



SKAGIT COUNTY ADMINISTRATIVE SERVICES

TIM HOLLORAN, County Administrator

September 27, 2011

Chairman Jason Easton and Planning Commissioners:

Attached you will find the following two reports regarding citizen allegations of Skagit County impropriety related to the Pipeline Safety Grant:

1. State Auditor's summary results of Pipeline Safety Grant as related to citizen complaint.
2. Summit Law Group memorandum outlining the independent investigation findings related to the specific allegations by Sarah Spence regarding Skagit County's Planning Department's application for and use of a Pipeline Safety Grant.

The state audit focused on allowable use/costs of grant funds and the cash advance compliance requirements. The State Auditor determined Skagit County had adequate support for costs charged to the grant and the Planning Department used proper procedures in requesting the cash advance.

The Summit Law Group report provided background information, addressed four specific allegations as well as a concern regarding the Planning Commission's response to these allegations. The allegations outlined were: the County allegedly obtained the grant through fraud and willful deceit, misrepresenting the purpose of the proposed project; the County allegedly misrepresented the purpose of the grant to obtain reasonable regulations; the County allegedly diverted grant funds to cover a budget gap; and allegedly the Planning Department concealed information from the public. The results of the independent review ordered by the Board of County Commissioners found no evidence to substantiate the citizen allegations.

These reports provide final resolution to concerns and allegations from members of the public against the Planning Department regarding grant compliance and process.

If you wish to discuss this matter any further, please contact me at 336-9300.

Respectfully,

A handwritten signature in blue ink, appearing to read "Tim Holloran", is written over the word "Respectfully,".

Tim Holloran