the Commission; Bret Skipworth, Senior Financial Consultant, DES.

The regular meeting of the Public Disclosure Commission (PDC) was called to order by Commission Chair Jarrett at 9:30 a.m.

[PDC Meeting Video](#)

COVID-19 update: The October 27, 2022, Public Disclosure Commission Meeting was streamed live via TVW at WAPDC.10.27.22

Chair Opening Comments | [PDC Meeting Video](#)

Chair Jarrett welcomed all attendees and viewers to the October 27, 2022, Regular Commission meeting.

Public Comment | [PDC Meeting Video](#)

As was noticed and announced, a Teams video and conference line was provided for public comment during this time.

The following person(s) provided public comment:

- [Conner Edwards](#), campaign treasurer, commented on agency interpretations.

Consideration and Possible Approval of Meeting Minutes | [PDC Meeting Video](#)

Meeting minutes were presented to the Commission for consideration and possible approval:

- September 22, 2022, Regular Meeting

MOTION 21-0215 Moved by Commissioner Isserlis and seconded by Commissioner Hayward that the Commission approve the meeting minutes for the September 22, 2022, regular meeting

The motion [passed](#) 4 – 0.

Budget Update | [PDC Meeting Video](#)

Executive Director Peter Frey Lavalley and Bret Skipworth, Senior Financial Consultant, DES provided the budget update to the Commission.

Petitions for Declaratory Order, Rule Amendment, and Conversion of Interpretive Statement into Rule | [PDC Meeting Video](#)

General Counsel Sean Flynn presented petitions for a declaratory order, rule amendments and conversion of interpretive statement into rule to the Commission for possible action.

[Declaratory Order \(Edwards\)](#)

[Petition for Amendment of Rule \(Edwards\)](#)

[Petition for Conversion \(Edwards\)](#)

[Conner Edwards](#) commented on the petitions.

MOTION 21-0216 Moved by Commissioner Downing and seconded by Commissioner Hayward that the Commission deny the petition for declaratory order.
The motion [passed](#) 4 – 0.

MOTION 21-0217 Moved by Commissioner Downing and seconded by Commissioner Hayward that the Commission deny the petition for conversion of interpretive statement into rule.

The motion [passed](#) 4 – 0.

MOTION 21-0218 Moved by Commissioner Hayward and seconded by Commissioner Isserlis that the Commission deny the petition for amendment of rule.

The motion [passed](#) 4 – 0.

Rulemaking and Legislative Update | [PDC Meeting Video](#)

Sean Flynn, General Counsel, provided the Commission with an update on the progress of the draft request legislation that the Commission adopted; he noted it was still on track to be reviewed for final adoption at the December 8, 2022, regular commission meeting.

General Counsel Flynn presented the inflationary adjustments memo and chart in which staff proposed holding a public hearing at the January regular commission meeting. The Commission agreed to hear the proposed inflationary adjustments on the January 2023 regular commission meeting.

[Rulemaking Memo \(Inflationary Adjustments\)](#)
[Rulemaking – Inflationary Adjustments \(Chart\)](#)

Chair Jarrett added that with the upcoming legislative session, the commission needs to organize a subcommittee to better communicate with the Legislature.

MOTION 21-0219 Moved by Commissioner Isserlis and seconded by Commissioner Downing to appoint a legislative subcommittee consisting of Chair Fred Jarrett and Commissioner Allen Hayward.
The motion [passed](#) 4 – 0.

Enforcement Hearing | [PDC Meeting Video](#)

10:57 a.m. The Commission conducted an enforcement hearing concerning PDC Case [110572](#), Theo Leonard.

Susie Giles-Klein, Assistant Attorney General representing PDC staff, and Phil Stutzman, Compliance Officer, presented PDC Case 110572, Theo Leonard, for alleged violation of RCW 42.17A.700 by failing to file the required Personal Financial Affairs Statement (F-1 report) with the PDC that was due to be filed by April 15, 2022.

[Theo Leonard](#) participated via phone on Microsoft Teams.

Closed Session

The Commission went into closed session at 11:56 a.m. to discuss matters allowed in closed session pursuant to [RCW 42.30.110](#), including but not limited to discussion of enforcement matters..

[Returned](#) to the public meeting at 12:15 p.m.

MOTION 21-0220 Moved by Commissioner Downing and seconded by Commissioner Isserlis that the Commission find the respondent in violation of [RCW 42.17A](#) and impose a civil penalty of \$600, with \$500 suspended contingent on all outstanding reports being filed and penalties paid within 30 days from the date of the Final Order, and no further violations for 4 years.

The motion [passed](#) 4 – 0. Commissioner Hayward had technical difficulties and later clarified his [vote](#).

Break/Executive Session & Closed Session

The Commission went into Executive Session at 12:19 p.m. to discuss matters allowed in Executive Session pursuant to [RCW 42.30.110](#), including but not limited to discussion of enforcement matters and pending and potential litigation with legal counsel, and review of performance of public employees. Possible action regarding litigation, or other matters properly discussed during executive session, will be taken following the executive session.

[Returned](#) to public meeting at 1:00 p.m.

Enforcement Hearings | [PDC Meeting Video](#)

1:05 p.m. The Commission conducted a hearing for alleged violations of [RCW 42.17A.700](#) for failure to file Personal Financial Affairs Statements (F-1 reports) disclosing financial information. Compliance Officer Tabatha Blacksmith and Compliance Coordinators Tabitha Townsend and Jordan Campbell presented cases to the Commission for consideration and possible action.

- PDC Case [110504](#) – [Joshua Coleman](#), Former Park & Recreation Commissioner for the South Whidbey Park & Recreation District. PDC staff alleged that the Respondent violated [RCW 42.17A.700](#) by failing to file a Personal Financial Affairs Statement (F-1 report), due no later than April 15, 2022, disclosing financial information for calendar year 2021.

MOTION 21-0221 Moved by Commissioner Downing and seconded by Commissioner Isserlis that the Commission find the respondent in violation of [RCW 42.17A](#) and impose a civil penalty of \$1,000, with \$500 suspended contingent on all outstanding reports being filed and penalties paid within 30 days from the date of the Final Order, and no further violations for 4 years.

The motion [passed](#) 4 – 0.

- PDC Case [110555](#) – [Robert Pruneda](#), Park & Recreation Commissioner for the Adams County Park & Recreation District 1. PDC staff alleged that the Respondent violated [RCW 42.17A.700](#) by failing to file a Personal Financial Affairs Statement (F-1 report), due no later than April 15, 2022, disclosing financial information for calendar year 2021.

MOTION 21-0222 Moved by Commissioner Isserlis and seconded by Commissioner Hayward that the Commission find the respondent in violation of [RCW 42.17A](#) and impose a civil penalty of \$1,500, with \$750 suspended contingent on all outstanding reports being filed and penalties paid within 30 days from the date of the Final Order, and no further violations for 4 years.

The motion [passed](#) 4 – 0.

- PDC Case [112528](#) – [Faaluaina Pritchard](#), Regent/Trustee for Clover Park Technical College. PDC staff alleged that the Respondent violated [RCW 42.17A.700](#) by failing to file a Personal Financial Affairs Statement (F-1 report), due no later than April 15, 2022, disclosing financial information for calendar year 2021.

MOTION 21-0223 Moved by Commissioner Isserlis and seconded by Commissioner Downing that the Commission find the respondent in violation of [RCW 42.17A](#) and impose a civil penalty of \$1,000, with \$500 suspended contingent on all outstanding reports being filed and penalties paid within 30 days from the date of the Final Order, and no further violations for 4 years.

The motion [passed](#) 4 – 0.

- PDC Case [110582](#) – [Kurt Shawn Merz](#), School Director for the Wahkiakum School District 200. PDC staff alleged that the Respondent violated [RCW 42.17A.700](#) by failing to file a Personal Financial

Affairs Statement (F-1 report), due no later than April 15, 2022, disclosing financial information for calendar year 2021.

[Kurt Shawn Merz](#) participated via Microsoft Teams.

The enforcement matter for PDC Case 110582, Kurt Shawn Merz was deferred to the December 08, 2022, Regular Commission Meeting.

- PDC Case [112529](#) – [Carrie Youngblood](#), Hospital Commissioner for the Kittitas Hospital District 2. PDC staff alleged that the Respondent violated [RCW 42.17A.700](#) by failing to file a Personal Financial Affairs Statement (F-1 report), due no later than April 15, 2022, disclosing financial information for calendar year 2021.

MOTION 21-0224 Moved by Commissioner Isserlis and seconded by Commissioner Hayward that the Commission find the respondent in violation of [RCW 42.17A](#) and impose a civil penalty of \$1,000, with \$500 suspended contingent on all outstanding reports being filed and penalties paid within 30 days from the date of the Final Order, and no further violations for 4 years.

The motion [passed](#) 4 – 0.

- PDC Case [110451](#) – [Brandon Patching](#), School Director for the Winlock School District 232. PDC staff alleged that the Respondent violated [RCW 42.17A.700](#) by failing to file a Personal Financial Affairs Statement (F-1 report), due no later than April 15, 2022, disclosing financial information for calendar year 2021.

MOTION 21-0225 Moved by Commissioner Isserlis and seconded by Commissioner Hayward that the Commission find the respondent in violation of [RCW 42.17A](#) and impose a civil penalty of \$500, with \$250 suspended contingent on all outstanding reports being filed and penalties paid within 30 days from the date of the Final Order, and no further violations for 4 years.

The motion [passed](#) 4 – 0.

- PDC Case [110505](#) – [Judy Williams](#), Former City Council Member for the City of Stanwood. PDC staff alleged that the Respondent violated [RCW 42.17A.700](#) by failing to file a Personal Financial Affairs Statement (F-1 report), due no later than April 15, 2022, disclosing financial information for calendar year 2021.

MOTION 21-0226 Moved by Commissioner Isserlis and seconded by Commissioner Downing that the Commission find the respondent in violation of [RCW 42.17A](#) and impose a civil penalty of \$1,000, with \$500 suspended contingent on all outstanding reports being filed and penalties paid within 30 days from the date of the Final Order, and no further violations for 4 years.

The motion [passed](#) 4 – 0.

- PDC Case [110509](#) – [Kate McDougall](#), an elected City Council Member for the City of Chehalis. PDC staff alleged that the Respondent violated [RCW 42.17A.700](#) by failing to file a Personal Financial Affairs Statement (F-1 report), due no later than April 15, 2022, disclosing financial information for calendar year 2021.

MOTION 21-0227 Moved by Commissioner Isserlis and seconded by Commissioner Hayward that the Commission find the respondent in violation of [RCW 42.17A](#) and impose a civil penalty of \$1,000, with \$500 suspended contingent on all outstanding reports being filed and penalties paid within 30 days from the date of the Final Order, and no further violations for 4 years.

The motion [passed](#) 4 – 0.

Enforcement Updates | [PDC Meeting Video](#)

Kurt Young, Compliance Officer, presented the enforcement update report as of October 20, 2022.

Management Team Updates | [PDC Meeting Video](#)

- [Executive Director Update](#).
- [Deputy Director Update](#).
- [Customer Service and Filer Assistance Update](#).
- [IT Activity Report](#).

Enforcement (Review) | [PDC Meeting Video](#)

2:10 p.m. The Commission conducted a remote hearing concerning a request for review. Jordan Campbell, Compliance Coordinator, presented the request to the Commission for consideration and possible approval.

- PDC Case [110495](#) – [Gerald \(Jerry\) Crossler](#). At the September 1, 2022, Brief Adjudicative Proceeding (BAP Hearing). Mr. Crossler was found in violation of [RCW 42.17A.700](#) for failure to file the annual F-1 report covering calendar year 2021 that was due no later than April 15, 2022. Mr. Crossler was assessed a penalty of \$500, with \$250 suspended, which he asked the Commission to review.

MOTION 21-0228 Moved by Commissioner Isserlis and seconded by Commissioner Hayward that the Commission find the respondent in violation of [RCW 42.17A](#) and **vacate** the penalty in Final Order in PDC Case 109561.
The motion [passed](#) 4 – 0.

Recess at 2:14 p.m.

[Returned](#) to the public meeting at 2:29 p.m.

Reporting Modification | [PDC Meeting Video](#)

2:30 p.m. The Commission conducted a remote hearing concerning a request for reporting modification. Tabitha Townsend, Compliance Coordinator, presented the request to the Commission for consideration and possible approval.

- [Abigail Yates](#) – School Director, Mt Baker SD 507 [WAC 390-28-100\(1\)\(b\)](#)

[Abigail Yates](#) participated via Microsoft Teams.

MOTION 21-0229 Moved by Commissioner Downing and seconded by Commissioner Isserlis that the Commission grant the partial reporting modification, on the basis that literal application of the law would cause a manifestly unreasonable hardship on the applicant and that the limited modification would not frustrate the purposes of the Act.

The motion [passed](#) 4 – 0. [Final Order](#)

Enforcement (Reconsideration) | [PDC Meeting Video](#)

2:37 p.m. The Commission conducted a remote hearing concerning a request for reconsideration. Tabitha Townsend, Compliance Coordinator, presented the request to the Commission for consideration and possible approval.

- PDC Case [109561](#) – [Mike Nykreim](#). At the July 1, 2022, Brief Adjudicative Proceeding (BAP Hearing). Mr. Nykreim was found in violation of [RCW 42.17A.205](#) for failure to file the C-1 report that was due within two weeks of becoming a candidate. My. Nykreim was assessed a penalty of \$250, with \$125 suspended, which he asked the Commission to reconsider.

MOTION 21-0230 Moved by Commissioner Downing and seconded by Commissioner Hayward that the Commission deny the request to reconsider the Final Order and penalty assessed in PDC Case 109561.

The motion [passed](#) 4 – 0.

Meeting adjourned at 2:50 p.m.

Approved December 8, 2022.