

Appendix 2

Letter to Chairman James Krypt /members of the Washington State Conservation Commission
May 31, 2018

Thurston Conservation District Press – 1999-2000

The Olympian

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OUR VIEWS

District board must resign

The state auditor's report released Friday confirms that the Thurston Conservation District has shown reckless disregard toward the taxpayers of Thurston County.

- The district's elected and appointed supervisors — Jackie Reid, Harry Peterson, Doug Rushton, Peter Moulton and Fred Colvin — have lost our trust and respect.
- They failed to safeguard and properly spend money received through property tax assessments and state grants.
- They stood idly by while their bungling, fumbling managers falsified time cards, shuffled grant money around like it was a shell game and spent money as if it grew on trees.
- They ignored for years well-founded complaints from district employees, complaints that mirrored the findings of the state auditor.

District audit

For the full report from the state Auditor's Office, go to www.theolympian.com.

"State grants were charged for work that was not performed," the audit concluded.

How arrogant. How unprofessional. How downright illegal.

"The District does not have adequate internal controls over disbursements to sufficiently prevent or detect unallowable expenditures or misappropriation of public assets," the audit concluded.

How sloppy. How unethical. How insulting to us all.

Then there's the longstanding practice of board members using public money for work on their own private property. It adds insult to injury. It is gratuitous.

And it was illegal as well until conservation district lobbyists secured self-serving legislation in 1999 to allow it.

District's future hangs by a thread

So much must be done to save the Thurston Conservation District from self-destruction.

First of all, the five supervisors must resign.

This is not a position we come to lightly. But if the district is ever to gain stature in this community as a guardian of clean water, fish and wildlife, this board must go.

It is not enough to hire new managers. It is not enough to improve accounting and fiscal controls.

This board must go.

And we won't tolerate any more of the insular, secretive elections that are the tradition at the district.

No more stopping by the office and casting a ballot without a check of voter identification.

The elections must be well-publicized. And the elections must be held at a more public place.

Then there's the question: Should the district continue receiving the generous property tax assessment it has garnered since 1992?

Last year, the \$5 per parcel and 10 cents per additional acre brought in \$471,000.

The answer is "yes" but only if the Thurston County commissioners oversee use of the money.

At the very least, the county should require regular reports on how the money is spent.

Historically, the commissioners have ignored charges of fiscal mismanagement at the district.

On at least three separate occasions, dating back to 1995, they were urged to investigate alleged corruption at the district. They turned a deaf ear, referring complaints back to the district and the state Attorney General's Office.

Meanwhile, they kept dishing out our cash.

So far, the only commissioner who seems to be taking this whole thing seriously is Commissioner Kevin O'Sullivan.

Well, the commissioners owe the taxpayers of this county more. It's our money and we want to know how it's being spent.

Taxpayers deserve a full accounting

And what about the state Department of Ecology? Ecology last year doled out the bulk of the \$366,000 in grant money received by the district.

Ecology officials told the state auditor they aren't interested in taking any action against the district or seeking reimbursement of misspent grant money.

What gives? Why this nonchalance with taxpayer money?

Let it be known we expect and demand a full accounting of all the money. It's not enough to simply uncover fiscal irregularities.

Auditor Brian Sonntag said the district must refund overcharged state grants. Why doesn't Ecology demand the same?

The audit found that the lack of internal controls opened the door for waste, loss and misuse of funds.

The audit documented falsified time sheets through a review of four state grants.

The people responsible for squandering the money must be held accountable, too.

It's time the district board of supervisors gets off its denial kick. There's too much evidence of wrongdoing.

The board must go.

The Olympian

OCTOBER 25, 1999

SERVING WASHINGTON'S SOUTH PUGET SOUND

40 CENTS IN STORES
50 CENTS IN COIN RACKS

State investigating Thurston agency

■ ALLEGATIONS:
Former employees say the conservation district is misusing tax and grant money.

By Chester Allen
The Olympian
OLYMPIA — Former employees of the Thurston Conservation District are accusing some supervisors of falsifying

work records, misusing tax dollars and bringing guns to the office.

The employees also said district administrator Troy Colley pushes staff members to falsify records in an effort to milk every dollar out of state grants.

The state Auditor's Office is looking into the charges.

Six of the district's 18 employees have quit their jobs

Two of those employees, farm technicians Marilyn Mead and Julie Clougherty, told The Olympian that they quit because they could no longer tolerate working for the district.

Former employees Tim Adams and Bob Roberts also said the agency has been mismanaged and has lost sight of its mission.

district is embroiled in employee problems, Colley and conservation district board members say no laws have been broken.

However, Colley did tell The Olympian that employees had entered into business with district clients in the past, and that he has brought firearms to work.

and Harry Peterson said the district is now talking to former employees and trying to find out what is going on.

"When things have come up, we've done our best to address them," Moulton said. "It hasn't been easy."

Colvin said the board will again talk to former employees at a meeting on Tuesday.

caught the attention of Thurston County Commissioner Kevin O'Sullivan and the state Auditor's Office.

State auditors are now looking into the district's operations, spokesperson Mindy Chambers said.

The conservation district was formed in the 1930s to help farmers make the best

eration until 1992, when the Thurston County Commission authorized a \$5 per lot assessment on every county landowner to fund conservation district work. Large-property owners pay an additional 10 cents an acre.

The district's 1999 budget is \$437,222. Of that amount, \$430,000 is collected from

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Investigation

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Thurston County property owners and \$366,000 comes from 13 state grants.

The sudden infusion of tax money — coupled with the state grants — caused the district to swell to 18 employees.

The district branched out from writing farm management plans to working on salmon habitat and groundwater quality.

Recent turmoil

While many workers tried hard to perform their tasks, Colley established his own set of rules, former employees said.

Mead said the five-member board let him do it.

Mead, who left her job as a farm technician Friday and has no new position, said she saw many unethical things go on. "I just couldn't take it anymore," she said.

Clougherty said she was repeatedly told to charge her time to state grants — even if she had done little or no work on the grant.

"Our time records aren't anywhere near reality," said Clougherty, a district employee since 1996. "One grant, which I did hardly anything on, paid 25 percent of my salary."

"I said this was wrong, but I was told that all grant money goes to one pot, and it was OK as long as the work gets done."

Colley disagreed.

"It is not the policy of the district to have people bill projects that they're not working on," Colley said.

But Mead, who worked for the district for 5½ years, said she has repeatedly warned Colley and the district's board of supervisors that laws were being broken.

Mead provided The Olympian with a 1997 district memorandum that directed employees to charge copy fees or mileage to 12 state grants.

One of the grants in the memo was from the state Department of Ecology for the Eld Farmers for Clean Water project. The grant is supposed to help Eld Inlet farmers stop field runoff that was polluting shellfish beds.

"I have no explanation for that," Colley said. "But some grants are generic grants." However, he said, the Eld grant is specific, not generic. Colley and Reid said they had not heard the complaints about misusing grant money before.

"I'm not aware of any of that," Reid said.

However, Clougherty, Mead, Roberts and former district bookkeeper Linda Boice have sent the board letters alleging illegal financial moves.

Mead, who was lead technician on the Eld grant, said money would disappear from the budget.

"Colley would just say it was used

for other things," she said.

Roberts, who quit the district in 1996, said all grants were fair game.

"Colley and other supervisors used grants to do pet projects that the grant was not allowed to fund," said Roberts, who is now a law student in Colorado.

Board member Harry Petersen said he first heard of the grant mismanagement charges a few months ago.

"When our bookkeeper resigned, she made a lot of charges, but we never got anything specific," Petersen said.

Guns, paint and money

Colley admits that he has brought guns to the office and that there have been past conflicts of interest.

Roberts said Colley called him into his office and showed him a 9mm handgun.

"Colley pulled it out of a knapsack, and said he was always armed," Roberts said. "I did not feel safe there."

Colley said he didn't threaten anyone with his guns, and a new board policy now forbids firearms in the office.

Reid confirmed that the board passed rules that forbid guns at

work.

"It made people nervous, and it probably was inappropriate," Colley said.

Clougherty and Mead also said Colley spent more than a month this summer painting his new house.

Colley said he took the time off, but it was compensation for overtime, Reid agreed.

However, neither Reid nor Colley could say how many days Colley took off, or how many hours he was entitled to.

Reid said Colley kept in contact with the office at all times.

State auditors are now investigating the operations of the district, which underwent its last full state

audit in 1992, Chambers said.

And O'Sullivan is paying special attention. While Thurston County does not have direct control of the district, taxpayers are paying the bills, he said.

O'Sullivan said there is evidence of wrongdoing, and good employees are suffering.

"I'm very concerned in reference to that agency," O'Sullivan said. Reid said the district will handle the new state of problems.

"We do plan to resolve these issues and move on with our goals," she said.

Chester Allen writes for The Olympian. He can be reached at 754-4225.

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The Olympian

OCTOBER 27, 1999

SERVING WASHINGTON'S SOUTH PUGET SOUND

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Conservation chief put on leave pending investigation

■ **THURSTON:** Financial and other improprieties have been alleged against the district staff.

By Brad Shannon

The Olympian
OLYMPIA — The administrator for the Thurston Conservation District was placed on paid leave for two weeks

Tuesday, and the agency's governing board pledged to investigate complaints that staffers brought guns to work, falsified time cards and misused grants.

But one former agency worker, who has taken the al-



Colley

legations of financial wrongdoing to state auditors, called the move "too little, too late."

Troy Colley, administrator for the agency, which helps farmers with land-use issues, will be off work for two weeks, though that time could be extended if the investigation needs more time, said Jackie Reid, chairwoman of the five-member citizens board that oversees the district and its yearly \$837,222 budget.

Colley has denied breaking any laws. His only comments after being put on administrative leave were to praise the board and district staff.

A groundwater program manager who has overseen grants, John Konovsky, will assume Colley's administrative duties during the paid leave.

"What we're trying to do is get whatever it is fixed," said Doug Rushton, another mem-

ber of the agency's board of supervisors.

Reid and board member Fred Colvin insisted they still haven't any specifics to go on with their investigation. They plan to start first with reports that firearms were brought on the job since a policy in 1997 prohibited the practice, Colvin said.

"You have to be uneasy about charges," Reid said. "If we find anything untoward

that happened, then we'll have to take action."

Colvin said he would welcome former staffers who brought specific allegations to the board.

"It's too little, too late," commented Marilyn Mead, a former farm technician with the district who last week became the latest to quit over what she considered inaction on the problems.

Mead hotly disputed claims

that the board members don't have specifics to go on, saying that another former employee, Julie Clougherty, sent them a letter several pages long on the matter.

The letter details concerns Clougherty had over misusing grants, lower pay for women and what she described as poor leadership in the agency.

But Colvin said most of the

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allegations he's seen are generalized. "If someone said, 'This happened on this date,' we could deal with that," he said.

State Auditor Brian Sonntag said in an interview Tuesday that his office had pretty much wrapped up a routine, five-year audit of the conservation district spanning 1993-97 in January. But then employee complaints about the district's misuse of grant money caused Sonntag's staff to reopen the audit.

The agency will look further into those complaints during that period, as well as conduct an audit covering 1998, auditor's spokeswoman Mindy Chambers said.

"We thought this all warranted a closer look," Sonntag said.

How long the audit could require is unclear. Sonntag guessed it should take less than two months. Slowing the work is the fact that the audit team which thought it wrapped up the conservation district job months ago has moved on to other tasks.

Rushton and Reid expressed concern that they still don't know the extent of the state audit, but they pledged to cooperate with the state. Reid also said she plans today to call the Department of Ecology, which handles a number of the district's 13 state grants, to offer help if that agency has any concerns.

The board of supervisors spent most of Tuesday in a monthly meeting and dealing with the allegations. Beginning at 9 a.m. they met behind closed doors with about a half-dozen district staffers, one at a time, virtually all of whom expressed support for Colley, board members said.

But after a second, closed-door session with Colley that ended about 5:30 p.m., they agreed unanimously to put him on paid leave until the audit work is completed. Board member Peter Moulton, who attended the closed-door discussion, left before the vote, saying he needed to tend to his young son.

The conservation district, which was formed in the 1930s to help farmers make the best use of their land, has grown from a couple of employees to as many as 18 since 1992, when a countywide property tax was authorized to support operations. It now also deals with water quality and fish habitat issues.

Brad Shannon is political editor for The Olympian. He can be reached at 753-1688.

NOVEMBER 6, 1999

District extends chief's leave

■ **CONSERVATION:**

Troy Colley will remain on paid leave until an independent inquiry is completed.

By Chester Allen

The Olympian

OLYMPIA — Thurston Conservation District's top administrator will remain on paid leave until an outside investigator determines whether time cards were falsified, state grants were misused and staffers brought guns to work.

The district's five-member board unanimously voted Friday afternoon to continue administrator Troy Colley's paid leave until the investigation is concluded. He was first put on leave Oct. 26.

"I hope the investigation is completed before the next board meeting," board member Doug Rushton said. "It's appropriate to keep Troy on leave until the investigation is completed."



Colley

Colley, who was reached at his home, had little comment.

"They're a good group of people, and I have every confidence in them," Colley said in his only statement.

In past interviews, Colley has denied breaking any laws.

However, four former employees — including two who have quit in protest since August — have accused Colley of misusing state grants, telling employees to turn in false time cards, paying women less than men and threatening workers.

Six of the district's 18 employees have quit their jobs since April.

The district, which has an \$837,222 yearly budget, helps Thurston County farmers make plans to handle soil runoff, pollution and other agricultural problems.

The board also hired Olympia attorney Mick Phillips to oversee the investigation. Phillips said the board will hire another attorney to interview current and former employees and comb through paperwork.

Phillips said he believed the investigation could be completed by Thanksgiving.

The state Auditor's Office also is conducting its own investigation into the allegations.

Chester Allen writes for The Olympian. He can be reached at 754-4225.

The Olympian

NOVEMBER 13, 1999

SERVING WASHINGTON'S SOUTH PUGET SOUND

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Troubled conservation chief resigns

■ INVESTIGATION: The board's president pays the district for work on her property to allay accusations.

By Chester Allen

The Olympian
OLYMPIA — Embattled Thurston Conservation District administrator Troy Colley resigned Friday, 17 days after an investigation began into al-

legations that he misused state grants, falsified time cards and brought guns to work.

The Thurston Conservation District Board of Supervisors unanimously accepted Colley's resignation. He had been on paid administrative leave since Oct. 26.



Colley

WHAT'S NEXT

The Thurston Conservation District will get a report on the progress of its internal investigation during a Nov. 23 meeting.

In other moves, the five-member board voted to offer former employee Marilyn Mead her old job.

Mead quit in protest Oct. 22, saying that she could no

longer work under present district management.

Board president Jackie Reid also wrote the district a \$1,429.77 check for work performed on her Woodland Creek property.

Reid said no laws were broken but that she wanted to remove any perception of a conflict of interest or special treatment.

The district, which has an \$837,222 yearly budget, helps Thurston County farmers

make plans to handle soil runoff, pollution and other agricultural problems.

Colley's resignation

Colley's resignation is official at the end of November, but John Konovsky, groundwater program manager, is now acting administrator.

"Troy put seven years into this district, and we appreciate that," Reid said.

In his resignation letter, Col-

ley said he feels sure that he will be vindicated but that his ability to lead the district has been compromised.

Colley also wrote that he is considering opportunities to move into a new field.

Colley had little to add when he was contacted at home Friday.

"They're a good group of people who are working hard to understand what's going on," Colley said.

Colley would not comment

on whether he would reapply for his former job if two investigations clear him.

The state Auditor's Office and the conservation district are conducting separate investigations.

Reid said the board and district employees would cooperate with the state auditors. Board members are scheduled to meet with state auditors next week.

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From Page One

The board's own investigation might be completed by Nov. 23, said Olympia attorney Mick Phillips, who is overseeing the inquiry.

Mead's reply

Mead, who is one of four former employees who accused Colley of wrongdoing, said Friday that she misses her job.

But Mead also said she doesn't want her job back.

Mead said the board ignored Colley's actions for years and that the district is still riddled with conflict of interest and other management problems.

"Troy was not the only problem," Mead said.

"The board ignored problems for years, and now they're trying to put Band-Aids on the problems."

Mead said no one from the district — including board members — has contacted her since her resignation.

Mead is one of six district employees who have quit since April.

Investigations

At Friday's meeting, Reid said the board has investigated all allegations of misdoing since December 1997.

Since then, the board has adopted

a firearms policy, a sexual harassment policy, adjusted pay and job classifications, hired an office manager and provided a workshop on sexual harassment and conflict resolution, Reid said.

Reid said the board did not hear any complaints of wrongdoing from employees between December 1998 and August 1999.

However, The Olympian has memos from former finance administrator Linda Boice to the state Employment Security Department that describe office problems — including inaccurate time cards — in June 1999.

In the memo, Boice said she spoke about office problems at a June 1999 board meeting.

In addition, The Olympian has an e-mail message dated Jan. 26, 1999, to Colley from the state Conservation Commission that has questions about possible conflict of interest among Thurston Conservation District employees.

In a memo distributed Friday to the board, Reid said: "Prior to August, none of the concerns raised in recent newspaper articles had been brought to the attention of the Board of Supervisors."

Conflict of interest

Board members also discussed new conflict-of-interest policies for themselves.

Mead and other former district employees have said board members commonly had work done on their land.

It is not illegal for district employees to work on board members' land — if certain state regulations are

met, Phillips said.

However, the board must adopt policies that set clear rules for work on board members' land, Phillips said.

The 1999 Legislature passed laws that make it necessary for all conservation districts to create new conflict-of-interest policies, Phillips said. Phillips recommended that the board:

- **Make public** the procedures for receiving, considering and awarding cost-share contracts.

- **Make public** all supervisor requests for cost-share contracts.

Cost-share contracts allow the district to spend public money — usually from a grant — on a property owner's land. The landowners usually must also make investments in the project.

- **Air all board members'** request for cost-share contracts at a public meeting. The requests also must be included in the public records of the meeting.

- **Reveal the board member's** interest in the contract.

- **Forbid board members** to vote on their own contracts or farm plans.

- **Maintain a public list** of all work or contracts on board members' property.

No board members have ever voted on their own contracts or work, said board members Fred Colvin, Peter Moulton and Reid.

Reid said her repayment to the district is voluntary and shows that there is a commitment to following the law.

"I don't want the district in any jeopardy," Reid said. "I don't want anyone to think that anything is happening that shouldn't be."



Reid

The Olympian

DECEMBER 19, 1999

SERVING WASHINGTON'S SOUTH PUGET SOUND

\$1.50

Conservation workers detail false time cards

■ GRANT MONEY: The conservation district is accused of billing grants for work that wasn't performed.

By Chester Allen

The Olympian

OLYMPIA — In March 1997, Thurston Conservation District employee Tim Adams turned in his monthly time card.

But the time card that Adams turned in wasn't the one the district used to collect grant

money from state agencies.

Adams had reported that his time was spent on six different grant-funded projects, but district officials created a new card and moved all of his 169 hours to one grant — one that he hadn't spent all of his time on.

Adams' other time cards for 1997 show the same pattern of billing state grants for work that was not performed.

Adams, along with other former conservation district employees, said administrators have had a regular policy of



Konovsky



Reid

turning in false time reports to use up state grant money.

"The district is run in a totally unprofessional way,"

Adams said. "Time cards were changed all the time to get money out of grants."

Using public records laws, The Olympian reviewed hundreds of pages of documents at the troubled Thurston Conservation District. The newspaper found memos and work records that show administrators regularly turned in false time cards to state agencies — in short, billing them for work that employees say was not done.

In addition, former employees supplied The Olympian

with copies of their original time cards and the official time cards that were submitted by administrators.

Acting district administrator John Konovsky and district board member Jackie Reid had denied for weeks that time cards were changed.

"I always told staff to bill hours as worked," Konovsky said during a Dec. 9 interview.

In an Oct. 27 letter to the Thurston County Commission, Reid said: "Whether at the end of a grant or in the middle, we

have always sought permission of the granting agency to reauthorize or reallocate dollars."

However, after The Olympian showed them the duplicate district time cards, work schedules and memos at a meeting last week, Konovsky and Reid acknowledged that time cards were regularly changed.

The two still maintain that there was nothing wrong with billing a grant for an employee's time when no work was done on the grant that day. They say the district used a

percentage system that, over time, billed each grant for work that was actually performed.

"What was important to the Department of Ecology was that all work was accomplished," Konovsky said of the agency that provides the district with most of its grant money. "That was what was important."

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Inside: One of Adams' time cards, and a list of the district's grants. A2-3

Conservation

From Page One

Department of Ecology leaders won't comment on specific issues until a state audit of the Thurston Conservation District is completed, said public information officer Sandy Howard.

"We will comment when the final audit is finished," Howard said.

But Howard said the Department of Ecology now has 700 grants scattered around the state, with 35 people to keep tabs on them. Grant officers don't usually visit projects in the field, and Ecology expects grant recipients to follow the law, Howard said.

"State resources are very tight," Howard said. "We don't have the resources to watch over these grants like a hawk."

The state Auditor's Office is responsible for uncovering any problems, Howard said.

Staff turnover

The Thurston Conservation District — which has a 1999 budget of \$837,222 — is supposed to help Thurston County farmers make plans to handle soil runoff, prevent water pollution and protect salmon.

Thirteen grants from state agencies make up \$366,000 of the budget, while taxes collected from every county landowner supply the rest of the funds.

Personnel problems have plagued the district for years.

Six of the district's 18 employees have left the district since March, and a total of 25 employees have resigned or been fired since 1993.

In October, employees Marilyn Mead and Julie Clougherty began complaining to county Commissioner Kevin O'Sullivan about grant fraud, sexual harassment, false time cards and an incident in which a gun was brought to the office. O'Sullivan reported their complaints to the state Auditor's Office, and the district began its own investigation.

District administrator Troy Colley was placed on leave Oct. 26 while charges of falsifying time cards, misuse of state grants and bringing a gun to work were investigated. Colley repeatedly denied the charges.

On Nov. 12, Colley resigned, saying he wanted to change his career. The investigations were still in the works.

Konovsky stepped in as acting director but has recently accepted a job as Central Washington field operations manager for the State Conservation Commission, where Reid is a board member.

Konovsky said he will probably leave the Thurston Conservation District on March 1.

"I have been thinking about this move for some time," Konovsky said in a fax to The Olympian. "It doesn't have anything to do with the district situation."

A mysterious system

The district applies for grants from the Department of Ecology and other government agencies to do specific kinds of work that will benefit farmers and the environment. For example, it has grants now to keep animal waste out of streams and Puget Sound, help farmers fence livestock away from rivers and help restore depleted salmon runs.

The district must sign contracts with state agencies when a grant is awarded. The contracts usually call for a 25 percent contribution of time or resources from the district.

In most cases, time cards are kept to show how much state grant payroll money the district is owed each month.

The district's time cards have lines dedicated to each grant, and employees' original cards show what hours each day they spent doing work for each grant. But the second time cards don't always reflect those original cards, often attributing hours to other grants.

Konovsky, Reid and program manager Wym Matthews could not explain how the district's payroll percentage system worked or produce paperwork that described how hours were recorded.

There was — and is — no chart or computer program to track employee hours to ensure the right number of hours are being dedicated to each grant, Konovsky and Reid said.

And program managers do not meet to exchange information on employee hours, said Konovsky and Matthews.

So, how did the district know how many hours to bill to each grant?

Former district bookkeeper Linda Boice had her own system, Reid and Konovsky said.

Konovsky and Reid said the district had to rebuild the time card billing system after Boice resigned in June.

"It's been a struggle," Konovsky said. "We didn't have adequate information, and we've had to rebuild."

Konovsky, whose signature appears on the original and changed time cards, said he never asked Boice how the system worked.

Konovsky said signing altered time cards that contained false information never concerned him. "I trusted Linda," Konovsky said.

The percentage system offered a simpler way to keep tabs on what grants employees were working on, Reid said.

Reid, who said she approved the use of the percentage system at a manager's meeting, said she isn't sure how it works. She said the percentage billing system was never discussed at an open meeting of the Thurston Conservation District Board of Supervisors.

Boice said Konovsky, Matthews and Reid aren't telling the truth.

Boice said the district's yearly budgets estimated how much time each employee would spend on a grant. But the estimate never drove the false reporting of time cards, she said.

Konovsky, Matthews and Colley told employees what to write on their time cards, Boice said. She said she repeatedly warned everyone, including the board, about false time-keeping.

Employees filled out quarterly reports on what they were doing, and these reports didn't match time sheets, Boice said.

"Legally, the time sheet has to be what was worked," Boice said. "And it has to be answerable to the quarterly report."

"I brought this, over and over, to the attention of Wym Matthews and John Konovsky, but they just blew me off and said not to worry about it."

Boice said she resigned from the district in June over frustration with mismanagement and false record keeping.

On Friday, the district's Board of Supervisors released a statement that acknowledged that financial records are deficient because not enough information was recorded.

"Based on a lack of sufficient accounting information, it is very difficult to verify or refute the allegations that some employees' time was charged to a grant they did not work on," the statement said.

The statement also said accurate time records must be kept.

The district's board will hire an independent auditor to review each employee's calendar, work papers and other records, the statement said.

The board also expects the state auditor to investigate whether time sheets were improperly changed, the statement said.

Accounting for time

Mead, Clougherty, Adams and another former employee, Bob Roberts, say their time cards were regularly changed.

"I was always told what percentage of my time to charge to a grant," said Clougherty, who resigned in protest in August and now works for the Kitsap Conservation District. "For example, 25 percent of my time was billed to a dairy cost-share grant, but that was nowhere near reality."

The district's own paperwork — in the form of time cards, memos and work schedules — backs up the former employees' assertions.

A district memo dated April 11, 1999, told Mead to bill all of her time in April, May and June to the Eld Farmers for Clean Water, a grant from the state Department of Ecology.

However, Mead's monthly reports for the same time show that she also worked on two other state grants.

Mead, Clougherty and Adams said employees and supervisors would plan work schedules together.

But district administrators had

been pressuring her to sign altered time cards since April 1996, Mead said.

Mead said the system was simple: Employees were to accept changed time cards so the district could extract money out of grants.

Mead resigned from the district in October and turned down the district's offer to rehire her after Colley resigned last month.

Mead said she wouldn't go back because the district's Board of Supervisors still hasn't cleaned up conflict-of-interest problems or made managers accountable for breaking the law.

Every district employee knew that time cards were altered, and Konovsky, Colley and Matthews embraced the system, Mead said.

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Phyllis Bloss
Owner



Compar



Phyl's
HOURS:
MON-SAT 9:30-7
SUNDAYS 12-5

Conservation

From A2

"Konovsky was always telling us what to bill things to, especially the Deschutes grant," Mead said, which was awarded to the district to help farmers improve water quality in the Deschutes River.

Reid said the percentage system was not designed to squeeze money out of grants.

"Every task we promised to accomplish in a grant has been accomplished," Reid said. "That's the bottom line."

Falling short

But the district has not always met its grant goals. For example, district performance on one water quality grant fell far short.

In the \$181,891 grant, which ran from April 1996 to December 1997, the district was supposed to teach area farmers how to test their soil and water for animal wastes.

According to the grant's final report:

- **Thirty farmers** were supposed to learn how to perform physical tests on soil. Only five farmers got the training.

- **Fifty farmers** were supposed to learn how to test their soil for chemicals. Five farmers got the training.

- **Twenty farmers** were scheduled to learn how to analyze their pasture grass, but only 17 were trained.

- **Thirty farmers** were supposed to learn how to collect and test manure samples, but only 22 were trained.

Matthews, who oversaw the grant, said other agencies also were doing the training and that goals for other tests were reached.

"Things changed, and testing was not as important," Matthews said.

More turbulence ahead

The state Auditor's Office is con-

tinuing to investigate the claims of financial mismanagement, conflict of interest and false reports that employees have made.

A final report might be released by February, auditor's spokeswoman Mindy Chambers said.

The board's Friday statement said the district is working with state auditors.

"If violations of district policy are discovered, immediate corrective action will be taken," the statement said.

O'Sullivan said he wants the district to be accountable for the money collected from Thurston County property owners.

The district taxes each county property owner \$5 per lot — plus 10 cents per acre for parcels larger than one acre.

The County Commission may look into reducing or eliminating the tax, O'Sullivan said.

The district also could sign an agreement that gives Thurston County oversight on how the property tax dollars — \$430,000 in 1999 — are used, O'Sullivan said.

"My concern is the credibility of the program and the accountability of the program," O'Sullivan said. "The district is receiving tax dollars, and they may be misusing tax dollars."

"I'm worried about that, and I'm not going to let it drop."

Adams, Mead and Clougherty said the district's mission to protect land and water is a worthwhile one but that the work is being lost in questionable dealings and practices.

Adams said he would love to have his job back — if the district is under new leadership.

"This is important work, especially now that conservation districts are involved in salmon recovery," Mead said. "But the district has to clean up."

Chester Allen writes for The Olympian. He can be reached at 754-4225.

District shifts leaders — again

■ CHANGES:

The Thurston Conservation District looks at its third leader in three months.

By Chester Allen
The Olympian

OLYMPIA — The troubled Thurston Conservation District soon may be getting its third leader in less than three months.

George Fox, finance director for the Port of Olympia, is negotiating to become acting administrator for the conservation district in February.

Fox would replace acting administrator John Konovsky.

Konovsky became acting administrator on Nov. 12, after Troy Colley resigned amid charges that he brought a gun to work, misused state grants and falsified employee time cards.

The state Auditor's Office has launched an investigation into those charges. The results are expected in February.

Konovsky originally planned to leave the district March 1 to become Central Washington field operations manager for the State Conservation Commission.

Konovsky said he has enough vacation and leave time built up to leave the Thurston Conservation District Feb. 4.

"I wanted a break between this job and my next job," said Konovsky, who did not work Thursday.

Fox, who would be a part-time, temporary administrator, is stepping into turbulent waters.

Counting Konovsky, eight of the district's 18 employees have resigned or been fired since March. Kathy Jacobson, South Sound Green coordinator, resigned just this week.

In October, two employees — Marilyn Mead and Julie Clougherty — resigned over many of the issues now being investigated by the Auditor's Office. Thurston County Commissioner Kevin O' Sullivan had reported those claims to the auditor.

The district recently hired Fox to review the accounting systems. However, Fox also is a good choice to temporarily run the district, said Board of Supervisors President Jackie Reid.

Reid said the district is con-

Conservation

From Page One

tinuing to look for a permanent administrator. The salary range for the position is between \$55,000 and \$62,000 a year, Reid said.

Fox, who is a certified public accountant, said bringing order to the district's time billing system is his top priority.

"One of my roles will be to train and educate district employees on timecards and the importance of filling out timecards accurately," Fox said. "Any accounting system depends on inputs, and the inputs in this case are timecards."

Fox said he will keep his job at the Port of Olympia and split his time equally between the two positions.

Fox, 39, has worked for the Port of Olympia for 2 1/2 years. He has worked about 32 hours a week at the port for the past eight months, but will reduce his hours to half-time status.

Fox has been a CPA in private practice and the chief financial officer for the Puyallup Tribe. But he said he's never been involved with a conservation district before.

"I do have experience dealing with agencies that are in this kind of situation," Fox said.

Chester Allen writes for The Olympian. He can be reached at 754-4225.

Shakeup continues at district

Two more managers leave
Thurston Conservation District

BY CHESTER ALLEN
THE OLYMPIAN

OLYMPIA — The troubled Thurston Conservation District is in the midst of another management shakeup.

Two more managers are leaving the district — and their positions won't be immediately filled. And a new top administrator might be chosen Tuesday, said acting administrator George Fox.

Program manager Wym Matthews and office manager Anne Sullivan will leave the district at the end of this month, Fox said.

"Both of them are moving along to other things," Fox said.

"I've recommended to the Board of Supervisors that they not be replaced. We need to downsize management."

Board member Peter Moulton said the organization will be flattened. "We're going to take out middle management and see if that works," he said.

Moulton said Matthews is moving to a job in private industry. Sullivan and the district agreed it was time to part ways.

All of the district's managers have now quit or been fired since former employees Marilyn Mead and Julie Clougherty lev-

eled charges of falsified timecards, misused state grants and improper use of public money at the district.

All told, 10 of the district's 18 employees have resigned or been fired since March 1999.

The state Auditor's Office also launched an investigation into the corruption charges, and a report is expected in April.

Fox, who also is finance director for the Port of Olympia, was brought in on a temporary, part-time basis in January to stabilize the district and review accounting systems.

He said the board will choose from five well-qualified candidates for the permanent job. The salary range for the new administrator is between \$55,000 and \$62,000 a year.

The new, permanent administrator will work with the board to decide whether to hire more managers in the future, Fox said.

"We really feel like we're on a level where things will start settling down," Moulton said. "And I feel a great deal of relief about that."

Chester Allen covers Thurston County for The Olympian. He can be reached at 754-4225.

Private work, public expense



Rochester beef rancher Bill Arney tosses hay to his cattle. Arney says the Thurston Conservation Board of Supervisors approve grants and technical

help for themselves and their friends while small farmers are left to fend for themselves.

Photos by Steve Bloom/The Olympian

Conservation District leaders have history of accepting favors

STORIES BY CHESTER ALLEN ■ THE OLYMPIAN

OLYMPIA — By state law, Olympia City Council members can't have city park workers mow their lawns or paint their houses. Thurston County commissioners can't have road crews patch their driveways.

But past and present members of the Thurston Conservation District Board of Supervisors have a long tradition of accepting public money and bringing district workers onto their land to do work at public expense.

That was true even when it was against the law.



A public hearing notice for a proposed 6 million-gallon manure lagoon stands near the Doelman Dairy on 183rd Street in Rochester.

In 1993, then-board member Rick Nelson got \$31,558 worth of bank stabilization work done where the Deschutes River runs through his ranch.

Former board member Hank Doelman — Thurston County's largest dairy farmer — has received at least \$5,000 to build a manure lagoon and hundreds of hours' worth of technical help. Between January and September of 1999, Doelman's dairies got at least 147 hours of technical help from the district — even as Fred Colvin, Doelman's business manager, sat on the board.

In 1999, the district allocated another \$10,000 to Doelman.

Board President Jackie Reid got \$1,429 of bank stabilization work done on her Woodland

Creek land. Reid paid the district back in November, after former employees started leveling accusations of corruption at the district.

Former board member Tom Wynne got more than \$14,000 to reroute a stream on his property.

District documents show that present board member Doug Rushton repeatedly asked for a district crew to fence his land — even though no animals were present and the five acres had never been a farm.

Before 1999 — when Washington's conservation districts got friendly legislators to add a rider to House Bill 1747 — it was illegal for supervisors to get public money to improve their land.

er's back, and that's wrong.

"I see where the money is going, and it's not going to the small farmer," he said.

Supervisors were collecting cost-share payments and help even as the district began falling apart.

All of the district's managers have quit or been fired since former employees Marilyn Mead and Julie Clougherty leveled charges of falsified timecards, misused state grants and improper use of public money at the district.

All told, 10 of the district's 18 employees have resigned or been fired since March 1999.

The state Auditor's Office launched an investigation into the corruption charges, and a report is expected this month.

But the district's problems haven't stopped it from getting more state money.

Local conservation districts are now lead agencies in the state's \$70 million salmon recovery program, and some of that money will go toward cost-share programs, said state Conservation Commission executive director Steve Meyer.

Current and former board members say they didn't vote on their own requests for public money, and that they didn't take advantage of their position.

Despite district documents that record four

Board benefits?

Thurston Conservation District supervisors are unpaid volunteers, but some past and present members have received substantial services from district workers or grants.

Hank Doelman
Former supervisor

Received **\$5,223** in 1994. District also approved \$10,000 grant in 1999 for a manure lagoon.

Rick Nelson
Former supervisor

Received **\$31,558** in 1993 to stabilize a section of Deschutes River that runs through his farm.

Jackie Reid
Board member

Received **\$1,429** for her Woodland Creek property. Reid paid district back in November 1999.

See **CONSERVATION**, Page A5

"We pay the conservation district's assessment like everyone else. And we need help too."
—Bill Arney, Rochester beef rancher

District largess yields little for small farmers



Dairy farmer and former Thurston Conservation District Supervisor Hank Doelman owns this Rochester farm. He and Fred Colvin — Doelman's farm manager and current Thurston Conservation District

supervisor — have gotten more than 100 hours of free technical help from the district to build a 6 million-gallon manure lagoon on the farm.

CONSERVATION

Continued from Page One

of his requests for a fencing crew, Raboin says he never made a final decision.

"I was exploring, seeing what my options were," Raboin says. "I decided that it was too much hassle for me."

Nelson said he didn't vote when the board approved the bank stabilization project on his land in 1993.

"I think we were doing something good," Nelson said. "The community and I benefited from it."

"The conservation district benefited because they could experiment with things they couldn't do before."

Colvin says he always abstains from voting when Doelman's dairy farms are the issue.

A cozy network?

Arney, the Rochester rancher, said Doelman got a lot of free help when he joined the district, and Colvin kept the gray train going when he took over.

"I'd love to know how much money and help Doelman has had put into his farm — I bet it's a lot," Arney said.

Small farmers don't get the technical help — or money — that folks connected to the district enjoy, Arney said.

Arney said he's asked the district for help — often called cost share — on his Scatter Creek farm, but was told at the cost-share money was already earmarked — even after the 1990 floods that damaged farms along Scatter Creek.

Nearly daily farmers get plenty of help, but small operators were left out, Arney says.

According to district records, \$120,000 has been spent on cost-share since 1994, said acting Conservation District administrator George Fox.

In cost share, the district agrees to pay for part of a project that will protect streams or land from manure, erosion or other hazards. The farmer agrees to pay the rest of the costs.

Rochester rancher Tammy Phelps says the Thurston Conservation District bends over backward for Hank

Doelman.

Phelps, who lives next to Doelman's dairy on Hill Avenue, is fighting his plans to build a 6-million-gallon manure lagoon on his land.

But Phelps says the Conservation District and Fred Colvin have pushed hard to get county approval of the lagoon, which was to be built in an area where the Chetopa River floods every winter.

Despite the danger of floods, Phelps says Colvin and Doelman enlisted the Conservation District to help get the lagoon built.

Records dated Aug. 2, 1999, from the Thurston County Hearing Examiner show that the district did help Colvin and Doelman plan and lobby for the manure lagoon, Thurston Conservation District program manager Wynn Matthews testified for the lagoon's construction.

And the records show that the district in March 1997 studied Chetopa River flood patterns as part of the lagoon's design.

The hearing examiner ruled that Doelman must get an Environmental Impact Study before the lagoon can be built. The project is currently on hold.

"I couldn't believe that Fred Colvin, who was doing nothing for me, Doelman and me, his dates, is on the board of the Thurston Conservation District," Phelps says.

Colvin says Doelman hasn't gotten more than \$5,000 in cost-share from the district.

But district documents tell a different story. According to district meeting minutes, supervisors approved \$10,000 in cost share for Doelman on July 27, 1999 for the lagoon.

A changed law

Until last April, it was illegal for conservation district supervisors — like any other elected official — to get cost-share dollars from the jurisdiction that they represented.

According to a Nov. 24, 1998, memo from assistant attorney general Mark Johnson to the state Conservation Commission, districts could not give supervisors cost-share.

Johnson said his memo speaks for itself, and before April 1999 cost-share arrangements with conservation district supervisors were against the law.

That means Thurston Conservation District supervisors reportedly violated the law — even if they didn't vote when cost-share benefits were allocated for their property.

On Feb. 12, 1999, after consulting with Johnson and the state Conservation Commission, supervisors recommended that local districts stop granting cost-share projects to supervisors.

While supervisor cost-share was a common practice in many conservation districts before 1999, there was a growing concern that the practice may have violated state law, said Steve Meyer, state Conservation Commission executive director.

However, conservation districts lobbied the 1999 Legislature to change the law.

Legislators listened, and they tacked a rider onto an unrelated bill. Now, individual districts decide whether to grant supervisors cost-share, Meyer said.

"We've encouraged them to set up a very objective policy — including getting people who are off the district — to evaluate programs," Meyer said.

While state, city and county officials still can't benefit from their positions, conservation district supervisors now can, Johnson said.

Impact

While Thurston Conservation District supervisors who applied for cost-share dollars claim they didn't campaign for their projects, the paper trail tells a different story.

Nelson's \$50,358 riverbank project was one of only three chosen in 1993; 30 others qualified for the money.

Another property owner received \$2,000 and the third got \$3,400.

According to district documents, "political ramifications" were one of the nine criteria used to select the projects.

Nelson says he issued plenty of his own money and moved into the project, and he let other landowners visit the strengthened riverbank for three years as an example of stream work.

The work is still holding the bank together, Nelson says, but he would not allow The Olympian to visit or photograph his land.

Subsidiary is an associate member of the board, but he says he hasn't been involved with the district for years.

Other benefits

Cost-share isn't the only way district supervisors benefit from their role with the Thurston Conservation District.

Former board member Hank Doelman's dairy farms — which are under the management of current board member Colvin — have gotten thousands of dollars worth of technical help.

The district has coordinated technical plans, soil tests and other documents for Doelman's farms.

In one example, the district worked with engineers from the U.S. Department of Agriculture to design the proposed 6-million-gallon manure lagoon at Doelman's farm on Hill Avenue in Rochester.

The lagoon — along with another 4-million-gallon lagoon at Doelman's James Road dairy that also got heavy technical support — is still under construction.

Colvin said he wasn't sure how much technical help the district provided Doelman's farms.

"I wouldn't even bother to guess — I have no idea," Colvin said.

"There's no way I can even take a estimate of that."

Why?

Wynne, Colvin and Meyer say supervisors should get conservation district help so they can demonstrate the best ways to take care of land.

Farmers and ranchers bring a lot of expertise in conservation district boards, and they deserve a shot at the cost-share money, Colvin said.

But Arney contends that while the district-connected farmers get plenty of help, other farmers have been turned away.

"We put the conservation district's assessment like everyone else," Arney says. "And we need help too."

Phelps, who has never gotten any district help for his land, — says she doesn't believe it when supervisors say they don't vote or campaign for their work or cost-share dollars for their land.

The Thurston Conservation District is secretive and doesn't reveal how much money or help everyone is getting, Phelps says.

"What happens when the doors shut and there's a wind?" Phelps says.

"You don't know what's going on behind closed doors."

Chet Allen covers Thurston County for The Olympian. He can be reached at 754-4223.

District's elections avoid public's radar

OLYMPIA — City council members and county commissioners who office in well-publicized, countywide elections.

Thurston Conservation District supervisors don't face that kind of public scrutiny, even though they spend \$47,000 in Thurston County property taxes and \$366,000 of state and federal money in 1999 without any oversight by the Thurston County Commission or any other public body.

Those of the five Conservation District supervisors are chosen in a key election that state law allows to be conducted at the district's own offices. Thurston County elections officials aren't involved at all, said deputy auditor Bob Van Schoel.

Anyone can vote, but most people never even know about the elections.



"There's no ID check, no noticing — just a vote. Few people know about it."

—Bob Van Schoel
Chief deputy auditor
Thurston County

"There's no ID check, no noticing — just a vote," Van Schoel says. "Few people know about it."

"It's not exactly a public process," he says.

The two other supervisors are chosen by the state Conservation Commission.

People who live in a particular conservation district apply for the volunteer job, and the 10-member commission makes a choice, and executive director Steve Meyer.

"They look at all the applicants," Meyer says. "By and large, the majority don't have more than one application."

Long-time Thurston Conservation District supervisor Jackie Reid is among those who sit on the state Conservation Commission. However, Meyer said Reid abstains when the state commission is choosing a supervisor for the Thurston Conservation District.

Region's other districts tell similar tale

OLYMPIA — Other South Sound conservation districts also give their elected supervisors grant money or work on their land.

The Pierce, Lewis, Kinross and Mason conservation districts have grown — or are giving — their supervisors technical help or cost-share grants.

"It could be perceived as a conflict of interest because a supervisor is on the board," said Brian Abbott, coordinator of the Pierce Conservation District.

"But we try to look at it from a different perspective."

Sometimes, it is good policy to give supervisors grants or help, if the project helps the environment and shows the value of working with a conservation district, Abbott says.

"It shows leadership in the community when a supervisor adopts provisions for the environment."

A state law passed in 1999 allows district supervisors to get help from their district.

Before that, it was illegal for district supervisors to benefit from their association with their local district, though many districts — including the Thurston Conservation District — had been giving their supervisors grant money or technical help for years.

The new law means that conservation district supervisors can benefit from their district, even though other public officials, such as city council members and county commissioners, can't.

Many conservation district supervisors are involved in farming or ranching, Abbott says.

One Pierce Conservation District supervisor — dairy farmer August Suter — has gotten \$25,000 for a new manure lagoon, Abbott says. Other supervisors have gotten technical assistance, Abbott says.

Officials from the Lewis and Kinross conservation districts say everyone — supervisors included — can apply for grants or technical help.

Any Kinross County resident is eligible for grants or technical help — if their property meets guidelines, said coordinator Carla Pizzano.

But supervisors are not allowed to vote on their grant applications, said Bob Abbott, Lewis Conservation District manager.

"We treat all respondents in Lewis County the same," Abbott says. "To me, it is prejudicial not to offer it to them."

Other supervisors have gotten technical assistance, Abbott says.

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Any Kinross County resident is eligible for grants or technical help — if their property meets guidelines, said coordinator Carla Pizzano.

But supervisors are not allowed to vote on their grant applications, said Bob Abbott, Lewis Conservation District manager.

"We treat all respondents in Lewis County the same," Abbott says. "To me, it is prejudicial not to offer it to them."

SPORTS Rodriguez HR leads Mariners past Yankees, 7-5. B 1

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INSIDE

FEATURES



Blue's Clues
comes alive

Audit: District misused funds

BY CHESTER ALLEN
THE OLYMPIAN

port, auditors said.
Employees were forced to fill out false timecards.
District management directed staff to record inaccurate time and effort activity on timecards, the report says.
The district didn't have enough control over spending

to prevent or detect misappropriation of public assets.
The district's accounting was sloppy.
Disbursements were noted that lacked original documentation or sufficiently detailed documentation to support the expenditures paid.
Auditors

wrote, "We noted checks made payable to cash, payments made from copies of invoices, payments made from a copy of employees' credit card statements, payments made on contracts that had expired and payments made for which there was no supporting documentation."

State grants were charged for work that was not performed.
But Thurston County Commissioner Kevin O'Sullivan said the district could face criminal charges.
There was clearly mismanagement, O'Sullivan said.
Sonntag said, "Employees will have to be made or accounts be

made right."
The district, which had a \$1 million budget in 1999, collected \$430,000 of that from county landowners.
Every Thurston County property owner pays the district \$5 a year for each lot. An additional tax of 10 cents per acre is charged for parcels larger than 1 acre.
O'Sullivan said he will ask county prosecutor Ed Holm to examine the audit and determine whether criminal or civil charges should be filed against district employees or supervisors.
Former district employees — and whistle-blowers — said the audit results were no surprise.
They did find that our allegations are true, and that's pretty darn cool," said former employee Julie Clougherty, who quit the district in disgust in October and now works for the Kitsap Conservation District.
George Fox, acting district administrator since January, said the district accepts the audit and will do everything it can to make things right.
The district's Board of Supervisors had no idea that so many bad things were happening, said board President Jackie Reid.
There were just a lot of things we weren't aware of fully," Reid said.
No other district officials returned The Olympian's phone calls.
Sonntag said the audit's findings were unusual for conservation districts.
In fact, auditors concluded that the district has probably misused state grants for years.
Because of this condition, the public and grantors are unable to determine if the District is managing state and local grants in compliance with contract terms," auditors reported.
Additionally, it increases the potential that resources may be used in a manner inconsistent with the terms and conditions of grants and that resources are not safeguarded against waste, loss and misuse.

Ecology grants
Auditors think that the district has misused grants from the state Department of Ecology for years.
They asked the department whether it wanted to launch an extensive investigation of the district's use of grants, Sonntag said.
But Ecology didn't want to pursue the matter, Sonntag said.
Why didn't the Department of Ecology request a full-scale investigation?
Ecology officials haven't had a chance to review the audit, but they might have comments on Monday, spokeswoman Sandy Howard said.
Howard said the agency, which provided \$198,140 of the district's \$366,000 of state grants in 1999, welcomed the audit.
It helps us be attentive to potential problems," Howard said.
Sonntag said the audit's findings could hurt the district's chances for future state grants.

Whistle-blowers
The state audit comes five months after The Olympian reported that former employees Marilyn Mead, Clougherty and others were claiming that the district had misused state grants, falsified timecards and misused state money.
A Dec. 19 story in The Olympian reported the district's practice of falsifying timecards.
A story in Sunday's Olympian described how some members of the district's board of supervisors received thousands of dollars in grants and hundreds of hours of free work and technical help from district employees for their own land.
Mead said the district's board should be held accountable for ignoring years of mismanagement.

Management woes
The audit hurts, but the district is cleaning up its act, said administrator Fox.
The old management team is now gone, and tight new controls are going into place, Fox said.

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DISTRICT

Continued from Page One

District Board Members

- Jackie Reid, also a member of state Conservation Commission.
- Doug Rushton, a state Department of Ecology employee.
- Peter Moulton, a state Department of Ecology employee.
- Harry Peterson, a farmer.
- Fred Colvin, farm manager for former board member Hank Doelman.

While auditors found plenty of problems with the district's handling of state grants and accounting, no one is accused of breaking the law, Fox said.

There was a lot of disruption and manipulation on the part of management," said Fox, who was brought in February to help right the struggling district. "That is easy to rectify."

While all of the district's managers have quit or been fired since former employees started filing complaints, the five members of the Board of Supervisors, which oversees the managers, remain in office.

Supervisors Fred Colvin, Doug Rushton, Peter Moulton and Harry Peterson did not return The Olympian's calls.

Whistle-blower Clougherty said it's time for the whole board to step down. The board is responsible for the district's actions, Clougherty said.

They get more arrogant every time they scuttle by without being held accountable," Clougherty said. "Where is the accountability for board members?"

Reid, the board's president, said she isn't asking any member to resign. Reid originally defended the now-departed management team.

In October, after The Olympian began running stories on the district's turmoil, Reid sent the Thurston County Commission a letter saying that everything was fine.

Whether at the end of a grant or in the middle, we always have sought permission from the granting agency to reprogram or reallocate dollars," Reid wrote in her Oct. 27 letter to the commissioners.

We are conservative grant managers," Reid wrote in another part of the letter.

On Friday, Reid said she thought the board was doing the best job it could for taxpayers and the district.

New policies and new management are already getting the district back together, Reid said.

Sonntag said the district is cooperating with auditors, and more oversight is already scheduled.

What's next

State auditors will review the district's new procedures in October or November, and another full-scale audit is scheduled for next year, Sonntag said.

There is hope for a positive outcome," Sonntag said.

Fox, who will remain as the district's private auditor after new administrator Bruce Mackey starts April 17, said state auditors will help guide the district toward tight controls of taxpayer money.

We've got an open book," Fox said. If Commissioner O'Sullivan has his way, the district also will answer to Thurston County.

O'Sullivan said he wants the district to agree to county oversight of how the property tax money is spent.

Thurston County Commissioners approved the \$5-per-lot conservation district assessment in 1992, and they can take it away, O'Sullivan said.

Or the commissioners can put the \$5-per-lot assessment in an escrow account until everyone is satisfied that the district is cleaned up, O'Sullivan said.

We have to have checks and balances between the county and the conservation district," O'Sullivan said. "We have to make sure this type of thing doesn't happen again."

Chester Allen writes for The Olympian. He can be reached at 754-4225.

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OUR VIEWS

Hold regular elections

The state Conservation Commission should nullify the election of Doug Rushton to the Thurston Conservation District because the ballot box was left unsecured and voter secrecy was not ensured. Conservation district elections are an anomaly anyway, but an unlocked ballot box puts the whole election in question — especially in a local government entity plagued by internal strife and recent audit findings of mismanagement.

Conservation district supervisors are spending our tax dollars to safeguard clean water, fish and wildlife. Yet they are largely unaccountable to the public.

We agree with critics who are calling for a new way of electing officers who oversee conservation districts throughout the state.

More accountability is warranted.

Accountability is missing under today's system.

The Thurston Conservation District, which spends hundreds of thousands of tax dollars annually on projects to improve water quality and fish habitat, is governed by five supervisors — Rushton, Peter Moulton, Fred Colvin, Harry Peterson and Jackie Reid.

They are elected in a bizarre fashion.

No ballots are mailed out to registered voters, and there is only one poll site in the entire county — the conservation district office.

The election for Rushton's seat was held on March 1. To vote, Thurston County residents had to go to the district office and make their choice known.

In the March 1 election, just 55 votes were cast — out of 120,478 registered voters in Thurston County. That appalling voter turnout alone signals the need for change.

Julie Clougherty, a former conservation district employee and a critic of the agency, says when she voted, there was no secure ballot box, just an open tray.

It's not acceptable to have ballots in a tray instead of a locked box.

Two balloting officers sat nearby so there was no ballot secrecy.

Steven Meyer, the top official with the state Conservation Commission, conducted an investigation and agreed with Clougherty that ballot secrecy was guaranteed by the Washington state Constitution was not achieved.

One week from today, Meyer will recommend to the state commission that the Thurston Conservation District election be voided and a new election be held.

We certainly agree with his conclusion and encourage the state board to accept Meyer's recommendation. But this incident signals the need for systemic change as well.

In this day and age, it's laughable to conduct an election at some out-of-the-way district headquarters office.

We entrust conservation district board members with our tax dollars. We demand to hold them accountable at the ballot box.

At next Thursday's state meeting, Meyer will recommend that conservation district elections be run by the county auditor's office and held in odd years.

That's an excellent suggestion.

The auditor's office conducts elections for cemetery district commissioners, fire, water, park and public utility district commissioners — most of whom handle far fewer tax dollars and have far fewer public responsibilities than the conservation district.

Rushton's re-election needs to be tossed out, and regulations must be changed to maximize voter turnout for conservation district elections.

In exchange for public tax dollars, conservation district officials must accept stronger public scrutiny.

Conservation district's vote was illegal, state reports

BY MICHAEL BURNHAM
THE OLYMPIAN

OLYMPIA — The state Conservation Commission's top official says March 1 election results for the beleaguered Thurston Conservation District should be tossed out.

The election of a board supervisor, Doug Rushton, lacked a secure ballot box, violating the state constitution, according to findings from a recently completed investigation by the state commission and the state Attorney General's Office.

"While secrecy concerns are not addressed by the Conservation Commission election guidelines, ballot secrecy is a right guaranteed by the Washington state constitution," said

INSIDE:

Critics seek election changes. **A2**

Steven Meyer, executive director of the Conservation Commission, in a May 1 letter.

The letter was to one of the two people, Julie Clougherty, whose complaints triggered the investigation. The Conservation Commission has oversight of the county district.

Although the state commission will not take formal action on Meyer's request until May 18, the Thurston district's administrator, Bruce Mackey, said he expects another election is around the corner.

"I'm dealing with an election that's really not over," he said.

Mackey added that if another election is called, he will recommend 60 days public notice.

The Conservation District has been plagued with charges of corruption in recent months.

Former employees have accused district personnel of falsifying time cards and misusing state grants. All of the district's managers have resigned or been fired since the charges arose in October. All told, 10 of the district's 18 employees have quit or been fired since March 1999.

While all of the managers are no longer with the district, the five members of the Board of Supervisors, which oversees the managers, remain in office.

THURSDAY, JUNE 22, 2000

Conservation district will redo election

BY DOUG PACEY
THE OLYMPIAN

OLYMPIA — The Thurston Conservation District will redo the election for supervisor Doug Rushton's position, but not before September or October, said Bruce Mackey, Thurston Conservation District administrator.

The state Conservation Commission tossed out Rushton's March 1 re-election because the ballots were not secret or secure.

The election was at the district's office, and 55 out of Thurston County's 120,478 registered voters cast a ballot.

"While secrecy concerns are not addressed by the Conservation Commission election guidelines, ballot secrecy is a right guaranteed by the Washington state constitution," state Conservation Commission Executive Director Steven Meyer said in a May 1 letter to the Thurston Conservation Commission.

"The date of the new election is basically a timing issue," Mackey said.

Meyer must reply to a letter from Mackey before the new election can be scheduled.

In the letter Mackey outlined the new voting procedure the Thurston district will undergo.

He said he wanted to allow 60 days, rather than the mandated

45 days, to give potential candidates "enough time to go through the nomination process" and to get more publicity for the candidates and the election.

"We're going to hold the election in the courthouse and Tenino," he said. "We'll have hours before and after work so people can vote."

"There will be voting booths and ballot boxes. There will be a poll book, and the ballots will be in security envelopes."

Mackey said he also planned to advertise the election in local newspapers to comply with state law.

Mackey said anyone who garners 25 signatures on a petition, is a registered voter in the area and is a "land owner or occupier" is eligible to run for the position.

Only one person — Rushton, the previous election winner — has expressed to Mackey an interest in running, he said.

Julie Clougherty — who ran against Rushton in the previous election and whose complaints triggered the investigation — said she hasn't decided whether to enter the new election.

Rushton could not be reached for comment.

Doug Pacey writes for The Olympian. He can be reached at 754-5420.

State's conservation districts face changes in election procedures

BY MICHAEL BURNHAM
THE OLYMPIAN

OLYMPIA — Critics are calling for a new way of electing officers who oversee the state's web of conservation districts — including the troubled Thurston County district.

Steven Meyer, the top official with the state Conservation Commission, wants new guidelines for county conservation district elections that mirror those of general elections.

These would include a secret ballot, broad public notice of voting and regularly scheduled elections in the fall.

By contrast, the Thurston Conservation District's March 1 election was held at the district office, where forms were collected in a room staffed only by two balloting officers, Meyer said. Ballot secrecy was not assured and just 55 people voted, he said.

Typically, Meyer said, the Thurston district draws low turnout, between 20 and 700 voters.

"To put it simply, we're going to require that there be some kind of locked box to put the ballots in," Meyer said.

Meyer's proposal, which he is making to the state commission at its May 18 meeting, would require the election be run by the county's auditor and be held in odd years.

A district under fire

Critics of the Thurston Conservation District have alleged wrongdoing in the March election, and they welcome changes.

"There was no secure box, just an

What's next

The state Conservation Commission executive director will recommend that the Thurston Conservation District's March 1 election not be certified at the Thursday, May 18, state commission meeting. The meeting will be in the Washington State University Learning Center's Spruce Room, 201 W. Patison St., Port Haddock. For more information, call 407-6201.

open tray," said Julie Clougherty, a former Thurston Conservation District employee. "Anybody could have gone in and looked at them."

Additionally, Clougherty claims that she went back into the ballot office because she believed she might have entered an incorrect address.

And when she asked to see her ballot, a polling officer offered to let her see it, Clougherty added.

"I said no because I didn't want to jeopardize the process, so (she) held one up and said, 'Is this yours?'" Clougherty explained.

Complaints by Clougherty and another former employee triggered an investigation by the state commission and the state Attorney General's Office.

Based on the findings, which were released April 28, Meyer wants to invalidate the re-election of member Doug Rushton and force a new vote.

Turbulent times

But Clougherty's account of what

happened is in dispute. According to the investigation transcript, polling officer Cynthia Fairly acknowledged that Clougherty's ballot was located, but said it was not shown to her.

District supervisor Fred Colvin, one of five members of the board overseeing the Thurston district, defended the polling officer's actions.

"The only thing that I know of that might be questionable is that she came in later and wanted to look at her ballot," Colvin said. "I believe those (polling officers) did what they needed to do to make sure the election was fair."

Meyer said a locked ballot box would have prevented the situation.

The call to reform the voting system comes at a time the Thurston Conservation Commission also is in an uproar amid accusations that staff falsified time cards and misused state grants.

All of the district's managers have resigned or been fired since the charges arose in October, and 10 of the district's 18 employees have quit or been fired since March 1999. Yet all five elected board supervisors remain.

Besides voting, Clougherty said she listed herself as a write-in candidate for Rushton's supervisor job.

"I called for their resignation in February, and I firmly stand by the opinion that they need to go," Clougherty said. "I ran to replace one board member; it just fit my philosophy that they need to resign."

"It amazes me that having been scrutinized so closely lately that they would hold such a flimsy election," she added.

Searching for solutions

Although Colvin said he and his fellow district supervisors have long been advocates of better elections rules, he admits that the lack of a secure ballot box can create problems.

"I assume there's always room for improvement and that would be an area we can improve upon," Colvin said.

But Thurston County Commissioner Kevin O'Sullivan said the district and its elections process need changes now.

"The Thurston Conservation District is in serious trouble," he said. "I think it's time that the conservation district comes into the 21st century and holds proper elections."

"What they have been doing may have been acceptable a number of years ago, but it's unacceptable now," O'Sullivan said.

Colvin contended his agency would have to go through the state Legislature to change its elections laws.

In fact, Colvin said his agency worked with the Washington Association of Conservation Districts, its lobbyist group, in 1997 to look into legislative changes. But the district decided against asking lawmakers to put district elections on the ballot each November, because of its cost.

But O'Sullivan said the Thurston Conservation District has the power to change its elections procedures without the Legislature's help.

"Why didn't the board do it before?" he said. "I think it can be done as a matter of policy."



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Mackey chosen to lead Conservation District

BY D. ERIC JONES
THE OLYMPIAN

OLYMPIA — Natural resources consultant Bruce Mackey is poised to accept the top job at the troubled Thurston Conservation District today.

Mackey, 54, is a former manager for the state Department of Natural Resources.

Mackey, who lives in Thurston County, is meeting with the district's Board of Supervisors at 9 a.m. today.

In a unanimous vote Wednesday,

four board members chose to offer Mackey the post of district administrator, which pays \$62,000 per year.

Board member Peter Moulton did not attend the meeting.

The \$62,000 salary is at the top of the pay scale, but the money is well spent considering Mackey's 28-year background in natural resource issues, said George Fox, the district's auditor and acting administrator.

Mackey was the top choice from almost 40 applicants.

Five finalists were inter-

viewed, and Mackey was the top choice of each team, said board president Jackie Reid.

"I think he'll be a very good match given his natural resources background," Reid said.

The Conservation District has been plagued with charges of



Mackey

corruption in recent months.

Former employees have accused the district of falsifying time cards and misusing state grants. All of the district's managers have resigned or been fired since the charges arose in October. All told, 10 of the district's 18 employees have quit or been fired since March 1999. The state Auditor's Office is investigating the corruption charges and might release its report this month.

Mackey said he's excited to step into the job and get the district on track again.

"I think the district needs stability. I think it needs leadership. And I think I can bring all of those," he said. "Also, I think they want to get their house in order, which they've already done a lot of with George Fox."

Mackey, who grew up on a cattle ranch in northeast California, has master's and doctoral degrees in agricultural and resource economics and has worked since 1972 in academia, public service and consulting.

County residents "need working farms and forests instead of

parking lots and freeways," Mackey said. "This, of course, is an urbanizing county. As we urbanize, natural resources will become a lot more precious."

In September, Mackey announced that he intended to run against Jennifer Belcher, the Democratic incumbent for state Commissioner of Public Lands.

He has since pulled out of the race and endorsed Pierce County Executive Doug Sutherland.

In 1998, Mackey ran and lost to Belcher as a third-party candidate.

District gets more county supervision

BY CHRISTINA RAMÍREZ-MILHOAN
THE OLYMPIAN

THURSTON COUNTY — The County Commission and Conservation District met in a joint meeting Tuesday — the first such meeting in three years.

The meeting comes after turmoil besieged the Conservation District at the end of 1999 and earlier this year. State auditors found the district had mismanaged grants and falsified employee time cards. There also were complaints of sexual harassment.

Bruce Mackey was appointed the district's administrator this spring after the resignation of numerous staff, including Troy Colley, the former administrator.

Tuesday's meeting offered an opportunity to discuss the Conservation District's priorities for the coming year as well as answer questions



Mackey

about changes in operation.

The memorandum of understanding that the district and commission entered into in 1993 was discussed in the hopes of laying the ground for a better working relationship.

"The MOU has not fully been used because neither entity has fully interacted the way (it) intended, but it does provide the right framework," said Linda Hoffman, chief administrative officer for the county.

The need for Conservation District officials to meet with various Thurston County department supervisors and discuss strategic plans was brought up.

"By sharing our plans we can coordinate efforts where it would help," Mackey said.

He made a presentation to the commissioners outlining some of the district's highlights.

"We felt it was important to communicate our priorities to the Board of Commissioners," Mackey said. "The money we generate comes from an assessment of

See **COUNTY**, Page B2

Conservation grant funds not collected

BY CHESTER ALLEN
THE OLYMPIAN

OLYMPIA — Former Thurston County Conservation District supervisor Hank Doelman never collected a \$5,223 grant from the state Conservation Commission.

The Olympian reported that Doelman collected the money in an April 2 story about alleged favors accepted by conservation district officials.

The Thurston Conservation District awarded Doelman the money in 1994, but he never collected the grant.

The conservation district helps Thurston County farmers make plans to handle soil runoff, pollution and other agricultural problems.

Some Thurston Conservation District records showed that Doelman got the money to improve one of his dairy farms, but state Conservation Commission records confirm that Doelman never collected the money.

Other Thurston Conservation District records show that another dairy farmer eventually got the money, said Bruce Mackey, TCD administrator.

Fred Colvin, who is Doelman's farm manager and is a current Thurston Conservation District supervisor, said Doelman never collected the \$5,223.

However, Doelman might still collect a \$10,000 Thurston Conservation District grant that was awarded in 1999, Colvin said.

The district, which had a \$1 million budget in 1999, collected \$430,000 of that from county landowners.

Every Thurston County property owner pays the district \$5 a year for each lot. An additional tax of 10 cents per acre is charged for parcels larger than one acre.

Chester Allen covers Thurston County for The Olympian. He can be reached at 754-4225.

COUNTY

Continued from Page B1

property taxes, so it's our responsibility to show how it's being used and how they're getting a return."

The district began collecting the assessment on lands within Thurston county in 1993 and has generated about \$390,000 per year.

The Conservation District was established to help Thurston County farmers make plans to handle soil runoff, prevent water

pollution and protect salmon. The agency had a budget of \$837,222 in 1999.

Some of the projects the Conservation District has completed through the use of the assessment and grants include installing 39 miles of fencing, constructing 96,000 feet of waterway erosion structures and conducting 7,161 soil tests.

Conservation District officials also answered questions Commissioner Kevin O'Sullivan had about the ethical direction of the organization.

"A new, very strict, procedure

to initiate purchase orders is in place," Mackey said. "Timecards now have carbons and require two signatures."

The conflict of interest and ethics portions of the procedures and policy manual was rewritten to address concerns with employee grievances and the issue of board members doing work on their own property.

"This is not the same district it was 18 months ago," Doug Rushton, a member of the Conservation District's board of supervisors, told county commissioners.

County official to leave for state post

BY CHESTER ALLEN
THE OLYMPIAN

OLYMPIA — Bruce Mackey, who calmed troubled waters at the Thurston Conservation District, is leaving for a bigger pond.

Mackey, who became the district's administrator in April, will leave in January for a top job in the state Department of Natural Resources.

Mackey will supervise more than 3 million acres of state-owned forest and agricultural land. The job will



Mackey

be a comfortable fit: Mackey is a former DNR manager and ran for state Commissioner of Public Lands in 1996.

"I'm going back to something I know and love," Mackey said Friday.

Mackey joined the Thurston Conservation District after months of turmoil, firings and resignations at the agency.

State auditors found that the district had mismanaged grants and falsified employee time cards. There also were allegations of sexual harassment.

Several former employees are suing the district.

The district was established to help Thurston

County farmers prevent water pollution, stop soil erosion and protect salmon.

Mackey said he brought stability to the district.

"We're getting morale back, and we're getting everybody to feel like we've got the place functioning," Mackey said. "The prior administration had been there too long."

"We are now open and progressive."

Mackey said he helped create a new financial system for the district and brought in modern policies to guide the district.

For example, the district now has accountability systems in place for timecards and purchase orders. Its policy manual also was rewritten

to address concerns with employee grievances and board members having work performed on their own property.

District Supervisor Fred Colvin said a search for Mackey's successor will begin next week. Mackey made \$62,000 a year.

Colvin said Mackey brought good employees and strong leadership to the district.

"This is a great opportunity for him," Colvin said. "Bruce did a lot for us, and we're going to miss him."

Chester Allen is The Olympian's city editor. He can be reached at 754-5423.

AGE ONE

www.theolympian.com

Conservation district may pick new leader next week

Search for Mackey's replacement is down to six candidates

BY LORRINE THOMPSON
THE OLYMPIAN

OLYMPIA — The Thurston Conservation District has narrowed its search for a new administrator to six candidates, and the district's board may choose someone to lead the agency next week.

The administrator will be responsible for leading a public agency that has been under fire from state auditors and former employees.

Former administrator Bruce Mackey resigned this month to take a position at the state Department of Natural Resources.

Mackey was brought into the troubled district in April 2000 after a state audit report sharply criticized the accounting and documentation practices of the district.

Some former employees of the



Mackey

District meeting

The Thurston Conservation District's Board of Supervisors will meet Tuesday at 3 p.m. at the district's office, 2400 Bristol Court in Olympia.

Following a regular meeting of the board, the supervisors may adjourn into executive session to discuss appointing a new administrator. They would reconvene in regular session to vote on an administrator.

For information, call the district at 754-3588.

The district also complained about management practices and filed claims alleging a negative work environment.

Mackey helped to bring in good employees and stabilize the agency's leadership, district officials said in November when they learned Mackey would be leaving in January.

District officials advertised the position nationally and chose six top candidates from 26 applications, said district supervisor Peter Moulton.

Those candidates were interviewed

Thursday by two panels made up of district supervisors, district staff, farmers and local and state officials.

Moulton said the names of the top six candidates cannot be released because some candidates did not want their employers or customers to know they are seeking the position.

"It's in fairness to the candidates," Moulton said. He said the six finalists come from state and local governments and from private business.

Scott Brummer, an environmental quality program manager with the district, confirmed that he is a candidate. Moulton said Brummer is the only district employee to apply for the position.

The two panels of interviewers will make a recommendation to the district's board of supervisors, who might vote to appoint an administrator at their Tuesday meeting, Moulton said.

The administrator position pays \$50,000 to \$62,000 per year, depending on qualifications.

Lorraine Thompson covers Thurston County and health care for The Olympian. She can be reached at 754-5431.



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INSIDE

BASKETBALL



Olympia girls

Conservation district worker won't be charged

County prosecuting attorney voices 'significant concerns'

BY LORRINE THOMPSON

THE OLYMPIAN

OLYMPIA — Criminal charges will not be filed against an employee of the Thurston Conservation District for document irregularities, but his actions raise "significant concerns" about district management, ac-

cording to a Thurston County prosecuting attorney.

In a letter to the Thurston County Sheriff's Office, deputy prosecuting attorney Joseph Wheeler outlined reasons forger charges would not be filed against district employee David Nygard, despite what appeared to be misrepresentation of work

completed on an official report to the state.

"With respect to the forger, I did not believe I could prove the required element of 'intent to defraud,'" Wheeler wrote in his letter to Chief Criminal Deputy Ray Hansen.

The case was referred to the sheriff's and prosecutor's

offices in September after a state audit last spring showed numerous irregularities in accounting and documentation by the district.

Conservation district officials say investigators misunderstood the district's practices for provisionally approving work documents, and that Nygard mistakenly

forwarded the document to the state.

"We're not in violation of our own rules," district supervisor Peter Moulton said, responding to Wheeler's letter. "It's a provisional approval, which is something we've done for years."

The conservation district operates on taxes collected from Thurston County landowners, and on state and federal grants. Similar dis-

INSIDE: Replacement for Mackey on horizon A2

tricts exist in counties around the United States.

The role of the district — whose budget is about \$1 million — is to help farmers and other landowners with projects such as safeguarding water quality, protecting fish

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DISTRICT

Continued from Page One

habitat and minimizing erosion.

The district came under fire in late 1999 when some district employees complained about time-card abuses and other management practices.

A state audit report in April confirmed employees were being told to fill out false timecards, that the district had sloppy accounting and lax control over spending, and officials had charged state grants for work that had not been done.

There has been a complete change in management and a significant change in employees since the audit, although the five-member board of supervisors for the district remains the same.

County investigation

In September, county prosecutors were asked to review actions taken by Nygard in the spring.

Nygard had checked a box on an official report to the state Department of Ecology saying that a dairy nutrient management plan — a plan for dealing with manure — was complete for a South Sound dairy farmer.

Dairy farmers are required by law to have a plan completed by a certain time, and this particular farmer's deadline was near, acting district administrator Scott Brummer said.

The plan was not complete, so Nygard's notation to the contrary misrepresented the facts, according to Wheeler's letter. The incorrect report also was signed by Jackie Reid, director of the conservation district's board of supervisors.

Wheeler said he felt forger charges could not be proved because district officials had nothing significant to gain from the misrepresentation.

"My concern on that issue comes from a lack of any provable motive other than the suggestion that Mr. Nygard was trying to cover up his apparent failure to perform in duties in an effective and timely manner," Wheeler wrote in the letter.

Further, he wrote, the signature on the document that misrepresented the completion of the plan was that of Reid, so Nygard could argue that he was acting under the direction of the board and Reid.

Nygard did not respond to a

telephone message seeking comment.

In a phone interview, Wheeler said that after an investigation by a Thurston County deputy, "I saw many disturbing things, but nothing that rose to the level of criminal conduct. ... The criminal standards are pretty strict; the bar to jump over is pretty high."

However, Wheeler said he was disturbed that the district had "represented that things had been done that hadn't been done."

In his letter to Hansen, Wheeler wrote: "The willingness of the Board of the Conservation District to disregard its own rules and those of the Department of Ecology by signing off as completed an incomplete plan raises significant concerns about the management of the Conservation Commission, but this does not create a criminal charge."

District's reply

Moulton said he finds Wheeler's conclusions mysterious, because the district was not violating its own rules.

The district has a policy for provisionally approving plans, meaning that "for our needs it's

adequate, but you can't (officially) count that bean because it's not ready yet," Moulton said.

Nygard "counted the bean before it was ripe, or whatever the correct analogy is," he said.

Nygard mistakenly forwarded the provisionally approved document to the state before one last action, a technical review, could be completed, Brummer said.

"It was a slip of the stamp, if you will," Brummer said.

Moulton said he questions the reason the action became an issue, feeling there are political forces at work that find it convenient to target the conservation district to get attention.

"The issue to me is, why did it become an issue?" Moulton said. "What's the political motivation behind this?"

He did not want to elaborate on which political factions he suspects, but Moulton said it has been difficult keeping the district on track with its resource work this year.

Loraine Thompson covers Thurston County and health care for The Olympian. She can be reached at 754-5431.

Conservation district names new executive

BY JOHN GRABER
THE OLYMPIAN

OLYMPIA — Michael McCarty was named the new Thurston Conservation District administrator Tuesday.

The district board of supervisors voted unanimously via a telephone conference to install McCarty into the position, which has been vacant since Jan. 9.

"I know we are pleased that we've got him," Supervisor Fred Colvin said. He's got a lot of administrative experience and has been around these parts a long time."

McCarty will leave behind his job as a controller for the Olympic Plywood Division of the Simpson Timber Company in Shelton to take the position with the district.

But McCarty is no stranger to the public sector. He was Shelton city administrator for 16 years before taking his current job.

"He has experience with budgets much larger than ours," said Michelle Anderson, a program manager with the district.

She also noted that Mc-

Carty has experience supervising more than 200 people at one time.

McCarty, who was raised in Olympia, said he took the job because he likes working in the public sector.

"I enjoy very much to be in a position that provides services that help people," McCarty said. "The Thurston Conservation District does that and it fits in very well with my ideal (of) preserving resources."

McCarty will assume the position Feb. 26. He replaces Bruce Mackey, who left to take a position with the Washington Department of Natural Resources.

Mackey was brought into the district in April 2000 after a state audit report criticized the district's accounting and documentation practices.

Former district employees also complained about management practices and filed claims alleging a negative work environment.

Mackey helped bring in good employees and stabilize the agency's leadership, district officials said in November, when they learned about his planned departure.

Olympian reporter Loraine Thompson contributed to this report



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