

DRAFT MINUTES

Seattle Ethics and Elections Commission Special Meeting January 23, 2008

The special meeting of the Seattle Ethics and Elections Commission convened on January 23, 2008 in Room 4050/60 of the Seattle Municipal Tower, 700 Fifth Avenue, Seattle, WA. Commission Chair Michele Radosevich called the meeting to order at 4:05 p.m. The Chair and Commissioners Tarik Burney, Lynne Iglitzin, Mel Kang, and Nancy Miller were all present, as was Commissioner-elect Ed Carr. Commissioner Robert Mahon was absent. Executive Director Wayne Barnett, his attorney Mike Finkle and Commission staff members Gwen Ford, Bob DeWeese, Polly Grow and Mardie Holden were present, as was Assistant City Attorney Gary Keese. Present for the Respondents Frank Colacurcio, Jr., and Frank Colacurcio, Sr., were their respective attorneys, John Wolfe and Irwin Schwartz.

1. Discussion and possible action on settlement between the Executive Director, Frank Colacurcio, Jr. and Frank Colacurcio, Sr. regarding Elections Code violations

The Executive Director introduced his attorney, Mike Finkle. Mr. Finkle stated that the Director entered into this Settlement because he believe it accomplishes the purposes behind the original filing. The purpose is twofold: (1) to vigorously safeguard the election process by pursuing matters where the Ethics and Elections director believes there has been a violation and (2) to send a message to others that they will be dealt with in a vigorous manner. In this case, the Respondents have admitted wrongdoing. The amount of the fine is extensive – when combined with the pleas in the criminal matter it will total \$75,000, \$55,000 of which goes to the City. There are 15 acts which, at a cost of \$5,000 per act, add up to \$75,000.

Mr. Finkle also distributed a copy of the two page document authorizing disclosure of materials that were obtained through a Special Inquiry Judge Proceeding in Superior Court. We

obtained an order allowing us to disclose to the Commissioners, to the Director, to opposing counsel to utilize in the context of this case.

At this point, Commissioner Kang asked about the decision not to pursue action against the conduits for the contributions. Mr. Finkle stated that in some cases there were immunity issues that precluded action, and in other instances the people were cooperative and aided in making the case against the principals. Therefore, we made a conscious decision not to proceed against the conduits.

In responding to a question regarding the settlement amount, Mr. Finkle stated that the Respondents are to pay the amount jointly and severally, meaning they can divide this amount up as they see fit. Also, as stated in the second paragraph of the Stipulated Facts, each of the Respondents will pay a \$10,000 fine in the criminal case. Mr. Finkle noted that the resolutions of the City's civil case and the County's criminal case are intertwined and were worked out jointly by city and county prosecutors. The Respondents had to agree to settle both cases in order for either settlement to be valid.

In response to further questions about the conduits, Mr. Finkle said that the goal was to proceed against the people that were the primary force behind this. Mr. Finkle clarified for Commissioner Kang that when the Superior Court accepts the plea that would be the settlement on the criminal case and when the Commission approves this settlement then this would be the settlement on the Ethics and Elections side.

The Chair asked the Attorneys for the Respondents whether or not they wanted to make a statement to the Commission and they declined.

Commissioner Miller made a motion to accept the Settlement Agreement, which was seconded by Commissioner Burney. The Chair asked whether there were additional questions or comments.

Commissioner Kang questioned the use of the word “Committee” instead of “Commission” in paragraph 9, and the parties amended the agreement to replace the word Committee with Commission.

Commissioner Kang stated that he intended to vote for the Settlement but he was disappointed that no action would be taken against those who admitted being reimbursed by the Colarcurcios. But on the other hand, he feels that there is a need to move on and he appreciates the cost benefit analysis.

The Executive Director stated that case has been investigated for the past 3 ½ years and there have been costs to those who have served as conduits, which are not captured in this document but are still very real. Commissioner Miller asked what was the public record in terms of this case. The Executive Director stated that the Certificate of Probable Cause is a public record already, and that the Settlement Agreement itself is a public record.

Commissioner Miller brought to the attention of the Commission that the first paragraph of the Settlement Agreement was repeated twice. The parties amended the agreement to strike one of the repeated paragraphs.

The Chair called for a vote on Commissioner Miller’s motion to approve the Settlement Agreement. The motion passed unanimously.

The meeting adjourned at 4:30 p.m.

Minutes respectfully submitted by Administrative Staff Assistant, Gwendolyn Ford.