Exhibit 101
-- CONFIDENTIAL MEETING --

SPECIAL COUNSEL TO THE D.C. CITY COUNCIL

- RUSTY LINDNER -

Washington, D.C.

Tuesday, October 1, 2019
APPEARANCES:

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MR. BUNNELL: Okay. I'll just put on the record who we are on this side of the table, and have you guys do the same.

We're also tape recording this. And we have coffee.

So I'm Steve Bunnell with O'Melveny & Myers. We str here in our capacity as Special Counsel to the D.C. City Council, conducting an investigation of facts related to ethics allegations involving Council Member Jack Evans.

Dave.

MR. FITZGERALD: Yeah, Dave Fitzgerald with O'Melveny & Myers.

MS. ABERNETHY: Maggie Abernethy with O'Melveny & Myers.

MR. LINDNER: I'm Rusty Lindner.

MR. BUTLER: Paul Butler from Akin Gump. And we're counsel to The Forge Company, Colonial Parking, and Mr. Lindner.

MR. CONNOLLY: Chuck Connolly with Akin Gump.
MS. KOHLMAN: And Abby Kohlman with Akin Gump.

BY MR. BUNNELL:

Q All right. Thank you, Mr. Lindner --

A Of course.

Q -- for joining us today. Appreciate your cooperation in this --

A Sure.

Q -- this project that we’re doing. Let me just get a little bit of background about you, personally.

Are you from the D.C. area originally?

A Born down the street, in [blank]. I moved out of the city at the age of [blank], when I moved out to [blank], and then moved back downtown -- I moved back downtown in the late --

Q Okay.

A The D.C. area.

Q Where did you go to law school?
1 A George Washington University.
2 Q Did you practice law at any point?
3 A Member of the bar, but didn't practice.
4 Q Just did it for fun?
5 A Trying to buy time to figure out what to do with my life.
6 Q That's a good segue to coffee. Would you like anything?
7 A No, thank you very much. I have some water. Appreciate it.
8 Q So since law school and the bar, please give me a kind of high level thumbnail of what you have done professionally.
9 A Professionally?
10 Q Yeah.
11 A Following graduation from GW, I went to work. Spent a year -- over a year at a mortgage banking firm called Frank S. Phillips, always with an eye to coming back into the family business, to really focus more on the real estate portfolio than the other businesses.
12 Then in 1985, went up to a graduate
program at MIT on real estate development and urban
planning. I got my master's there in '86, came
back to Washington. And I've been engaged here
pretty much ever since, first more in the real
estate area and then it morphed in -- it evolved
into more involvement in the ongoing businesses, in
the early to mid '90s.

Q So this is the -- what you described as
the family business?

A Family -- at that time -- it is now the
family business. At that time, actually, the
businesses and the investments were jointly held
between two families, the Lindner family and the
Gamble family. My dad and late godfather had been
fraternity brothers at GW. The university provided
them an opportunity to go into business, a little
business, and so they -- ultimately, that's what
they named the parking company, George Washington
University Colonial. It was Colonial Parking. It
was named after the university.

Q Okay. So how long has that business been
in existence?
Colonial was incorporated -- they started their business -- I think it was a joint venture or whatever it was -- probably in '52. Colonial was incorporated in '54.

Q  Okay. And what's the ownership structure today of Forge and Colonial?

A  Colonial is a wholly owned subsidiary of Forge. Forge is owned in its entirety by the Lindner family, having bought out the Gamble family in late 2012. And so the -- it's currently owned by a collection of second generation -- including myself -- and some third generation of family members.

Q  Do you have outside shareholders?

A  Do not.

Q  Okay. Other than the parking part of the business --

A  Yes.

Q  -- which everybody who lives in D.C. is familiar with --

A  Right.

Q  -- what are the other sort of real estate
sort of aspects of it?

A Not so many now. Most of the real estate has actually been sold over the last 10 or 15 years. The principal other business inside of Forge, and also a wholly owned subsidiary, was Washington -- is Washington Boat Lines, Inc.

Washington Boat Lines was formed in the late '70s to buy and own principally the non-boat assets out of bankruptcy for the old Wilson Line. Wilson Line used to pier down at the end of what's now the wharf, and next to the police and fire station. And it -- Wilson Lines had a long-term lease with the city for the pier and surrounding property. So Washington Boat Lines was created to not only hold the land and pier but also operate the boat business.

Q So those are boat tours and --

A Exactly. And we -- and Washington Boat Lines was created for that purpose, both to own the real estate with a -- an eye towards perhaps at some point there being development down there.

Q I see.
But also to go into the business as a holding vehicle. And so Washington Boat Lines actively operated a boat business until '86 or so. And then a company out of Norfolk, I believe, called Spirit Cruises -- which is actually now around the country -- came up. And we entered into a lease agreement -- a sublease agreement with them for many years.

So Washington Boat Lines basically became a passive owner of the -- of the real estate, if you will, the operating business rung by Spirit.

Q So they operate on the Potomac and the Anacostia or --

A Exactly. They -- Anacostia would have been increased -- I don't know what they're doing now, because after we moved out of it, actually Spirit Cruises, we entered into -- into an agreement with the developer of the wharf project to sell the property to them. That agreement was executed in 2008 or '9. And they ultimately closed in 2014.

So Washington Boat Lines now is an entirely passive entity, still extant, but I mean
1 still entirely passive.
2 Q  What is the sort of nature of your
3 ownership or your interest in it today?
4 A  Basically, it's the cash that was -- the
5 cash that was -- that at settlement -- a note
6 that's being paid out over time, according to
7 various contingencies and -- and thresholds and a
8 long-term parking management agreement for Colonial
9 Parking for the -- for the wharf project.
10 Q  The Boat Lines -- or the Boat Line -- the
11 Boat Line, is that regulated in any way by the
12 District of Columbia, or who is in charge of that?
13 Is it the Coast Guard?
14 A  Oh, well, I don't know. I -- it -- there
15 was -- when we were operating it -- I mean first of
16 all, not so much regulated, I guess subject to
17 any -- any business being subject to regulation.
18 But we were a -- we were a lessee from the city, or
19 one of its agencies, until we sold the property.
20 So in that sense, it was subject to an agreement.
21 But I mean the -- but when I -- going
22 back through the years, I don't -- I'm sure that --
I'm certain the Coast Guard was involved in the -- in the oversight of the Boat Lines' operations. I wasn't -- I wasn't directly involved in the operations.

Q    And so with respect to the parking business --

A    Yeah.

Q    -- do you own those parking facilities, or you lease them from a landlord, I assume, or --

A    Correct. We -- Colonial Parking doesn't own any real estate. I mean -- yeah, any real estate. The -- the agreements that Colonial Parking enters into basically fall into one of two categories. One is a -- is called -- is a lease agreement, subject to various idiosyncrasies sometimes, and then another is a management contract.

The principal difference being that as a the tenant under a lease, one typically has the rights of a tenant and has more -- the lessee has more control over whom they employ, who they put on the site, how long the term is, et cetera, et
cetera, as long as they're paying their -- honoring their obligations.

A management contract, which is becoming increasingly popular in Washington over the last 25 years, is inherently a 30-day -- well, it is an agreement where the landlord has greater control over the parking operation.

We work as -- Colonial works as an agent on behalf of the landlord. The landlord has the ability to tell us whom to hire, whom to fire, what color uniforms to wear. So there's a greater level of control by landlords. And -- and that's in our -- in Colonial's current portfolio. Probably upwards of 80 -- 75, 80 percent of the portfolio is now in the form of management contracts.

Q   Do you have any management contracts with the D.C. Government?
A   Do not.

Q   What about the Federal Government?
A   Do not.

Q   Any of the surrounding governmental agencies or entities?
A: Do not. I don't -- we may -- they may operate -- I -- I don't know. Kind of reflects my level of my engagement. Not a good reflection, necessarily, but I mean they might -- they might -- they might operate a garage for the city of Rockville. But I don't really know who the landlord is.

Q: How about any other kind of business relationship with the city, either as a tenant or a contract of some sort?

A: No.

Q: And has that been true historically or just --

A: Other than the Washington Boat Lines, I guess when we were in --

Q: Yeah.

A: -- a contract with their -- one of their agencies, that's -- that has been the case, yeah.

Q: And with respect to the parking business, is there a part of the D.C. Government that is sort of particularly focused on parking garage issues or --
Well, I'd say the -- the -- HR -- we have a fairly robust HR department. And there's -- there's -- and significant regulatory implications associated with it. I mean we have a thousand employees. And so all those things associated with employment law, and elevator maintenance, records, things of that --

So it's -- so the city -- the standard -- is involved -- business -- right, yeah. I'll try to -- I -- I would characterize it as standard business for a service company, standard governmental oversight, and regulatory --

Okay.

-- law.

So just in terms of The Forge/Colonial
relationship -- I just want to make sure I got this correct -- The Forge is the holding company --

A  That's --

Q  -- and Colonial is one of --

A  One of now two live subsidiaries --

Q  -- subsidiaries?

A  -- holding companies, yeah.

Q  What's the other subsidiary?

A  Well, no, it's Colonial, and then the Washington Boat Lines. It's still --

Q  Oh, I see.

A  -- it's still --

Q  And then --

A  -- in existence. That's right. But it's really --

Q  And then collectively owned by --

A  That's right.

Q  -- The Forge, who has --

A  Colonial is --

Q  -- the rights --

A  -- the only active operating business, if you will.
Q    Got it. Yeah. Right.

But Boat Lines has other owners outside of the Lindner family?

A    Boat Lines is 100 percent owned by Forge.

Q    By Forge?

A    Yes, as a -- as a held company. So they are both 100 percent Forge-owned.

Q    But it's managed by some other entity?

A    It's really -- it's not managed -- it's managed by The Forge Company, because right now the management is basically managing the assets that came out of the sale, but for -- but for the Colonial Parking agreement, so -- which is one of the three tronches of value that came out of the -- the sale to P.N. Hoffman in '14.

Q    Does The Forge or Colonial own any real estate at this point?

A    Does not. Does Forge own any real -- Forge has two small -- I'm not even sure that they have two, maybe one -- one or two small limited partnership interests in real estate.

Q    Okay.
A Minor limited partner interest.

Q Let's talk about Jack Evans.

A Sure.

Q The reason we're all here.

If could you just give us kind of an overview of your relationship with Mr. Evans.

You've known him for sometime, I take it?

A Yeah, I've known him since -- I want to say '90, maybe it was '91. I was introduced to him -- not under duress. Take that -- I didn't say that. I was introduced to him by a friend, who asked if I would -- who -- Jack was running for -- in a special election to run for council -- Ward 2 council member, taking the seat of John Wilson, who -- John -- the late John Wilson, who had moved into the chairmanship of D.C. City Council, who had been the long-time Ward 2 council member.

This mutual friend of -- a mutual friend of ours was hosting a fundraiser for Jack -- who I had not met, and I really don't know that I even knew about it him, maybe I -- I don't know -- at her home, and encouraged me to come and meet him.
And I did. And I was one of about two people, other than the host and the -- and Jack in the room. But it -- but out of it, I -- I guess maybe that was the good news, because it gave me a good opportunity to spend time getting to know that I liked him and I supported him. And he would -- occasionally has -- has been known to occasionally say I was his alpha supporter, because I was the only guy who showed up at his -- at his first fundraiser, so --

So it's -- it's in ninety -- and -- and that's when I first met him. Jack was -- so we were -- I mean we were neighbors, are neighbors. Didn't have a lot of interaction with him until let's say later in the '90s, when he -- he's a fellow parishioner at [REDACTED]. And he and -- he and his late wife, Noel, had triplets just a few months in -- ahead of my -- us having our fourth child, our son.

And so through that, wives, kids, church, stuff, we -- we had -- the intersections became
greater.

Q So it was more than the political sort of relationship --

A Oh, yeah --

Q -- you had with --

A -- it really started -- the political --

I mean it --

Q You were --

A -- sure, there was always --

Q -- you were not --

A -- a little --

Q -- only a political supporter, but a --

A Yeah. Right. That's right.

Q And I assume that continues to today?

A Very much so. Well, not so much the last nine months. There's still the friendship, but not a lot of getting together.

Q Have you spoken to him recently about the reason we're here today?

A I -- I ran, literally -- he -- we ran into each other literally once, in April. I was coming home late from work. He was running --
going out for one of his jogs. He jogs every day, I think. And he ran into me. And we -- I had a one-minute exchange with him, apologizing and me saying, Hang in there, stuff like that. But other than that, no. April, yeah.

MR. BUNNELL: All right. We have copies of -- I guess several copies of these. I think these are mostly documents that you gave us, so --

BY MR. BUNNELL:

Q I know your lawyers have committed them to memory, so --

A That's good, because they're --

Q And I'm not going to -- I'll give you whatever time you need to look at them, but I'm going to try to move through the book relatively quickly so that we don't spend the entire day here. So I want to ask some questions about sort of the law firm engagements that --

A Sure.

Q -- well, would it be more accurate to say Forge, or Colonial, hired?
Q    Forge?
A    Yes.
Q    So Forge is the -- were for Patton Boggs, for Manatt, and --
A    Correct.
Q    -- for NSC --
A    That's right.
Q    -- Consulting?
A    That would be right, yeah.
Q    Okay. All right. So I want to talk about Forge's sort of history of retaining law firms.
A    Sure.
Q    So tab 1 in your book is an engagement letter with Patton Boggs, dated February 5, 2003?
A    Uh-huh.
Q    And it's between you and -- you as -- on behalf of The Forge Company, and Jack Evans on behalf of Patton Boggs.
A    Do you see that?
A Yes, sir.

Q Okay. So 2003, did you have another law firm that you were using prior to this?

What was the -- or put differently --

A Well --

Q -- what happened to --

A Yeah --

Q -- cause you to retain --

A -- this -- this --

Q -- Patton Boggs at this time?

A Sure. Right. Okay. Got it. This evolved, my recollection -- and I'm sorry, I mean it's some time ago. But I'm pretty sure it evolved with Jack -- after Jack told me that he had signed on with Patton Boggs --

Q Okay.

A -- and -- and was looking to obtain clients, and -- and asked whether I would be interested and willing to engage with the firm. And out of that conversation I said yeah, sure.

Q We're going to relax. Metropolitan club rules (taking suit jacket off).
I don't want anybody to say I was trying to sweat anybody out here.

So --

And you got --

-- so that's how --

Yeah.

-- I mean he -- he approached me. And I said sure --

Okay.

-- let's do that. And so -- and that was --

But had you retained Jack Evans in -- in a prior --

Had not.

-- through a prior law firm?

Had not. No.

The services that you were anticipating back in 2003 --

Right.

-- this appears to be in connection with certain legal matters: Our fee will be structured as a flat retainer of [REDACTED] per month.
What were you -- what did you understand you were purchasing at this point?

A    Well, my understanding of -- again, my recollection and -- and what I was purchasing was the ability and the -- the greater license for me to -- to take Jack's time and to have -- use him as a soundingboard. My -- my -- my principal responsibilities of the company and all the -- are and have been, one, client relations, I would say; but, two, the kind of strategic -- assessing the strategic -- strategic landscape.

I'm not the guy who negotiates parking leases or parking management agreements and stuff like that. And so having -- and -- and prior to that time, about that time, when my dad was cycling out of the business. My dad and I shared an office physically for 14 years. No, 24 years. Most of 24 years. We were separated a little bit for a while. And dad was my soundingboard. And it was great.

Q    Let me just interrupt.

What was your father's name?

A    Fortunately, he still is. Tad, Thaddeus,
Lindner.

Q    Tad.

A    Tad Lindner, yeah.

Q    Sorry.

A    He's [redacted].

Q    Past tense.

A    Yeah, no, no. Quite all right. Quite all right.

So this struck me as a good opportunity for me to have someone, particularly since I was more focused on broader D.C. affairs. I was active with the -- beginning to get quite active with the Federal City Council, as well in a leadership role. And to have someone who could help me kind of sort out where the city was, on a fairly casual basis, an irregular basis, was of first interest, and -- and ultimately proved of great value to me, yeah.

Q    Okay. Did you hire any other strategic consultants other than Jack Evans?

A    No. Well --

Q    At any point.

A    At any point? Yes. Later on I did. But
1    yes.
2 Q      Okay.
3 A      I mean I didn't hire business consultants
4 or coaches or things -- psychiatrists or things
5 like that, I guess.
6 Q      No, I guess -- yeah, I didn't mean to
7 cast it that broadly.
8 A      Yeah.
9 Q      But in terms of the -- I forget the exact
10 phrasing you used, but, you know, kind of somebody
11 who can give you a read on the business landscape.
12 A      Yeah.
13 Q      To the extent that that's what Mr. Evans
14 was being hired by you to provide --
15 A      Yeah.
16 Q      -- had you previously had somebody --
17 A      No, I --
18 Q      -- providing that --
19 A      -- I -- I --
20 Q      -- kind of strategic advice?
21 A      -- I had not.
22 Q      Okay.
A And have not, in that -- in that -- in that capacity or realm. I mean that's really kind of been unique to -- of unique value to be coming from Jack, or had been until earlier this year.

Q And was that because you had this close, personal relationship with Jack, that you sort of decided you wanted to --

A Well, I think it --

Q -- retain --

A -- I think --

Q -- him --

A -- I think it probably --

Q -- personally?

A -- evolved out of that. Because I -- I thought he -- I found him to be thoughtful and -- and multifaceted in his perspective. I mean he saw -- by virtue of his -- his various engagements and duties, he knew a lot of people. He knew a lot of different things in the region. He was very active in talking with folks.

And so he kind of -- in one person, he was someone who had a lot of the -- a lot of
foundation. And -- and that was helpful for me, and would prove to be helpful to me. And I thought he was kind of uniquely -- uniquely equipped to deal with that.

Q And the fact that he was a sitting D.C. council member at this time and --

A Right.

Q -- and I guess throughout the period that you were retaining him --

A Yeah.

Q -- was that a -- a positive, from your perspective?

A It was a positive only -- not that he was sitting, per se, but by virtue of his -- his world, he saw things that -- he would engage with different organizations, different ANCs in the evening, different landlords, dynamics, different jurisdictions, and -- by virtue of that position. And so out of that -- it wasn't that he had the ability to get things done on the council. It was just by virtue of the various roles that he played. I mean and also in the -- in the broader
community, I knew he was very active in even the
Georgetown area, but -- and Shaw and -- and Logan
Circle, and areas with --

Q Just sort of a general deep knowledge of
what’s going on in D.C. --

A Yeah.

Q -- kind of thing?

A Yeah.

Q All right.

A Yeah.

Q [REDacted] a month, even in 2003, is actually
not a lot of money for a big law firm.

A Yeah.

Q You're probably paying a little more than
that today.

MR. BUNNELL: No comment is necessary.

BY MR. BUNNELL:

Q But what did you get for the [REDacted] a
month over the years?

I mean how would you characterize the
actual services that you received?

A It was -- it was -- what I got was,
again, the knowledge that I just hoped to get. But
it was with -- I felt that I -- I had the liberty
of asking him to join me for -- for -- for drinks
or lunch or something, without feeling I was
imposing on a friendship.

Jack is -- Jack remains a friend. He was
never one of my best friends, but he was someone --
I just didn't want to abuse the friendship by
saying --

Q   Uh-huh.

A   -- listen, I don't like to bleed people
for information, so we would gather -- get
together, no agendas, quite a bit, so I was more
than -- so if he would suggest, we'd sit for drinks
and things like that, and -- but there were good
opportunities for me to learn.

Q   Did you have any kind of regular rhythm
with him, in terms of --

A   Yeah, monthly or something like that at
breakfast. Really didn't -- I -- it -- needless to
say, over the last nine months, I've thought about
that. Over the -- I would -- our -- our pattern
would typically be meeting for 5:00 o'clock drinks
some place. I -- for most of this period, I had
kids at home in school, so I didn't want to make a
late night of it. And he did, too.

Q    Uh-huh.

A    And, of course, he -- he lost Noel later
this year, in 2003 or '4, yeah. So he had three
kids at home, so it wasn't a late night and raise
hell, sort of thing. And that was kind of the --
the principal way in which we would get together,
download, and knock things around.

Q    Okay. Are there any -- and this is --
I'm talking about the Patton Boggs period, which is
a long period of time, because --

A    Yeah.

Q    -- it goes from 2003 to twenty -- the
beginning of 2015.

Are there any specific projects where
either he -- he kind of provided more than just,
you know, kind of sitting around and --

A    Advisory, sort of?

Q    Yeah.
A: No, I don't recall any during that time, actually. He -- he did -- I mean projects -- he was very helpful -- one of the things that -- that flowed out of this and what I -- I saw of value was his ability to identify opportunities, business opportunities, for me. Not working with the Government. None of that. I mean I was very clear we weren't -- we weren't engaging in that kind of stuff, but meeting landlords whom he had come to know, introducing me to them if I didn't know them, or speaking -- you know, vouching for me.

Q: Uh-huh.

A: He was instrumental in -- in referring me a -- a late -- someone who passed away four years ago who had been very active with a client had asked Jack, whom the -- this other client really needed to find someone in D.C. and -- and work with someone in -- who knew stuff, not -- how D.C. went -- the business leadership, organizations, the -- the business leaders, the political dynamics of -- and the things like that.
And so they -- they came to me and asked if I'd work with him. And I did. And that's -- it ended up being for 13 years. An extremely valuable relationship. And so it was kind of a -- had we not been doing this, would he have? I -- I doubt it. I don't know. It was just -- you know, he just was kind of a clear and present --

Q  Okay.

A  -- person.

Q  When he was at Patton Boggs --

A  Yeah.

Q  -- and, again, this is a long period of time --

A  Right.

Q  -- were there other attorneys there that did work for Forge?

A  In one instance, yes. Near the end of -- near the end of the relationship with him, 2014.

I -- at Jack's introduction, I met two partners there, two -- I forgot her last name, but the one who was the principal party who ultimately worked on this project under -- was
And the project was to see whether they, through their -- through their government relations presence, could somehow reinstitute a piece of legislation that had lapsed that -- that previously had covered D.C. and -- and was sliced out of a -- sliced out of legislation a couple years earlier; and to the detriment, I believe, of D.C. And many -- it was something called "EZ" zone. And it was legislation that was passed in the late '90s, which incented employers in designated cities to hire residents of that city to work in high poverty areas.

Q Uh-huh.

A And there may be three -- I don't know how many -- 100, 200 -- such cities that qualified for it.

Well, apparently, in '13, maybe early '11, D.C. -- D.C. had been added, apparently, not in the -- in the -- in the original legislation, but through some other form of amendment, or how it was it was -- a bill, I don't know. I can't
recall. But it -- it -- it was carve -- it dropped out. And the other cities remained, starting at whatever that date was.

And it just seemed highly inequitable to all of us in the city. I mean Federal City Council undertook a real effort to -- they took the leadership in trying to get it extended or re -- or appended or whatever the case may be.

They ultimately determined -- and this had nothing to do with Patton Boggs. They ultimately determined that it -- it was too heavy a lift. There were a few senators -- one in particular -- who said: No way. Not going to do it. Apparently he was somewhat upset at some folks in D.C., at least that's what came back through the Federal City Council.

So the Federal City Council -- I don't know if you know what the Federal City Council is --

Q Yeah, I was going to ask you --

A I'm sorry.

Q -- well, go ahead and finish your --
But anyways --

-- kind of --

-- Federal --

-- line of --

-- City Council said, look, we have too many -- it's too big a lift. We have too many other issues --

Right.

-- where we engage -- they -- the Federal City Council often engages with the Hill and try to -- its purpose is to advance the District of Columbia and -- and interest, and to use the -- the relationships and standing that it enjoys, both historically and then through its membership, to find solutions to -- just generally, pretty discrete matters. Not big ones.

It's -- it's led by Tony Williams, a former mayor of the city, and -- and --

And when was the Federal City Council started? Was it in --

Late '50s.

Okay.
A Yeah, it was -- my recollection, it was founded to redress the -- the deplorable housing situation, largely in Southwest Washington, and to -- about the same time that they were standing up the zoning code -- first zoning code in the city. I'm pretty sure that's right. But I know that it was their principal purpose.

And Phil Graham, the former editor of the Washington Post, was really the party who said this is what we need to do; other great cities have organizations, like where the leaders of organizations, public, private, whatever, get together and focus on their city.

It's probably best known for having been the principal shoulder -- conceptualizer shoulder of -- of the creation of Metro. But it -- it also has done Union Station. I mean it -- again, to the notion of a discrete project, Union Station, the Verizon Center, a number of other major projects that it -- it -- it felt it was uniquely equipped to do.

Q When you say that they did something, are
they investing in things or --
A No.
Q -- it's really --
A No.
Q -- just a group of --
A Garnishing the --
Q -- community and --
A -- resources of --
Q -- business leaders --
A -- the membership, yeah. Yep.
Q Does it tend to be particular industries that are part of the --
A No. I -- I never thought about that.
No. It's actually pretty -- it's -- it's wide-ranging. I mean if you -- on its website, they have a list of all the -- the members. Or they call their members trustees, and so -- and you would see that they represent what -- law firms or businesses or nonprofits or universities. And it's a -- it's a -- it's an amalgam of all those.
Q I mean is it an organization that has a staff or is --
A It does.

Q -- it really --

A No, no, it does have a staff. And -- and Tony Williams is the CEO. Again, I should know -- I'm an officer -- but I can't give you the exact headcount.

Q That's all right.

A But I want to say there's a -- there's a COO. There's -- there's probably -- a relatively small -- seven -- six, seven members of the staff.

Q Okay. It's got a website, presumably, that --

A Yes.

Q -- describes --

A Yep.

Q -- sort of its mission and --

A Exactly.

Q -- who leads it? Okay.

A Exactly.

So anyway -- I mean so if that answers your question.

Q That helps.
Well, just sort of taking it back to the beginning of your explanation, which was -- Yeah.

-- actually very helpful.

So there was somebody at Patton Boggs that was helping with this or --

Well, they -- they had nothing to do with the Federal City Council's effort.

Okay.

That was all Federal --

-- City Council.

-- was --

Yeah, so again --

-- somebody who --

-- so -- okay, so --

connected that --

, I -- it's -- I -- I think this is what happened. I think I mentioned to Jack, this is a shame that this -- beyond a shame. It was just inappropriate and -- and inequitable, that D.C. -- I mean Baltimore, Chicago, New York,
every major city, continued to be able to avail
themselves of those -- these programs, that work,
right, and my -- and other estimations -- but D.C.
had been the carved out.

And he said, well, why don't we talk
to -- let's see if someone at Patton Boggs might be
able to do something or have an idea. But I don't
know whether he said it or I said, well, maybe you
have somebody who can -- out of the conversation.

I just don't remember.

Q  Uh-huh.

A  So that's what led to the meeting in --
Jack arranging the meeting with [REDACTED] and
this other woman, whose last name I can't recall,
in -- in '14. The gist of it was, look, this is
the history -- just trying to do --

Q  Right.

A  -- this is the history, this is what
happened in full -- full disclosure. And the
Federal City Council, which is generally pretty --
pretty effective at things like this, hit a wall.

I still -- Don Quixote, I still think
there's something there. I'm not going to bet the house on it, but I'm willing to underwrite an effort that -- that's based on success. And you're successful in it -- because it would benefit -- it would benefit --

Q  Yeah, what's --

A  -- well --

Q  -- the financial -- what's the financial impact of this issue on --

A  Well, Colonial Parking --

Q  -- Colonial Parking?

A  -- as one of, you know, scores of hundreds of companies that took advantage of it. But Colonial Parking -- by the time it expired, Colonial Parking was probably -- you know, I think it was benefitting between 200 or $250,000 a year in the form of a federal tax credit.

And that -- that was the -- the -- the legislation inside of it, the principal vision -- there were a number of provisions that encouraged investments and had a favorable -- somewhat like the opportunities of -- now. But it had some
employment-related ones.

And that was the principal one that benefitted Colonial and other services companies and hotel companies and things like that, which was -- and again -- and I'm sorry if I'm not right -- exactly right, but 20 -- up to 20 percent of an employee's salary, up to $21,000, could be claimed -- 20, 24 -- could be claimed as a federal tax credit.

Q I see.

A So you could see it mainly -- it was geared -- targeted towards the lower income kind of socio -- lower side of socioeconomic stripe. Parking has quite a few individuals in that realm.

Q So it made it cheaper for you to hire somebody or --

A Exactly.

Q -- it would pay to --

A It would incent us to do certain things we might not otherwise do, focusing on people that might be a little tougher to identify or to source for employment. It was -- and it was an incentive
that worked. And we really -- we focused on that, and -- and tried to place employees appropriately, in order to qualify.

But it was -- it wasn't specific to the parking business or --

Oh, no, no, no --

-- the --

-- no, no, what -- it was generic. I mean so it was --

So any --

-- hotel --

-- business --

-- companies --

-- could --

-- insurance, any business.

Any business in D.C.?

Yes, yes, that's right; my understanding,

I think that's right.

Okay. Yeah, if we look at tab 2 in the book, there's some email traffic. The top of the email chain is an email from you to Jack Evans.

But if you go down lower, I think it includes the
people you were referring to: [redacted], and the other woman, [redacted] --

A [redacted] --

Q -- [redacted].

A -- [redacted], okay, oh, [redacted], yes.

Q Is that --

A Yes.

Q -- is that who you were --

A Yes.

Q -- thinking of earlier?


Right. Yes, sir.

Q So it appears at this point you are reaching out to Jack Evans, passing along this email chain, seeking his thoughts.

Q Is that --

A Well, yeah, I -- Jack was --

Q -- what's going --

A -- in this --

Q -- on here?

A -- the -- this -- this initial -- I think it was the only actually physical meeting in person
that we had.

(Reading document) So it was --

get some background, okay, from . I don't know

what -- who was.

Okay. So I -- I owed them information

with respect to -- and I was going to see if -- all

right. Okay. Let me see.

(Reading document) Colonial Parking --

Jack -- so I -- what I had was data. I -- I guess

I told her I would put together data of --

MR. CONNOLLY: Rusty, can you actually

pause for a minute?

MR. LINDNER: Of course.

MR. CONNOLLY: Steve, can we just go off

the record for a minute?

MR. BUNNELL: Yeah, sure.

(Discussion off the record)

MR. BUNNELL: We're going to go back on.

MR. LINDNER: So I was going to I guess

pull together information I've never been asked to

pull together: How many -- how many employees

Colonial Parking had, how -- I don't think she
asked me like the history of "EZ," because that --
that's easy enough for her and her firm to
research, but kind of giving her some meat on
Colonial Parking, how -- along the lines of what
you asked. I mean, how long was it used, how much
was --

BY MR. BUNNELL:

Q    Yeah.
A    -- the bag, that sort of thing. And I
guess I just was late in getting credit to her
for --

Q    So --
A    -- I don't know.
Q    -- trying to be respectful of the fact
that there's an attorney-client relationship that's
sort of mixed up in this conversation.
A    Yeah.
Q    Did you view Jack Evans' involvement in
this issue as Jack Evans wearing his city council
member hat, or did you view this as Jack Evens as
your strategic counsel hat?
A    Well, I --
Q Because he's wearing both hats --
A Yeah, I --
Q -- at this time when --
A -- yeah, I -- I -- I -- I see. I -- I viewed him as the person who introduced me to [redacted] and with whom I'd never met before, so he -- I'm saying I don't know whether -- what she's after. So I guess it's the latter.

I mean she -- it was he who brought me into Patton Boggs, and so -- but -- but I -- that -- this was -- this was -- this was more a discrete matter at the law firm that I'd retained, and he had been the introducer. I mean I -- I didn't pick [redacted]. I did not pick [redacted].

Q Okay. Let's go to tab 3.

So this is a letter from -- that's your signature at the bottom there?

A Yes.

Q -- from you, on behalf of The Forge Company, to John Ray --

A Yes.
Q -- who is at this point a lawyer at Manatt Phelps & Phillips; and you're proposing in the letter that The Forge Company will retain Manatt as -- well, not as a lobbyist --

A Right.

Q -- but to provide monthly updates on political matters, principally D.C.-related, bearing on Forge's business?

A Yes.

Q And you're proposing a retainer, right?

A Yes.

Q So this is November 3rd, 2015. So we're now, you know, I guess a year or so later from what we had been looking at, right?

More than a year later.

Do you remember how -- can you describe for us how you came to be retaining Manatt at this point?

A Not with surgical precision. But Jack had -- was -- was soon to -- or maybe he had -- had just signed on with Manatt, after having been --
having left Squire Patton Boggs I guess by that
time, early in the year, the first of the year,
January or something like that.

And so, again, and it was not -- was not
dissimilar to how -- how I started the relationship
with Patton Boggs, was the same kind of in many
ways: Do you propose that we start up again what
we were doing for twelve years? Yeah.

Q Okay. So this was right about the time
that Jack Evans had joined Manatt; is that correct?

A Yes.

Q So your retaining Manatt was because Jack
Evans had gone there, or was it -- would you have
retained Manatt regardless of --

A No, it was because Jack was there.

Because I -- I -- as I mentioned earlier, I -- I
found that the relationship with Squire Patton
Boggs worked out very well. And, again, I was able
to, with a -- with a clear conscious, engage with
Jack as often as I did to -- to sound things off
and -- and have him help me on -- with landlords
and things like that, so -- and -- so, yeah. And I
had known John Ray for sometime. I'm sorry, I --

Q Yeah, I was going to ask you --

A Yeah.

Q -- about that, yeah.

A I'd known John Ray -- well, by that --

for almost 20 -- over 20 years. He had run for

mayor in '94 against Marion Barry and was not

successful, and had been in practice -- I don't

know whether it was -- well, he was -- I think he

was with Baker -- another law firm and then Manatt

later on, but in the world of -- of D.C. work.

Q Let's go to tab 4. There's a letter back
to you dated November 25, 2015.

A Uh-huh.

Q And this is the Manatt -- it looks like
the Manatt engagement letter, with their standard
language, in large part.

A Got it.

Q It includes a -- well, the first sentence
of the letter says that Manatt will represent and
advise Forge in connection with actions and/or
nonactions of the executive office of the mayor and
the city council by providing you with a monthly report through direct communication.

Does that sort of capture the --

A Yeah.

Q -- the services as you understood them?

A Well, there -- there were -- there were two. Yes. I would say there were two levels.

Q Okay. Go ahead. Explain.

A What wasn't addressed -- there was a monthly report that they sent around, which they -- a client -- client advisory. And that was really what John -- I think was the principal thing. And the other thing, as I mentioned earlier, was the continued engagement with Jack, so --

Q Was the monthly advisory a personal email to you, or was it just a -- just like a general newsletter to clients of Manatt or --

A Actually, it's a fact -- I'm sure they drew heavily upon, if not a boilerplate, it was a significant one or -- I mean and -- and that --

Q Okay. And I don't need to get into the
specifics of it, but there were, in fact, sort of monthly updates that you were receiving as --

A    Yes.

Q    -- part of this arrangement?

A    Yeah.

Q    If you go to the third page of the letter, down at the bottom of that page there's a paragraph that's got a heading that says, Specific disclosure regarding the District of Columbia.

Do you see that?

A    Uh-huh.

Q    And the letter says, While we do not believe any actual conflict of interest exists, as a courtesy to you -- meaning you as Forge --

A    Sure.

Q    -- we would like to disclose that other professionals at the firm currently serve on the D.C. Council --

A    Right.

Q    -- and some other boards.

And it goes on to say, We do not believe that D.C. council and board membership of our -- or
our former representation of the District will have any impact or otherwise influence your ability -- our ability to represent you in this matter. Do you see that section there?

A I do.

Q I'm sort of paraphrasing a little.

A Yeah.

Q Was that something that gave you any concern at the time?

A I must say, it -- it -- it didn't, because I felt that anything they did would have to -- I mean they -- they're a big firm with a big compliance group, and there was nothing that they -- that would do that would be problematic for me. And I -- and, frankly, I -- I don't know that I really focused as much on that language as -- as one might expect.

Q Okay. Let me just back up a second. So there's a --

A And it goes -- I'm sorry again -- to --

Q Yeah --

A -- John --
1 Q -- go ahead.
2 A -- John Ray being very active in the --
3 so-called Wilson Building. So I just -- I expect
4 that he was going to be all over the place doing
5 things.
6 Q Okay. I mean did you see that as a
7 positive, I mean that he's got --
8 A That he has knowledge --
9 Q -- his antennae --
10 A -- that he has -- that's exactly right,
11 that his -- his antennae would be such that if
12 something came up that Jack couldn't do, and then
13 it would be he would bring it to my attention,
14 subject to, you know, the -- whatever the -- the --
15 the ethical standards and everything else might be,
16 so --
17 Q Okay. Does Forge or Colonial have an
18 in-house general counsel?
19 A Does now. Didn't then, at this time.
20 A -- one joined Forge in January of '17. No -- no
21 political or local focus. They'd been mostly a --
22 a litigation counsel over at Jones Day. But I'd
known him for a long time, trusted him.

Q What's his name?

A Name is Kevin Byrd.

Q Is he there today?

A He's -- yeah, he's there today.

Q Does Colonial have a -- sort of a litigation portfolio? Is that one of the issues that you've got to worry about?

A Not so much -- I mean litigation, I -- I suppose, compliance, regular compliance, things of that nature, I just -- I, frankly, wanted someone to come in who could spend a little more time on things along those lines.

Q But I take it there wasn't anybody who was involved in --

A Oh, no.

Q -- negotiating any of this language at this point; it was you, personally?

A Yeah. Right. Right.

Q So there's a period of time between when Jack Evans leaves Patton Boggs -- or Squire Patton Boggs at this point --
A Right.

Q -- which I believe is right at the end of 2014. And then October of 2015 he joins Manatt.


Q So there's a gap there where he's not -- when I say "he," Evans is not affiliated with a law firm.

A Correct.

Q Did you continue to have the kind of regular, you know, go out for drinks and get -- kind of pick his brain on --

A On -- on --

Q -- strategic issues --

A -- honestly --

Q -- kind of conversations during that gap?

A I see. I -- and I can't -- I can't honestly recall. He -- he -- he had signaled, before he signed on, that he was -- he was looking for another job, and so -- and expected and hoped that one would -- and then later in the summer I think mentioned that he -- that he had a good interview with Manatt and thought something would
evolve there.

But as to what was going on, whether we would meet with any greater or lesser regularity, I don't recall, but I -- I don't remember.

Q Were you paying him --

A No, I wasn't paying him.

Q -- in any way at --

A No.

Q -- that point?

A No. I wasn't paying a thing.

Q Did you help him get hired by Manatt?

A No.

Q Did you put in a reference or --

A No.

Q -- recommendation?

A I mentioned that I -- I knew John Ray, when he asked if I knew anybody over at -- and -- and I had known the -- the founder of the firm, a guy name Chuck Manatt, who passed away a few years prior to this. Knew him socially. But I didn't say I was going to get -- to get him the job or anything like that.
In my experience, sometimes when lawyers are going to another firm, the potential film is interested in whether you're going to be able to bring any clients with you.

Did you have any kind of conversation with Mr. Evans about whether you would come as a client to Manatt if he went to Manatt?

I don't recall that, Steve, but I -- I -- I would think that he would -- probably felt that there was no reason we wouldn't continue to have some sort of relationship much as we had at Squire Patton Boggs.

You were on good terms at that point?

Yes.

Okay. Let's flip to tab 5. So we're not -- let me make sure I got the timeline here. The last letter we were looking at was November 25, 2015.

Uh-huh.

And now we've got another version of the engagement letter, dated February 18, 2016.

I say another version. It's another
1 letter --

2 A Uh-huh.

3 Q -- with Manatt, right?

4 A Uh-huh.

5 Q Also coming from John Ray.

6 And apparently this letter, together with the memorandum sent by you in November, sort of constituted the agreement, the engagement that you had with Manatt.

7 Was there some reason that this was sort of -- went on for several months before you were able to finalize the arrangement? Was there --

8 A You know, I don't recall why there wouldn't -- wouldn't have been issues. Shortly, in -- early -- and -- and this -- this addresses it. And maybe this is what kind of stayed the execute -- whatever, the signing in the other document.

9 So in '15 -- here we go. '15, we --

10 we -- the relationship with Squire Patton Boggs ends. This reflects, I believe, what happened.

11 Jack I think spoke with John sometime between
November here --

Q    Uh-huh.

A    -- and mentioned the -- the -- the

history of the "EZ" zones. And John -- again, my
recollection -- said, well, maybe I have an angle.
Because John has a very good relationship with
Congresswoman Norton, Eleanor Holmes Norton, and
maybe, through that, we can pull a Lazarus and get
it -- get it underway.

So I said, okay, well, if -- if you can
do it at -- the same sort of thing, I'll give you
an incentive. You do it, but -- and -- but go have
at it. And so he did have at it. And I think
that's -- yeah, so it reflects the "EZ" zone effort
on this Hill working with Congresswoman Norton.

Q    And who is Tina Ang?

A    Tina Ang is John's long-time senior --

right-hand person. I don't know her very well.
I've met her maybe once or twice, only in passing.
But I do know that they work closely, and --

Q    So her role, as far as you understood,

was to support John's --
A  Yeah.
Q  -- efforts?
A  Yeah.
Q  Let me just ask you, with respect to --
    if you go to the third page of the letter, behind
    tab -- I guess behind tab 5, down at the bottom,
    Specific disclosure and waiver re District of
    Columbia.
A  Uh-huh.
Q  Do you see that down at the bottom?
A  Uh-huh.
Q  And the last two lines there include a
    reference to Jack Evans, just flying in the fact
    that he's a council member --
A  Uh-huh.
Q  -- since 1991.
    And it says, Per ethical rules, Mr. Evans
    will not lobby the District of Columbia Government
    on your behalf in connection with the projects.
Q  Do you see that?
A  Yes.
Q  It bleeds over to the next page.
A Yeah.

Q What did "lobbying" mean to you in that context?

A Well, whatever the project might be, I didn't want them lobbying, period, Jack. He wasn't --

Q Well, what does -- what does -- lobbying the council --

A Yeah, the --

Q -- lobbying the --

A -- no, yeah, the -- lobbying his own -- the city council. And --

Q Would that include calling the mayor or calling the deputy mayor or --

A If it was -- if it was -- if it was a violation of anything that had to do with those -- those actions or practices, then I didn't want any -- even a hint of that to occur, so --

Q Okay. It sounds like you understood the word there in a -- there's sort of technical definition of "lobbying" under D.C. code --

A Oh, well --
1 Q -- and under federal law as well.
2 A Yeah.
3 Q Certain types of activities are -- I mean did you -- were you thinking of this more broadly, as like: I don't want him attempting to influence things?
4 A Thank you. I would -- I would say yes. I mean I -- I wasn't necessarily thinking in terms of how it's specifically defined. I really didn't know how --
5 Q Yeah, I assume --
6 A -- to define --
7 Q -- you didn't write --
8 A -- yeah --
9 Q -- this language --
10 A -- no, right.
11 Q -- right?
12 A Yes.
13 Q And the next sentence, by the way, in that paragraph says that by your signing this letter, you confirm you understand this paragraph and that you waive any conflict of interest or
appearance thereof in connection with the matters referenced in this paragraph.

I recognize that you probably didn't write that sentence either; somebody at Manatt probably wordsmithed that?

A Yeah, I don't --

Q Was there a particular conflict or an apparent conflict that was in your mind at the time or that you were concerned about or that they were concerned about?

A Well, again, I'd say, just generically, I wouldn't want this strategic consulting relationship with Manatt and Jack to -- to in any way appear --

Q Uh-huh.

A -- or much less be something that would violate any ethical standard.

Q Okay. And there's some reference to that in some of the documents we're going to get to sort of a little later in the chronology here --

A Right. Okay.

Q -- your concern about -- in fact, the
next document says, 100 percent sure that our agreement is legit in every regard.

Was that a concern that you historically had, or was that something that arose later because of something?

A Well, I -- not a -- I had, for a long -- not having to do with Jack, generically -- been very focused on -- I just -- corruption in D --
corruption in government troubled me. I'd even proposed, some years before at the Federal City Council, that we create a new group called The Center for D.C. Public Integrity, because I thought this is something we should stand for.

So it -- it -- always this notion was --

Q Okay.

A -- was at the top of my mind. And I -- I recognize maybe I didn't perfectly address it, but that was, and remains, anyway, how I feel, you know, what I tried to do.

Q And I'm not suggesting --

A Oh, no, no, no --

Q -- I'm not --
A -- no, no --

Q -- criticizing --

A -- I don't --

Q -- your --

A -- no, no, I don't --

Q -- your -- your --

A -- right.

Q -- concern. I'm just --

A No, no, no, no --

Q -- trying --

A -- no, no, no --

Q -- to understand --

A -- no, no.

Q -- if it was prompted by anything in particular --

A No, no, no --

Q -- or any --

A -- no particular --

Q -- issue --

A -- prompting.

Q Okay.

A No particular prompting.
Q Let's go to tab 6.

A Okay.

Q And tab 6 is an email exchange between you and William Jarvis, right?

A Yes.

Q The top of it, I -- I think the whole -- the whole document is a series of exchanges. It starts on the bottom -- or back of the --

A Right.

Q -- page there --

A Yes, sir. Got it.

Q -- from William Jarvis to you, an email dated August 8th --

A Right.

Q -- 2016.

A Right.

Q And he's talking about a discussion --

A [redacted].

Q -- about [redacted] --

A [redacted].

Q -- and [redacted].

A Uh-huh.
Q Because this is about trying to get to locate in the city; is that right?
A Correct.
Q All right. And then you follow up -- if you flip to the first page here, the first side, on August 13th --
A Right.
Q -- 2016 --
A Yeah.
Q -- you write back. And you've got a bunch of information about the issues.
A Right.
Q And then at the -- sort of towards the bottom of your email to him, you've got a line there that's a separate issue: Have you seen Jack's draft contract for NSC Consulting, LLC, right?
A Right.
Q Do you see that?
A Right. Yes, sir.
Q It's that line.
A Right.
Q And then -- and then Jarvis comes back with you -- comes to you in -- it looks like the third paragraph of his email --
A Right.
Q -- back to you --
A Correct.
Q -- talks about the NSC Consulting?
A Right.
Q I've reviewed and approved the baseline draft. Jack's had a client make changes, which I then review. If you would like to do the same, please feel free. All of this helps Jack understand the reality of the consulting business.
A Right.
Q So -- and then just to complete the description of this document, at the top then you're responding back then on August 17, 2016. You say, look, you know, well -- being unfamiliar with the laws affecting elected officials and compensation paid to them and wanting to make 100 percent sure that our agreement is legitimate in every regard, do you have suggested
language as to what Jack can and cannot do or say?
A   Right.
Q   So that's a sentiment that we were just
discussing, right?
A   Right.
Q   Okay. So do you -- sort of going through
this document, does that bring back the exchange
that you had with -- do you recall the exchange
with Jarvis at this point?
A   And a number of exchanges with him over
this -- this period.
Q   Do you talk to him by phone or meet with
him in person or --
A   Well, the first -- the first -- I think
there's a reference that he and I had lunch. I
think. It wasn't about NSC. It was about -- I
think he -- he's -- he's was a -- he, Bill,
mentions ________, and that it was a real
estate -- is a real estate project in which he,
Bill, is involved, talking about law, and that
he -- and then he -- he -- he morphed it into a
correction about _______.
And the reason he raised is because he knew that we had some -- we had done work for him in some social relationships with some of the family members, so kind of ran with that.

So -- yeah, so that -- that's when I -- I guess in response to that, I -- then I had the thing about Jack sending some contract. Because he -- he had sent over a -- Jack had sent over like a draft, which was -- I felt was not sufficient.

And that was I guess where I was -- I was implying is, have you seen what he sent over and -- with him.

Q That was the one that referred to medical patients and things like that --

A Is that right --

Q -- that you --

A -- it was --

Q -- right.

A -- it was just -- it did cover conflict and what I felt sufficient protections and bells and whistles to make sure that everything was -- I mean that needed -- I felt that needed to be
augmented to -- to deal with my --

Q    Okay.

A    -- concerns.

Q    Let me sort of back up to --

A    Sure.

Q    -- the origins of the whole consulting
arrangement.

A    Yeah.

Q    How did that arise for you?

A    Is that something that you suggested --

Q    -- or he suggested --

A    -- suggest it. He -- he mentioned -- I
mean it was --

Q    "He" being Evans?

A    I'm sorry, "he" Jack. "He" Jack, mentioned to me over the summer that he was -- he
was looking into doing this and that he'd -- he'd cleared it to -- to his satis -- I mean he cleared
it, so addressing what he knew would be my concern.

Because it -- it really wasn't working
out that well at Manatt. And I think part of that
is his -- his -- his engagement with Manatt was much more incentive-oriented than was -- had been at Squire Patton Boggs.

Q  Uh-huh.

A  And he was, I think, probably there to be a rainmaker and wasn't having success with that. He didn't say I'm a failure as a rainmaker, but I think it was just kind of -- it was not working out as well as he wished --

Q  Right.

A  -- that this would be a good way -- that this was a -- a legitimate way to -- for him to continue to be able to provide the -- the -- the value, the -- the services that we'd had over time. Manatt could still do the -- the local work, watch the Wilson Building; if something came up that Jack couldn't do, that he could do it. And so this would be a bridge opportunity. And he -- so he could continue to work at Manatt, but he could also do the NSC contract.

Q  What was the value to Forge or to you of sort of having him retain both ways, anyway?
Well, getting -- getting more -- his focus. I mean my -- my feeling about Manatt was that their -- the -- the monthly reports were not really doing it for me. It didn't provide -- but I didn't want to -- John's an old acquaintance. And he has value. And there were issues out there where I might have been able to use him, so I wanted to continue to use that. But for -- for Jack, as he explained it to me, this was a pure form of -- of value for him, rather than getting whatever the percentage is of the cut of his -- my -- my fee.

And this would be something that would run entirely to him, at least as I understood him to be the only member of the firm -- so that was -- and so for me, it was -- it -- I would be helping a friend, stand him up business (sic) --

Q Uh-huh.

A -- continue to get the same value, but even more importantly for him at that time.

Q But you're double paying --

A Yeah.
Q  -- weren't you?

A  There were some -- yeah, that was because I was -- again I -- I figured that I needed to continue to have some coverage down at the -- down at the Wilson Building. We were still working on the "EZ", that we had not declared that dead yet.

And so -- and, quite honestly, at this time -- and I -- I wasn't -- I mean I -- the -- the thing -- I had a -- a fair number of things going on at that time, which maybe I didn't think -- led me not to think thing through as clearly, although I felt very comfortable with that. And I still do.

I mean I was -- I mean the business was running. I was -- I was on two boards down south. I was standing up this -- not only doing the stuff at the Federal City Council and D.C. Policy Center -- which is something I haven't mentioned -- but spending a lot of time on that. And I was chairman of the Federal Reserve Bank of Richmond.

So I was everywhere.

Q  Yeah.

A  And so maybe that explains some of the
porous thinking on my part. And we had two
investigations going in -- on inside the Federal
Reserve, one with our -- having to do with our
president, and one having to do with --
MR. CONNOLLY: Can we stop for a minute?
MR. BUTLER: Yeah. You may not want to
go into that, Rusty. This is probably --
MR. LINDNER: Well, the second one isn't.
The first one, it ultimately was. But later --
MR. CONNOLLY: I just want to --
MR. LINDNER: -- in time --
BY MR. BUNNELL:
Q    No, no, that's -- that's fine.
A    Yeah.
Q    I got it.
A    Okay. Be it as it may --
Q    Unless it's relevant to Jack Evans --
A    Yeah.
Q    -- I don't think we need to --
A    Yeah.
Q    -- go there.
A    Okay.
Okay.

Just -- so -- so this stuff was -- we had a number of back-and-forths over this period of time.

Uh-huh.

And -- anyway, that was the --

Did you have -- you have the impression that Jack Evans had a particular need for money during this period of time, in the summer of 2016?

No. I mean I -- I mean it -- it -- never did he ever come to me and say, I need money, I need your money, or anything like that. Jack -- Jack lived a -- a full life. And I was -- I mean he had three kids who were in private school. He had expenses.

But I -- it -- there wasn't a: I gotta do this because I need to make more money. Well, he wanted more -- wanted more money. What he deserved is another thing entirely. But there wasn't this sort of, you know, you gotta help me out with this.

So it wasn't a pitch based on: Your a
friend. Can you help me out? I'm in a --

A  No --

Q  -- tough jam?

A  -- wasn't, no, it'd be better for him if we went this way. And -- and that was my -- in meetings setting -- setting up this business.

Q  But would it be fair to say that you viewed this as a business expense of Forge, not as some sort of --

A  Oh, absolutely --

Q  -- way to help Jack --

A  -- absolutely.

Q  -- because of your friendship?

A  Correct. That's right.

MR. BUTLER: Steve, why don't we take a short, five-minute break here?

MR. BUNNELL: Yeah, yeah, sure. Yeah.

(Recess)

BY MR. BUNNELL:

Q  So let's go to tab 7. We're now into -- this is an email from William Jarvis to you,

September 15, 2016.
Q And Jarvis is asking you, Do you have an acceptable -- you -- version of the NSC Consulting agreement? If not, is there some way I can assist in finalizing the agreement -- or finalizing the document? Right?

A Uh-huh. Okay.

Q What was your understanding of what William Jarvis's role was at this point?

A My assumption was that he was -- Bill had been a long-time friend of Jack's and had worked with him on his political campaigns for many years, knew him to be a lawyer. And I -- I believe he had represented Jack as a lawyer in some campaign-related matters. And he was my belief that he was acting as counsel to -- to Jack in this -- in this agreement.

I'm guessing he sent this along as a friendly nudge, like for -- I don't know, but -- I don't know. I'm not sure.

Q It appears to have taken some time for the agreement --
A  Yeah.

Q  -- or the engagement with NSC to be finalized. It was over a period of several months --

A  Well --

Q  -- I believe.

Is that --

A  -- there -- there were -- well, one of the delays, I think, was I wanted to -- he -- to his credit, understanding my -- my questions and what underpinned them when -- you know, to go to get to -- I -- general -- the general counsel or the city council to approve the structure of this agreement. And -- and that -- and that took some time.

Beyond that, I can't tell you, other than -- with all this other stuff swirling around, whether -- what caused the delay. I -- I think I took a couple a whacks at -- at language in there to -- to address particular -- particular points having to do with the agreement.

Q  Did you discuss or negotiate any of the
language directly with Evans?

A No, I didn't. Actually, it was always -- it was always through Jack -- I mean through Bill.

Q Yeah. Were there other people who were involved in the language drafting, other than Bill Jarvis, from the NSC side, like Janet Graham, for example?

A I don't know that she was involved in -- in the -- in the drafting. I'd be shocked if she was.

Q Okay.

A She may have moved some matter -- transmitted some stuff all along the way, as I'd seen something that suggested that. But I don't -- I don't think she was in any way involved.

Q At any point did NSC Consulting have a staff, that you were aware of?

A Not to my knowledge, not to my knowledge.

Q Not even a -- sort of an administrative person to send out bills or -- answer --

A Everything --

Q -- the phone or --
A -- actually, no. I mean I -- I suspect that -- I think Jack did everything on his own. I think it was a lean overhead operation there.

Q Did Jack do a lot of typing, as far as you know?

A Well, I -- I think Bill actually worked on the agreement, but I don't think Jack -- there wasn't much for Jack to do, because we didn't have regular reports or anything like that. So there wasn't much in the way of typing that was required in that regard. But invoices would just come in a -- my recollection, in a -- in an envelope and the retainer, I -- retainer amount noted on it.

Q And so there weren't other sort of deliverables or written --

A No.

Q -- services --

A Correct.

Q -- they you received from --

A Correct.

Q -- NSC Consulting?

A That's right. Right.
Let's go to tab 8. And we'll just kind of flip through these a little bit, just to give you the benefit of anything that might refresh your recollection.

Right.

By the way, I'm trying hard not to play memory test with you. This is about just trying to get an accurate reconstruction of what happened. So if I'm jumping through this more quickly, you want to look at something a little bit longer, that's fine. I'm just --

Yeah.

-- trying to strike a balance between us getting us out of here and -- and making sure, you know, you have a chance to remember things that may not have been at the front of your mind. I know I have trouble remembering things that happened last week. And we're going back several years here, so --

Yeah, I have --

My wife will tell me I have problems remembering what she just said, so --
A I believe me. I completely understand that.

Q So I'm sensitive to that.

A But thank you.

Q So anyways, tab 8 is a -- it's actually jumping back in --

A Correct.

Q -- chronologic time --

A Right.

Q -- back to the beginning of August.

A Right.

Q And this is actually from Jack to you.

A Yeah.

Q Per our discussion, please find --

A Right.

Q -- attached servicing agreement from a consulting company. It stipulates a $25,000 per year retainer.

A Right.

Q Did you have any prior discussion about what the fee should be?

A I mean where is the -- the 25,000 --
A No, I --
Q -- was it just --
A -- I -- I believe -- I believe that that's -- we agreed to that number.
Q All right. And I guess that if you did the math on the a month retainer --
A Right.
Q -- at Manatt, that would be a year. So this is sort of --
MR. CONNOLLY: Steve.
BY MR. BUNNELL:
Q It would also be . If you actually included all the months, it would be .
MR. LINDNER: You don't get points for that, Chuck.
MR. BUTLER: What if it was a leap year?
MR. BUNNELL: I was actually just seeing if you guys were awake over there. I stand -- I sit corrected over here.
MR. CONNOLLY: It's about half.
MR. BUNNELL: Thanks. I can get that.
BY MR. BUNNELL:
All right. So the -- the number wasn't something you discussed or negotiated, it was just a --

Oh, no, we had -- I think we -- he had mentioned it would -- would $25,000 be acceptable. And I said that it would. So that I think this was --

Okay.

-- reflected that conversation I had with him whenever. It must have been in July --

Yeah, this is --

-- at some point.

-- this is August 1. And --

Yeah, and so --

-- there's --

-- prior to that time.

-- there's attached -- behind the blue divider of that tab --

Right.

-- there's what appears to be kind of a template --

Yeah.
Q — agreement.

A Right.

Q Which actually talks about Evens' obligations —

A Yeah.

Q -- right?

A Yeah. Sure.

Q And the services section of this is just kind of left blank.

A Right.

Q And if you go over to the confidentiality section, it's talking clients, patients, cost, and treatment methods.

It seems like it was probably something re-purposed from a different client; is that fair to say? Were you --

A So it's --

Q -- contemplating something involving patients and treatment?

A No, I wasn't. I -- I -- it wasn't that.

And it also wasn't, to me, as robust with respect to protection.
1      Q    Right. So this is the --
2      A    So --
3      Q    -- first version?
4      A    This was his first stab to maybe -- maybe
5 he was trying to do it on the cheap and not pay
6    Bill Jarvis to take a stab at it. I don't -- but
7    that's conjecture. I don't know.
8      Q    And do you know whether Bill Jarvis was
9    getting paid?
10     A    I don't know. And that -- that's why I
11   say it was a conjecture. I don't know what --
12      Q    Let's go to --
13      A    -- what --
14      Q    -- tab 9.
15      A    Okay.
16      Q    It's a redline.
17      A    Right.
18      Q    I don't know if it's red on your version.
19     But I can see it's --
20     A    I see the markers, yeah.
21      Q    And it appears to be sort of fleshing out
22    the draft that we were just looking at --
A    Uh-huh.

Q    -- on tab 8.

A    Uh-huh.

Q    And part of the fleshing out is some descriptions of the services, there on the first page.

A    Uh-huh.

Q    Services shall include --

A    Uh-huh.

Q    -- but not limited to information and advice regarding Washington, D.C., business community, particular focus on real estate sector --

A    Uh-huh.

Q    -- including leasing opportunities, landlord introductions, counseling in regarding -- counseling regarding leasing matters where requested, liaising with landlords.

A    Uh-huh.

Q    Are those -- is that description of the services something you provided or -- do you remember where that came from?
A No. It -- I -- it -- although it covered
many of the areas that -- that we -- we had and
what I would have wanted to continue in my
engagement with Jack, it wasn't my language. I
mean I had -- I wasn't looking for leasing
opportunities.

Q Okay.

A And -- and nor the -- regarding leasing
matters, some of the other -- and -- and so it --
it came, I think, from some -- from someone else.

Q Okay. So you don't think this is
language that you suggested because it doesn't seem
to map closely to what your needs were?

A Well, it -- it covers some, but doesn't
really -- again it -- it -- it addresses issues
that wouldn't have been of -- of interest to me.

Q Okay. Of the services that are listed
there, so which are the ones that would sort of be
within your sort of interest?

A Well, the real estate sector, because
parking, ultimately, is a use of real estate, and a
service for real estate, surely. Landlord
introductions, I mentioned that a little bit earlier as something that -- that Jack could and -- could sometimes do and in my case had done years before, to my great benefit.

And a liaison -- liaising with landlords, whatever that suggests --

Q Okay.

A -- would be something that would fall within the -- within the realm.

Q This is sort of fast-forwarding a little bit here.

So we're at sometime I guess in August at this point; and later in the fall of 2016, it looks like you finalized the services agreement?

A Okay.

Q And then it was in effect for sometime into 2019. It looks like the last payment --

A Right.

Q -- was in April of 2019.

A Actually, it didn't -- I don't think I paid in April --

Q Okay.
1      A    -- of '19.
2      Q    Well, it --
3      A    The last --
4      Q    -- would have gone --
5      A    -- the last billing --
6      Q    -- would have been the last billing?
7      A    The last billing, yeah.
8      Q    Okay. Fair enough.
9      A    Right.
10     Q    During the period of time that it was in effect --
11      A    Uh-huh.
12     Q    -- the relationship with NSC --
13      A    Yes.
14     Q    -- can you think of any specific examples
15      A    of services that Jack Evans provided you, Forge?
16      A    Other than the ongoing --
17      Q    Yeah --
18      A    -- gathering of strategic -- specific
19      A    services --
20     Q    -- having drinks --
21     A    -- over and above --
Q -- every now and then to -- to kind of brainstorm on --
A Yeah.
Q -- what's in the city and that sort of thing.
A Well, we -- we met with various landlords on occasion.
Q Do you remember any particular landlords?
A I do. A number of landlords. But I must say, I'm not sure -- well, I think one of --

MR. BUTLER: This is public --
MR. LINDNER: Yeah.
MR. BUTLER: -- this is a public domain?
MR. LINDNER: Yeah. Well --

BY MR. BUNNELL:
Q I mean is there some sensitivity just because you --
A I don't --
Q -- don't want competition to know who you are talking to or --
A No, it's not that at all. I just don't like people -- I mean it's the same -- same reason:
I don't like to read my name in the newspaper. I mean that -- you know, seeing me associated with this sort of thing raises questions. I mean I --

MR. BUTLER: Is it -- should we go off?

MR. CONNOLLY: Yeah, why don't we go off, for a couple reasons.

MR. BUNNELL: Yeah, why don't we take a quick break here.

(Discussion off the record)

MR. BUNNELL: Okay. Let's go back on the record.

BY MR. BUNNELL:

Q    All right. I just want to pick up kind of where we left off in terms of the introductions or kind of relationship elements of the services that Jack Evans would be providing under the NSC Consulting agreement.

A    Right.

Q    And I'm particularly interested in situations that you can you recall where Mr. Evans either attempted or succeeded in introducing you to people that you wanted to meet that were helpful to
Do you recall any situations that would fit that description?

A That Jack -- I'm sorry?

Q Well, let me rephrase it. I'm happy to make this broader.

Just in terms of describing the kinds of services that --

A The value that I --

Q -- the value --

A -- saw that --

Q -- that you --

A -- I would --

Q -- got from --

A -- be getting --

Q -- from having, you know --

A The relationship.

Q -- this relationship with Jack Evans and what that meant to you --

A Oh, okay.

Q -- and your business.

A Got it.
So where I saw and where I continue to see the great value in the relationship was in the -- in the perspective that I -- that I gained to -- to assess the landscape of the city and -- and -- and its future direction, and -- and likelihood of the things that might or might not occur, and to what extent those would provide -- present opportunities or risks to my business, A.

And then B, in -- in -- in the same token, in educating me and helping me learn and reflect -- as I reflected upon this information, he didn't -- he wasn't lecturing me. This is something that evolved --

Q    Uh-huh.

A    -- over time. I -- I became a -- a more valuable and -- person, I guess arguably by -- into the two principal D.C.-centric organizations where I was spending a lot of time, which -- which are the Federal City Council, of which I'm an officer, and the D.C. Policy Center, of which I'm an officer and a cofounder.

And -- and -- and that would -- all of
those were valuable, both as to the -- the value to my business and the value what I thought was to the city and also how -- and -- and back to my business, how it reflected upon me, that I was actually viewed as someone who -- who had a perspective, who brought -- brought -- who brought in -- bought insights that were -- and offered suggestions that were the helpful to all three of those, to my business and the -- and the two organizations.

Q  Okay.

A  And that was of great -- and still --

Q  So was an element of this the -- sort of the letting some prominent person know that you were sort of associated with Jack Evans and that you were kind of, you know, a friend of his or a --

A  Well, the -- not --

Q  -- client of his?

A  I'll leave my business aside because --

Q  You're connected?

A  -- and more some of my business because
of -- I made some of business decisions based upon
reflecting on these discussions over time. And I
can come back to that later on.

But to -- to you question, for -- I think
your question. It was -- it was reasonably well
known at those both those organizations that Jack
and I were friends, and that -- and not -- not by
any action on my part. It just evolved.

I mean and they -- as an example, I think
the Federal City Council would have two -- two
annual meetings where all the members would come
in. And various people would be invited, including
politicians. And Jack would ask to be seated at my
table. That happened a few times, that people kind
of -- you know, I never asked for Jack to be seated
with him. It was just he's, in actually many ways,
a very shy person. Be that as it may.

So out of that, over ten years, it was
often: Rusty, what do you think Jack's -- how do
you see it from Jack's perspective? I said, I'm
not sure, but I know he has concerns about X, Y,
and Z. And -- and, for instance, one of the things
in various points of legislation, Jack would say
is, you guys are sitting back and not doing
anything. You have to get down and actually get
active. You just can't -- you can't assume that
you're a lobbyist or gonna prevail on any
particular matter; or the city, you've got to start
standing up and making these arguments about
competitiveness and/or lack of competitiveness and
the like because --
Q    Right.
A    -- because -- and so those -- those sorts
of themes, right, and -- and --
Q    Uh-huh.
A    -- were -- were of value to these
organizations. And of value to me, because I think
people would said, you know, you're -- I think
you're right. And they certainly do.
Q    Right.
A    For my company -- or my entities, Forge,
I mean I -- I -- as I began to -- to believe that
the -- the broader political agendas were -- were
changing over time, with the election, loss of
certain people who were running for positions, new
of people coming in and the like, that it would be
wise for me to begin -- for want of a better
word -- shorting D.C. or trimming my exposure to
D.C.

And -- and -- and so it -- it led -- it
led to certain things, such as Forge, you know,
acting on behalf of -- in this particular case --
two families deciding to put a -- a piece of land
up for -- for sale who might not -- not otherwise
normally or historically otherwise done it. Proved
to have been the right decision, based upon people
who have looked back and compared prices then
versus now.

It -- it led me to change the -- the
operating model of Colonial Parking by executing
fewer leases and executing more management
contracts. Because leases, if you're -- if you
make a decision on a five-year -- a bad decision on
a five-year lease, you have to --

Q You're stuck.

A -- you're stuck, yeah. And I felt that
there was considerable risk, based upon the changing environment in Washington, that those might -- those might occur.

So these were all things that I did. Not because in particular to say you've gotta to do this or do that. I'm -- I'm sitting there listening and learning and pulling together my thoughts.

And at the same time I'm doing this, part of it was what I'm -- for my six years in the fed, every -- ten times a year directors have to write reports for the staff, which they read and they present -- on what's going -- the -- the economic conditions in -- in one's jurisdiction that would typically not come to the attention of their research staff --

Q Uh-huh.

A -- newspaper, economic. And so what's going on.

And so a lot of my themes, a lot of my questions -- and so what each director does is not only share their own impressions, but the better
once at least call and talk to a lot of people and
get their input: What are you seeing? How are you
feeling? And then put it in the form of a report.
And you do that -- I did that long enough
and I said, there's a -- there's something here
that I've got to -- this is not just reporting to
the fed, I -- I should be really taking stock in
this. And -- and that's what I --

Q  Okay.

A  -- did around this time, so --

Q  I may have glossed over this a little bit
earlier.

So you were part of the fed, for a period
of time?

A  I was -- I was on the board of the -- the
Federal Reserve Bank of Richmond for six years.
And I was the chair the last two years.

Q  Okay. Last two years?

A  Yeah. The last two years of my six-year
term. So I was chairman --

Q  What was the time frame?

A  Of my chairmanship?
Q: Of your --

A: Well, I started --

Q: -- chairman --

A: -- in April of '11 --

Q: Okay.

A: -- of '10, December 30th of '16, which is a -- I alluded to -- I'm sorry -- quickly and in passing. It was one of those things that was going on when --

Q: Uh-huh.

A: -- NSC was being papered. So, yeah, I was chairman of that Reserve Bank.

Q: And Richmond -- so that's a regional --

A: It's one of the twelve Reserve Banks.

Q: What's the jurisdiction?

A: Jurisdiction is D.C., Maryland, Virginia, West Virginia, and all the -- all the -- North Carolina, South Carolina.

Q: Okay. And we also sort of covered this a little bit. I just want to make sure. I mean I --

A: I understand your description of the value that you thought you were getting from the relationship with
Jack Evans.

A Yes.

Q Was there -- did you ever engage another sort of strategic consultant before, during, or after the NSC Consulting arrangement?

A I retained -- not a strategic consulting so much as someone to watch politics and do other things for me, in forming well, first it was --

Q .

A , yeah, a former --

Q What time frame was that?

A .

Q Yeah.

A . He and went over to --

Q Uh-huh.

A -- for a while -- a year and a half or something like that -- and then .
Q    And so you retained them at some point?
A    Yeah.
Q    I'm sorry if I was looking down. What was the time frame? After NSC or --
A    Well, ______ was before NSC and -- and ______ -- yeah, ______ was before NSC,
because it was shortly after ______. And then ______, I want to say, was roughly about the -- yeah, later, in 2017. I can't recall exactly. Whenever they stood up that organization.
Q    Okay. Let me see if I can streamline our questioning a little bit here. Let me ask you to go to tab 11.
A    Sure.
Q    Okay. Tab 11 is an email from William Jarvis to you dated September 21, 2016?
A    Right.
Q    And it also, apparently, was attaching another -- well, another iteration of the NSC Consulting agreement with Forge.
A    And Jarvis says to you, Rusty, Good
afternoon. I want to keep you informed about the states of matters with NSC Consulting. The written request for an opinion from Ellen Efron, the general counsel of the council, was provided to her yesterday. We're hopeful for a quick turnaround on her response.

A:

Q:

A:

Q:

A:

Q:

A:

Q:

A:

Q:

A:

Q:

A:

Q:

A:

And I think Bill came up with the thought -- which I endorsed -- about going and clearing it with the general counsel, would that be something that would be -- allay my concerns if it
was approved. And I said I -- yeah, sure, it makes sense to me.

Q  Okay. Go to the next email, on tab 12.
A  Right.

Q  This is a couple days later.
A  Right.

Q  Jarvis is following up with you, going to go to the Nats' game, I guess. Number 2 is the council's GC, okay, Jack's new business structure, copy of the letter is attached.
A  Right.

Q  And he's also -- it includes a revised version of the consulting agreement incorporating all your proposed edits.

A  Right.

Q  And then 4 is, I was contacted yesterday by an out-of-city entity that is intending to bid on WMATA's RFP to privatize its private parking facilities.
A  Yeah.

Q  Did that have anything to do with NSC, the parking thing?
A  No. No, no. Nor did it pan out either.
But no. I think that -- yeah, I think this is just Bill kind of -- Bill --
Q Fishing for some work --
A I think so.
Q -- it looks like, right?
A I think so. Yeah. Much -- much like -- I think I alluded to it earlier, the deal, I think he was kind of built into that, and may have been looking for something in the deal.
Q Did you ever hire him for consulting or other services?
A No. I didn't. I thought about it years ago, but I never did. I -- I -- again, I thought that -- I took Bill as a very capable and straight-shooting guy, my impression, but never did that.
Q So let's look behind the -- the next page is a blue divider. And then behind that is the letter from Ellen Efros to Jack Evans, dated --
A Right.
Q -- September 22nd, 2016?
A Yes, sir.

Q And so this is Efros's response to the --

the request for guidance on the -- on the NSC

arrangement?

A Uh-huh.

Q Did you look at this when it came --

A Yeah, I saw --

Q -- when it was sent to you?

A I -- I saw it. I don't know how -- to

what extent I inspected it, but I surely saw it.

And I was pleased that he had gotten it.

Q Now, you had asked earlier that you

wanted to make sure you understood what Jack could

do and --

A Yeah.

Q -- could not do, right?

A Right.

Q Does this letter from Efros help you

understand what he could do or could not do?

A Well, to the extent that he had to

conform with the various -- without specifying what

they -- each one was, what -- you had to be in
absolute conformity with whatever those standards
might be from the council's perspective, and I
think there are probably other -- other things that
would apply, but as to the council or the District
of Columbia Government, that he had to -- and he
knew what they were, he had to -- what they would
be, and they -- and he'd have to adhere to them.

Q If you look at the second paragraph,
which is really -- it's just a short, two-paragraph
letter. If you look at the second paragraph, which
is -- the substance of, it -- it doesn't appear to
say very much, frankly.

It says, If you engage in outside
employment, you must adhere to the applicable
policies and rules and regulations.

Right? Okay. Sort of already knew that.

And then it says, Provided you are in
compliance with those policies and rules, there's
no prohibition on --

(Telephone interruption).

BY MR. BUNNELL:

Q And then it says, Provided you are in
compliance with these policies and rules, there's no prohibition to you forming a consulting entity. If you have questions or specific representations as your practice evolves, please feel free to discuss such matters on a case-by-case basis.

I mean maybe I'm missing something, but that doesn't really say very much, to my mind.

Would you agree?

A Well, I mean I -- I suppose it could be expanded. But to me, it covers the areas that -- I mean it -- it put him on notice that he had to adhere to that; if he questions -- I mean he -- he had to -- he had to make sure that he was abiding by the -- the applicable rules and standards. I mean I'm --

Q Okay.

A -- I'm --

Q Did it provide any clarity to you about what he could do or couldn't do for you?

A I didn't really think it through. I mean this -- I can't say I sat and thought about -- did all the what-ifs. I really can't.
Okay. Let's go a couple tabs in -- or a couple -- not tabs in. I'm sorry, tab 13.

13. All right.

This appears to be you sending back the signed copy of the services agreement with NSC.

Okay. I guess that's right.

If you look behind the blue tab --

Right. Okay.

-- the blue page.

And it's dated October 1, 2016, right?

As of, yeah.

As of, yeah.

Uh-huh.

I guess the email is actually not till November 10.

Yeah. Yeah.

So there was some delay in getting it signed, I assume.

If you look at -- so this is the signed version. If you look at the first page at the bottom, there is a conflict of interest process paragraph there that starts at the bottom of the
first page.

Do you see that?

A  Uh-huh.

Q  Client hereby acknowledges that Jack Evans, the principal of NSC, currently serves as a member of the council --

A  Uh-huh.

Q  -- subject to ethics rules.

It then says, The Office of the General Counsel of the council has approved ethics provision of services as the principal of a consultant, right?

A  Uh-huh.

Q  Client hereby further acknowledges that Evans will recuse himself from any vote of the council that involves a matter on or about which NSC is providing or may provide services to the client.

All right. And then in addition it says, NSC will immediately notify client in the event that client would like to utilize NSC services for any matter that would create or might create a
conflict of interest or might violate applicable rules and regulations for ethics.

A       Right.

Q       So that's the paragraph.

Do you know where that language came from? Is that language that --

A       I think it -- I -- I believe it was language that Bill crafted to deal with my concerns of -- my -- my continued focus on just --

Q       Wanting to do it right, the right way?

A       Thank you.

Q       Don't want to put words in your mouth, but you did --

A       Right.

Q       -- have an email to that effect.

A       Okay.

Q       Okay. So let me ask you about that. So did -- did you -- do you recall any discussion or revision or negotiation around the terms --

A       After this --

Q       -- of this --
A -- had --

Q -- paragraph, that led to this?

A I don't. I mean we'd had a number of back-and-forths. He -- I can't recall the specific matter -- language. I mean I -- I wanted -- we'd had a number of iterations. And I really thought that Bill was getting -- had gotten the -- the gist of it, understood the importance of the matter. And I -- I -- no, so I thought it worked for me.

Q Did you, or as far as you know Bill, in his discussions with you, consider the D.C. Council code of conduct provisions and how they lined up with this?

A It never occurred to me.

Q This provision speaks to Evans recusing from any vote of the council.

A Right.

Q It doesn't cover any other official actions that a council member might take; is that right?

A Well, I -- I must say, I didn't focus on -- on that.
Q Right. And it only applies to matters on which NSC is providing or may provide services to you, as opposed to other interests that you might have, right?

A Well, okay. I'll -- I'll take the language, yeah. But just again --

Q Yeah, I --

A -- I don't -- I don't -- I just don't recall going through every particular --

Q No, that's --

A -- line here.

Q -- that's fair. That's fair. I'll just represent to you that it's a much narrower construction than the actual conflict of interest provision of the code of conflict, but -- and you don't need to agree with that. I'll just suggest that that's the case.

It sounds to me like it wasn't something that you have any recollection of --

A Right.

Q -- talking about or discussing or focusing on?
A Not as to these idiosyncrasies or anything.

Q Okay. So in terms of -- I mean other than voting, something that the council members do sometimes on behalf of -- an issue would be maybe to call the mayor's office, they call the deputy mayor's office, or they call DCRA. And they attempt to influence some matter that's pending before those parts of the executive branch.

Did you view that as --

A That wasn't something being contemplated by me. And I don't recall it ever being kind of hypothetical: These are -- this is okay, and this is not okay. I mean, again, I -- I just -- I had -- I believe that he knew what he had to do, and -- and Bill, for that matter, as well --

Q Okay.

A -- to -- to abide by them.

Q And the provision -- the last sentence of that paragraph says that NSC's going to notify you in the event that there's some matter that might
create an issue, a conflict or some other ethical issue.

He ever notify you of such a matter?

A No. No.

Q All right. If you go over to the next page, the paragraph numbered 5, which is confidentiality. This is one of the paragraphs that I think sort of evolved from that initial draft that was sort of incomplete. And there's a 5-B under there.

It says, Terms of this agreement, right?

Are you with me?

A Uh-huh. Uh-huh.

Q Okay. And it says, Except for disclosure to consult in legal counsel, accountant, or financial advisors, consultants shall not disclose the terms of this agreement to any person who is not a party or signatory agreement --

A Right.

Q -- unless disclosure is required by law or --

A Right.
Q -- is otherwise authorized or consented to.

Was there something about the consulting arrangement that you wanted to keep secret?

A No, other than I'm a private guy and just don't like things being bandied about or shared with others. And so I had a -- I had a business arrangement with him. There was no --

Q There wasn't anything special about this?

A No. I mean I --

Q I mean your relationship with Jack Evans is not a secret to the world, that -- that you guys are friends and --

A Right.

Q -- close to each other?

A Right.

Q So I'm just trying to understand why the fact that you've hired him as a consultant would be something you would want to specifically keep confidential.

A Again, just I'm -- I'm just a private guy. And all my business affairs are private, and
don't like to necessarily have him or others sharing what I'm doing or not doing. It's -- to me, that's -- that's part of the investment. I'm -- I'm investing in getting information. And -- and I expect -- and in so doing, I'm sharing information about my business. And I don't want others to know about that.

Q Did you view this obligation of confidentiality as affecting Mr. Evans' ability to disclose the relationship in order to get ethics advice?


Q Not -- so if he wanted to sort of make a: In an abundance of caution, I want to recuse myself from this matter for this reason kind of decision, would he be constrained at all by his obligation to keep the terms of the agreement confidential, as far as you're concerned?

A I'm not really -- I'm sorry, I may have lost the --

Q Maybe my question is not a very good question.
This section seems -- this paragraph seems to create an obligation on Evans' part not to disclose the fact that he's got --

A Right.

Q -- a consulting business with you --

A Right.

Q -- or a consulting arrangement with you, right, unless required by law?

A Unless required by law, right. Okay.

Q Yeah. So if he, as a matter of discretion, wanted to avoid an appearance of conflict, let's say, would this prevent him from doing that, if it's not -- if it's not a mandatory, required by law recusal but he just wants to --

A It --

Q -- it's a Washington Post test kind of recusal, I just want to -- you know, I don't want to be part of this, but I need to give a reason, and the reason --

A Honestly --

Q -- is I've got --

A -- I -- I --
Q -- an arrangement --
A -- honest to gosh --
Q -- did you think about that --
A I'd never --
Q -- at all?
A -- thought about --
Q Okay.
A -- that at all. I mean -- yeah, not at all.
Q Let me go to tab 14. So this is an email exchange between you and Bill Jarvis. We're now in March of 2017.
A Right.
Q And it seems to be another revision of the agreement. And so you're attaching that. And you say, I want -- I want to -- I assume you meant want to be squeaky clean on this --
A Right.
Q -- maybe belts and suspenders, but I always want to err on the side of caution and propriety.
A Right.
Q That's consistent with something you'd said earlier.
And then you also have a P.S. in that email --
A Uh-huh.
Q -- You need to emphasize to Jack the confidentiality element.
A Uh-huh.
Q He's mentioned others who have signed up.
A Uh-huh.
Q I don't want them to know about me.
A Uh-huh. Right.
Q So who were you concerned about?
Who is the "them" that you are concerned about there?
A Well, "them" or anybody. I mean whether it's the other -- other people who have signed up and if -- if they knew -- if they knew about it, they would be at liberty to share with others. They wouldn't exercise the same caution I was with respect to knowing who they were. So I just
1 didn't -- I didn't want to put my private
2 information into a broader domain.
3 Q It's private just in the sense that it's
4 just -- I mean I don't think of a consulting -- a
5 business arrangement as inherently private.
6          What's private about it?
7 A I'm giving him my private information.
8 I'm sharing my -- my sense of strategy. It's
9 something that my competitors or others may not be
10 doing.
11 Q The fact that you're hiring Jack?
12 A And I'm -- well, I'm hiring anybody. If
13 I'm hiring anybody, I -- I don't -- I don't
14 advertise that I've hired Akin --
15 Q Well, I --
16 A -- Gump or --
17 Q -- can understand why you wouldn't want
18 anyone --
19 A -- stuff --
20 Q -- to know who your lawyers are in this
21 one, but that's --
22 A That's just --
MR. BUTLER: Well-taken.

BY MR. BUNNELL:

Q    All right. Now it makes sense.

Okay. All right. I'm just pressing on that a little bit because you've mentioned it, and it's in the agreement. And somebody could look at that and say, gosh, you're concerned that there's something inappropriate here you want to keep quiet. And I just want to make sure that we pressure-test that and that that's not an element of this. Because people may suggest it. And so I want to give you an opportunity to explain it.

A    I can assure you that there is -- that I -- it's because I -- I don't like my private affairs being known to others.

Q    Okay. Okay. And was there something in particular that happened in this time frame that sort of heightened your concern that you wanted --

A    No, I think -- I think what he did, he --

he --

Q    Got some other clients?

A    -- he mentioned some other -- yeah. And
I said, gee, these -- yeah.

So --

Right.

So if he's representing -- if he's telling you -- if you know that he's representing Richie --

That's exactly --

-- Richie Cohen --

-- that's exactly --

-- you'd just as soon not have him tell Richie Cohen that he's --

Precisely.

-- representing you?

Precisely.

Because in some ways, you guys might have some --

Precisely.

-- competing interests in some --

Whatever --

-- either landlord or --

-- the case may be, yeah.

Okay. All right.
Did you consider at any point that Jack Evans has to file public financial disclosure forms that call for him to identify his clients?

A  I -- I hadn't focused upon that.

Q  Did you ever discuss that with --

A  No --

Q  -- Jack about whether --

A  -- no, well --

Q  -- he could fill out the forms without disclosing --

A  -- well --

Q  -- you?

A  -- since I -- I -- I don't recall discussing that at all. And I think I just assumed that because it wasn't a lobbying agreement, he had to file -- I -- I didn't know.

But he knew that -- I mean I didn't know the rules and the law and regs. If that -- so he didn't mention it to me. He never said, well, I'm not going to file because I'm not doing this for that. I just assumed he didn't have to do -- do it, by virtue of the -- the agreement and what he
was not supposed to be doing.

Q    Right. Well, there may be some issue about whether he actually needed to or not. So I'm not -- I'm not necessarily suggesting to you that throughout this period of time there was a clear obligation to do so.

A    Okay.

Q    But I think there's some arguments that he -- he would have been required to disclose some clients.

A    Okay.

Q    All right. Let's flip forward a blue divider here to the agreement that you forwarded in March of 2017. There's an extension of services agreement --

A    Uh-huh.

Q    -- entered into as of 2017 --

A    Uh-huh. Right.

Q    -- February 20 -- are we looking at the same thing here?

A    Right.

Q    -- the top there?
A    Right. Yes, sir.
Q    Okay. I'm just going to point out a
couple things quickly.
A    Okay.
Q    If you look at paragraph numbered 1 on
the first page, A, Services --
A    Yeah.
Q    -- it's been modified a little bit from
the first version, to add a sort of "ii" there,
that little --
A    Yeah.
Q    -- it says I-1, and then "ii."
A    Okay.
Q    And there's something about -- "ii" says,
Information and advice about federal matters and
opportunities provided -- with the consultant
without lobbying the Federal Government --
A    Right.
Q    -- on behalf of the client.
Do you recall why that was added?
A    I -- I think it was added -- I think this
was shortly after -- I guess -- so Jack had -- "EZ"
zone 1 had failed, "EZ -- "EZ" zone 2 didn't
look -- looked like it was going to fail, although
there was still a -- a flickering light, I suppose.

But Jack had mentioned that he knew -- he
thought a possible approach might be to -- for him
to have a conversation, not a lobbying one, with
his friend, Senator Blunt of Missouri, who was in
leadership, and so -- and that might be a better --
a better and more effective way of getting "EZ"
zone legislation passed than going through John
Ray's relationship with Congresswoman Holmes
Norton.

Q    Well, what was the concern about not
doing lobbying? Was it just the registration piece
or was there something else about --

A    I think it was the litigation piece.
I -- but I really honestly can't -- I can't recall.
But it kind of again went back to my notion of
not -- not -- part of it was, if you -- in my
mind -- simplistic mind: If one is lobbying, one
has to register. And -- and it -- I just didn't
want that --
Q  And you wanted --
A  -- to be the case.
Q  -- you wanted a lower profile so --
A  I wanted a low profile. If it were to be
done, then we could find someone to -- if he opened
the door and -- and Senator Blunt thought it made
sense, then someone could take advantage of that.
Manatt, at that time, was still on retainer. And
they have a big lobbying house up there.
Q  So Manatt was registered and could lobby,
is that your understanding?
A  Yes, sir, that was my understanding.
Q  So you didn't have a concern with John
Ray being known as a lobbyist for you?
A  Correct.
Q  But you had a concern about Jack Evans'
consulting being known?
A  Honestly, I can't recall all my concerns,
but that was just kind of what we put in place. I
mean I -- I just --
Q  Right. Do you recall whether Jack ever
helped out on federal matters and opportunities?
A I don't recall ever any follow-up on that at all, quite honestly.

Q If you flip over to next page, page 2 of that document. It says, NSC's compensation.

A Right.

Q And so it appears that the fees in this agreement --

A Right.

Q -- are increased to 25 -- increased to $50,000 per year?

A Yes, sir.

MR. BUNNELL: Which would be $25,000, right, Chuck? I just wanted to confirm that with you. I'll check that on my calculator.

MR. LINDNER: Right.

BY MR. BUNNELL:

Q But I believe that's roughly 25,000.

A Right.

Q So can you explain why, in -- well, I don't know, it's less than six months --
A Sure.

Q -- you've doubled the fees?

A Sure. I mean I can try to, and best of my recollection. I mean Jack -- I think I mentioned earlier, Jack -- I began to sense that his -- his relationship with Manatt was wavering. And indeed by this time it was -- it was not almost over, but he was -- he saw that there was a limited -- perhaps a limited life cycle to it. And so he -- he said, would you be willing to just work with me, and -- and take the -- take the fee, and be -- and kind of be rid of the Manatt relationship? And I said, I really -- I'm okay with reallocating it --

Q Uh-huh.

A -- rather than which is than 50,000 -- and 25, to be -- I don't know, my math doesn't -- and 50.

And I said, I -- I don't want to -- I've known John a long time. He is still working on this thing. We'll -- I'm okay if we keep the total amount the same -- my total payment the same.
You -- you get an increase. Manatt gets a decrease. And if something happens, great. And so that's how we -- so that's how that happened.

MR. BUTLER: By the way, I was always told that lawyers shouldn't do math in public, so I'm just going to go on the record with that.

MR. BUNNELL: Well, we now have another example of why that's true. Glad to be able to help.

MR. LINDNER: So anyway.

BY MR. BUNNELL:

Q    No, that's fine. But let me just ask, on the fee thing --

A    Sure.

Q    -- were you expecting more from --

A    I really wasn't --

Q    -- Manatt going --

A    -- other than --

Q    -- forward --

A    -- possibly exploring the -- the -- the lobbying maybe. But really, it was a -- it was a
reconfiguration of the compensation. And -- and
the greatest value, as -- well, I'm sorry to keep
repeating it, but it's true. The greatest value to
me was getting that -- that insight from -- and --
and -- from Jack.

And -- and so I was -- I was agnostic
with respect to the allocation of the monies.

Q So --
A I just didn't want to -- I just didn't
want to cut Manattt completely.

Q So you're the chairman and the CEO of
Forge, right?
A Yes.

Q So I assume you don't need approval from
anybody in this --
A That's correct. Right.

Q Do you ever tell the other owners about
something of this nature?
A No. No, I wouldn't. No, I wouldn't
be -- no, I don't.

Q Let's go to tab 17.

BY MR. FITZGERALD:
Q Given your concerns with what Mr. Evans could or couldn't do, did you ever discuss that with Forge's GC, or did you not have a GC in place at this time?

A I did. I had just hired Kevin a month or so before, and I -- I did not -- I mean he --

MR. BUNNELL: Let's -- let's be careful about that.

MR. LINDNER: Oh. Pardon me.

MR. BUNNELL: Yeah.

MR. LINDNER: I'm sorry.

MR. FITZGERALD: Fair. Anyway --

BY MR. BUNNELL:

Q I guess another way of coming at it is: Did your GC ever engage externally with Jack or Bill Jarvis on any of the renegotiations?

A Did not.

Q Okay.

MR. CONNOLLY: I think -- you may have been intentional, but you skipped tab 16. That may have been intentional.

MR. BUNNELL: Well, it involves numbers
and math, so I skipped that.

MR. BUTLER: We've learned our lesson.

BY MR. BUNNELL:

Q I guess I should check that box.

A So, I'm sorry, 17?

Q No. Let's -- Chuck points out, I did skip over 16. Let's just look at 16 quickly.

A Sure.

Q There appears to be some invoices and --

A Right.

Q How were -- how were the invoices and payments handled on your end at Forge?

A I paid them out of the checkbook I had.

Q Would you do that yourself --

A I do.

Q -- as you go through --

A Yes, sir. I do.

Q Is that the ordinary course for something like this, for --

A Not -- it -- it's actually not abnormal.

There are a lot of expenses that I -- I pay directly out of a checkbook that are really kind of
a privacy thing. For instance --

Q These guys?

A -- my Akin Gump checks are an example.

Q Were there other people at Forge who were aware of your relationship with --

A No.

Q -- NSC Consulting?

A No.

Q Who's your number two?

A I really have no number two at Forge in operation. We have -- have Kevin Byrd, I mentioned, who is a general counsel. And I have two other semi-part-time folks who are with me, in addition to an executive assistant.

Q Okay.

A And --

Q So there's not a heavily bureaucratic structure?

A No. I'd say that's right. Right.

Q Okay. So if NSC Consulting wants to get paid and you're not around, they pretty much need to wait for you to come back, it sounds like?
A Well -- exactly. Well said. Yeah.

Q Were there any issues around the payments in terms of -- I mean did you feel you were getting your money's worth? Did you have any disputes about it or --

A I had none whatsoever, because I really feel I was getting my money's worth. No.

Q And you said that the last invoice was not paid, right?

A Correct.

Q So how do you -- why is it that you did not pay the last invoice?

A Well --

MR. CONNOLLY: Well, just be careful about that, too.

MR. BUTLER: Yeah.

MR. CONNOLLY: We were retained before that.

MR. BUTLER: Yeah. Yeah.

MR. BUNNELL: Okay. I mean if it gets into a privileged area, that's fine. I'll respect that.
MR. BUTLER: Yeah.

BY MR. BUNNELL:

Q But putting aside -- well, let me ask you this. At some point the NSC relationship ends, right?

A Yes.

Q From your --

A That's right.

Q From your perspective, when did it end? Just a date, time frame.

A As soon as I was --

MR. BUTLER: Yeah, can we go off the record for one second?

MR. BUNNELL: Yeah, if you need to.

MR. BUTLER: Yeah.

MR. BUNNELL: I'm not looking to belabor this. I'm just looking to put a bookend on the time frame.

MR. BUTLER: Yeah.

MR. BUNNELL: Let's go off the record.

MR. BUTLER: Let's go off for just one second.
(Discussion off the record)

MR. BUNNELL: Let's go back on the record.

BY MR. BUNNELL:

Q And just to clarify one point: Is it correct that in the early part of 2019, the relationship with NSC ended?

A Yes.

Q Okay.

A That's correct.

Q Okay. Let's go to tab 17.

MR. BUNNELL: I may not finish by 1:00.

MR. BUTLER: That's okay.

MR. BUNNELL: Well, it's okay for you.

I'm getting hungry.

BY MR. BUNNELL:

Q Okay. So this is an email from -- tab 17, this is an email from you to Jack Evans. By the way, you used his account?

A Uh-huh.

Q Is that the account that you would typically communicate with him?
A I -- I would. I mean we had so much -- so many different subjects of conversation -- I mean personal and family -- that that was just the simplest way of doing it.

Q Okay.

A Yeah.

Q The RE line on this email is, RE:.

A Right.

Q That's coming from the bottom of this, --

A Right.

Q --

A Right.

Q --

A Uh-huh. Right.

Q Who is she?

A is -- well, this is -- would actually be a -- another --

Q Okay.

A -- name, yeah.

MR. BUTLER: Okay.

MR. LINDNER: During that period, right.

MR. BUTLER: Uh-huh.

MR. LINDNER: is the CEO of
a -- a development company called [redacted], a fairly large company with a -- the best-known project in this area is [redacted], and -- anyway, so that's who she is.

BY MR. BUNNELL:

Q Okay. And so you're sharing her contact information with --

A Yeah.

Q -- Jack, it sounds like.

Then you --

A Yeah.

Q -- you know, How was lunch? Or he's asking you, How was lunch?

A Yeah.

Q So I'm sort of interested mostly at the top --

A Uh-huh.

Q -- part of this --

A Okay.

Q -- where -- I guess, As to [redacted] --

A Yeah.

Q -- would be great if you could get
to provide their math on the incremental costs of -- Right.

Q -- minimum wage, UPL, and mandatory scheduling. Valuable as we build a database for later debates.

Can you just give me a little context, sort of what is that about? What are you referring to there?

A I'll do the best I can.

It is my understanding that a fellow named [redacted] was -- served as counsel to [redacted] in this marketplace --

Q Okay.

A -- or -- or D.C. And I got that because there was like a bit of controversy, sometime before I think, about [redacted] coming in town and then maybe not coming in town, whatever.

To provide their math on the increment -- this goes -- I mentioned this earlier in passing, this -- this focus of mine on the competitiveness of D.C. --
Q    Uh-huh.

A    -- and in the -- in the incremental costs of -- of well-intentioned legislation pouring on top of each other. And so I figured a -- a company as sophisticated as [redacted] would have developed that kind of information.

And -- and I said -- well the -- later debates, it's -- on later debates, this is -- I mean it kind of -- it reflects what I was going through with -- with my business. I mean, okay, these -- when will these things stop, and to what extent do I have to be mindful of those? Is it -- is it impacting my businesses, as well as what are -- what are the debates? What are the arguments that the Federal City Council and later the D.C. Policy Center -- which at that time had not been created -- would be undertaking?

Q    So you're asking Jack Evans to try to get some information, I guess, that [redacted] has, right?

A    Yeah. I -- I believed he -- I believe [redacted] could get it from [redacted], right.

Q    So -- and maybe this is hard to kind of
divide into roles here, but are you asking as a constituent of Jack Evans' council member to do this because it was good for the city, or are you doing this as a client of Jack Evans, an attorney at Manatt, or are you doing it as a friend of Jack Evans?

A Well --

Q -- or all of the -- all of the above or -- I mean how should we understand what you're doing here?

A Let me provide the answer as best I can, and then maybe you can fit in your -- I mean my -- my -- Jack was one of many concerned about how the impacts of this litigation, where he was on the other side of the issue, would it -- would affect the city.

Q Uh-huh.

A Not just currently. Not so much currently, but more in the long-haul, the aggregate affect of this -- this kind of litigation. And so out of these conversations that I was having with him --
Q    Yeah.

A    -- I was using in my fed reports and things like that, we would have these thoughts about what would be -- let's not just argue what's good for GM is good for America, for D.C. I mean let's -- let's get some data together and -- and let's build a case, start building these cases. Because from all -- from all appearances, these are going to -- this is going to be an ongoing fight and argument going forward. And hence the -- the reference to later debates. So it's not as a client, because it's not necessarily helping --

Q    It's not a client "ask"?

A    It's not a client "ask." It's how we deal with these issues that we've been discussing. And he's been -- he's gone to the Federal City Council and sat with them and talked about this issue. And the Federal City -- so it's -- it's kind of how all three threads are threaded together and pave the way.

Q    And is it fair to say that these issues
are issues of general applicability --
A      Yes.
Q      -- in other words, they weren't specific
to say Colonial's --
A      Oh, not --
Q      -- business?
A      -- at all. But yes, it is very fair to
say that, yeah.
Yeah, I mean there -- there was -- I mean
if one were to go back and -- there was an awful
lot of -- if you talk about the Washington Post
test, at that time there were daily articles about
the -- the fight over -- in this case UPL, but
there had been other ones. And so it was a -- it
was a matter of great concern and urgency and all
of the -- yeah.
Q      So your interest in it wasn't because
Forge or Colonial had a particular financial impact
at stake here, it was more just the --
A      Well, I would --
Q      -- general --
A      -- at Colonial -- I wasn't indifferent to
1 it, because I felt that if it was --
2 Q It was going to --
3 A -- it would --
4 Q -- it was going to affect you?
5 A It would affect us.
6 Q Yeah.
7 A But I thought that the bigger case was
8 how's it going to affect the city, and others,
9 so -- I mean, so I -- I -- again, I wasn't
10 disinterested as a business owner, but I still -- I
11 still was sorely concerned about its effect on the
12 city. And I'm not a -- I'm not a regionalist. I'm
13 a D.C. guy. So that's -- that's where my focus
14 was.
15 Q Okay. Let me see if I can -- let me ask
16 you to flip to tab 20.
17 A Uh-huh.
18 Q Let me be sure I know what the name of
19 the statute is. The statutes don't really tell
20 you. The statutory names, I've -- I've learned,
21 before the D.C. Council don't really tell very much
22 about what's actually at stake. There appears to
I have been an issue about raising the parking tax from 18 percent to a higher rate.

Do you remember that issue?

A     Yeah, I think it was inside the -- the mayor's budget at that time, uh-huh.

Q     Okay. So the email behind tab 20 makes some reference to that.

A     Okay. Right.

Q     And it starts at the bottom from Klevin Clinton --

A     Uh-huh.

Q     -- who is the COO of the Federal City Council.

A     Okay.

Q     And then from him to you -- there's a general email, and then there's an email from him to you --

A     Right.

Q     -- where the -- it looks like the third paragraph of it talks --

A     Right.

Q     -- about the sales tax and preserving the
parking rate tax at 18 percent is going to be a heavier lift; and he supports the lower rate, but there is not as much support from the rest of the council. Evans is holding a hearing on Wednesday, et cetera.

And then you forward that on to Evans?

A Uh-huh.

Q Jackson -- I assume that's --

A Yeah.

Q -- sort of a term of -- a nickname for him --

A Yeah.

Q -- Off the record, please note below. So, again, help me understand what's going on here.

I guess this is during a period of time when he's not -- you're not a client, right?

A Correct.

Q And so how should we understand your communication to him here? Just John Q. --

A Advisory --

Q -- Citizen or --
A -- yeah, yeah --

Q -- a friend or --

A -- well, advisory, and letting -- yeah, he's -- so that he can prepare for -- he can contact Klevin. I mean he -- I mean -- I mean ultimately be prepared for what the Federal City Council is -- is proposing to do, and -- and their assessment of his position.

Q Okay.

A Some -- someone says so-and-so believes this, this is a chance for so-and-so to determine if we've got it right about that.

Q Okay. If you go to tab 21, there's some more email traffic.

A Okay.

Q You see up at the top --

A Uh-huh.

Q -- this appears to -- this is the same issue, I think, just a different version of --

A Yeah.

Q -- the email chain?

A And you're advising him to play dumb --
A Yeah.

Q -- and see how they react?

A Yeah.

Q So it almost seems like you're kind of giving him sort of tactical advice here, strategic advice on how to play this right.

A Yeah, well, I think it's -- well, maybe so, yeah.

Q I mean is that --

A Yeah.

Q -- is that something you've done over the years with him --

A Well, I've -- I've been --

Q -- as a sort --

A -- not only --

Q -- of a --

A -- has he advised me --

Q -- kitchen cabinet --

A -- on -- yeah, I --

Q -- advisor?

A -- kind of a knock-around kitchen cabinet advisor. It's -- it's kind of been a -- a two-way
street, yeah. Yeah, I mean so it's -- that's not
out of the normal, of course.

Q  But the parking tax aspect of this budget
issues --
A  Uh-huh.

Q  -- would clearly have a pretty direct
impact on your business, right?
A  Sure. Sure.

Q  Behind the blue divider at tab 21 there's
some text messages. Some of this actually appears
to be kind of, to a certain extent, a duplicate of
the email. Maybe you didn't get the email or
something.
A  Okay.

Q  Because at the top you're saying --
A  Right.

Q  -- Play dumb, see how they react.
It sounds like it's the same message.

Did you use text messaging a lot with
Jack or --
A  It was not my preferred -- honestly, it
is -- it's not my preferred form of communication
with him. It didn't really come naturally to me, but I -- it wasn't abnormal. I started to use it more as my kids were growing up, since they wouldn't respond to my emails.

Q I have the same -- my kids won't answer the phone, either. If I just text them, they'll respond quickly. It doesn't make any sense. It's the same device. Go figure.

Let's go to tab 22.

A Okay.

Q So we're now -- this is an email exchange again between you and Jack Evans, October 21, 2015.

A Uh-huh.

Q We're now actually into a period of time where is Jack's working at Manatt; and you're a Manatt client, I believe, during this period of time; is that right?

A Well, no, but we -- I had conversations with him --

Q You're in --

A -- yeah, but I hadn't been --

Q -- you're in the process of becoming a
Manatt client; you're not yet a --

Well --

-- Manatt client --

-- a fair --

Yeah, I'll let you repeat that again. Go ahead.

I -- I wasn't, at that time, a -- a client. Had had conversations about becoming a client. Yeah.

That's right. We -- and I apologize if I misstated that.

So the documents we were looking at earlier spilled into 2016, before you had the final --

Right.

-- engagement letter, right?

Right.

Okay. And this email exchange appears to be -- you know, you're expressing concern about the mayor --

Yeah.

-- increasing the parking tax, which
is -- as you point out in the email -- going to be bad for your business.

A Right.

Q In fact, you say "killing my business."

And Jack responds that -- you know, that he doesn't think she's going to do it, but if she does, he's going to stop it.

A Yeah.

Q Did you understand how he would stop it?

A No. Jack is often given to hyperbole.

Q Anything more about that exchange that --

A No.

Q Okay.

A No. No.

Q Let's go to tab 23, I guess. We'll just hit that quickly.

A Right.

Q So it's an email from Evans to you -- well, actually, the bottom email is you, I guess, to him --

A Yeah.

Q -- saying, Let me know what you need me
1 to do.

2 He says, Can John and I call you tomorrow around 10:00?

3 Did you understand that to be John Ray?

4 A I -- I would deduce -- I'm -- I'm pretty sure that's the case, but --

5 Q And then you note, Yeah, I'll be on the road to Richmond for a Reserve Bank meeting.

6 And then you give your cell.

7 And this apparently is regarding the "EZ" zone --

8 A Correct.

9 Q -- creation?

10 A Yes. And this was the -- John's -- John Ray's thought of engaging --

11 Q Eleanor Holmes Norton?

12 A Yes. Yes.

13 Q And if you go to tab 24, there seems to be more of that.

14 Who is [REDACTED], by the way?

15 A He was the former CEO of the [REDACTED].
1 Q Let's go to tab 25.
2 A Okay.
3 Q And I could let Fitzgerald do this questioning but --
4
5 MR. FITZGERALD: Too soon.
6 MR. LINDNER: Please don't.
7 MR. FITZGERALD: If you give me four
8 hours back --
9
10 MR. BUNNELL: I was going to say, can we do video conference that one -- it could be an
11 appearance.
12
13 MR. LINDNER: Don't want him coming across the table.
14
15 BY MR. BUNNELL:
16 Q All right. So this is some email traffic regarding the University of Georgia Foundation.
17 A Yes, sir.
18 Q All right. Let me just ask you what your relationship with the University of Georgia
19 Foundation is.
20
21 Do you have any financial interest in them?
A    None whatsoever. I'm a trustee of it.
Q    All right.
A    It's the -- it's the support board on a
    semi-fiduciary -- not really even semi-fiduciary
    board, that supports the University of Georgia at
    Athens.
Q    Okay. You don't get paid --
A    No --
Q    -- by them --
A    -- no --
Q    -- for doing anything?
A    -- no.
Q    Quite the opposite, probably.
A    Do you do fundraising for the --
A    Try to --
Q    -- foundation?
A    -- yeah.
Q    Okay. And I take it this email exchange
    related to the foundation's attempt to get a tax
    exemption so they could locate a facility in D.C.;
A    is that --
A    Yes. They actually had the -- at this
time, the facility was actually in place. And I'm pretty sure it opened by that -- or it was soon to open about that time.

Q Okay. Was this related to NSC Consulting at all --

A No --

Q -- this action?

A -- no. Not at all.

Q Actually, it's before. I know it's 2015, that same time --

A No, it was --

Q Okay.

A -- entirely --

Q Okay.

A -- a year away.

Q Okay. Let's go to 26.

This is an email from Joe Florio, who is a director of communications for Evans' office.

Q Do you have a recollection of him?

A I don't remember him.

Q Okay.
A    Yeah, but I'm sure he was --

Q    And he's sending you a PDF of the conversion litigation, which is attached behind the email.

A    Right.

Q    And -- do you recall what the conversion legislation related to, or why you would be interested in it?

A    Well, I -- what I recall is I wasn't interested in it so much as he wanted me to look at it. This was -- would fall under the -- the notion that if the city doesn't do -- he had -- at this time, there was a growing concern predicted in my Federal Reserve Board, I might add, years later, that many old office buildings in D.C. would not be able to be repositioned. It would cost too much money.

When a -- when a tenant left, if it was an old building, it would need to be completely built out, retrofitted so to speak, and -- and that there would -- these buildings would go fallow or go bankrupt or whatever, and how -- there -- there
was some people pushing on the notion of converting office space to residential space, and how could the city help facilitate that through some sort of incentive program.

I had no property that qualified. It wasn't -- and so I think -- and then this is -- I really can't say with the greatest of certainty, but I think it was: Would you take a look at it and tell me if it makes any sense to you?, sort of thing.

Q  Okay.
A  But I had nothing to --
Q  Is that something you've done on other occasions?
A  What? I'm sorry.
Q  Just take a look at something that's pending before the council, and offer your thoughts on it, even if it's not squarely in your --
A  No so much --
Q  -- your sort of --
A  -- council --
Q  -- business world?
A -- stuff, but ideas. He -- he did float
ideas by me every now and then --
Q  Uh-huh.
A -- but I mean: How does this sound to
you? Does this make any sense?
Q  Yeah.
A  What would be the issues? And so -- it's
kind of like, even going back to the -- the -- what
we talked about with the [redacted], which was --
well, yeah, right, right, right, right, right, right,
yeah.
Q  Okay.
A  Yeah. How do these -- how does this work
from a businessman's perspective? Can you help me
understand? Rusty is someone who understands real
estate and/or other businesses, what are the
dynamic -- what are the factors that go into
someone making a decision to do something?
Q  Okay. Let's go to tab 27. This is an
e-mail back and forth -- well, not back and forth.
The top email is from --
A  Uh-huh.
Q    -- Jack Evans to you --
A    Uh-huh.
Q    -- attaching a memo that he would like to talk about.
Q    I'm not sure who is, but it relates to --
A    Yeah.
Q    -- plans RE the --
A    Right.
Q    -- , that's detailed --
A    Right. Yeah. Okay.
Q    Do you remember that issue?
A    I -- I do now, yeah.
Q    This is September 2015, is the time frame on that.
A    Right. So the being --
Q    Okay.
A    is the CEO of , a good friend, and also someone with whom Colonial and Forge had a relationship. This is kind of an
example, Steve, of -- of -- I think -- well, I'm guessing why Jack was sending it to me is this was right in the neighbor where we live. And so one of the issues here, any time you try to get something done in a neighbor, it -- it's certainly the case in Georgetown, is how do you bring the -- the neighbors on board, whatever else, and so he was using me as a think --

Q    You live relatively --
A    Close to --
Q    -- close to --
A    -- my wife is very active in the Georgetown community matters, particularly so.
I'm -- I'm guessing that's what Jack was asking me to do, contact and set -- set up -- set up a call -- I'm bubbling, sorry. It's easy not to -- to expect a call, let know that he was going to call about this particular matter or issue, yeah.

            This might be a little bit of the --
the -- what you alluded to earlier, that -- that
Rusty -- his advisor, sort of thing, as opposed to --

Q: Uh-huh. Okay.
A: Uh-huh.

Q: This is an email chain around I guess the minimum income proposals --
A: Yeah.
Q: -- or a proposal.
A: Yeah, okay. Right.
Q: My question is actually --
A: Sure.
Q: -- pretty simple. The top email there --
A: Yes.
Q: -- of the chain is from you to Evans --
A: Yes.
A: Okay.
Q: You say, Yes, thanks. Sent to Tony W. and Yesim --
A: "Yesim."
Q: Okay. "Yesim."
A Who are they?
Q Who are they? Yeah.
A Okay. Tony W. is Tony Williams, the former mayor, who's the -- the CEO of the -- the Federal City Council. And Yesim is Yesim Taylor, who is the CEO -- she was I guess the CEO of the D.C. Policy Center and -- which was spawned out of the -- the Federal -- the Federal City Council.

So they are -- they are separate organizations at this time, that work closely in concert, both of them having the same mission statement, advancing the -- the District of Columbia. D.C. Policy Center is more oriented towards -- it's more of a think tank, developing research. So anyway, that's who they are.

Q Tab 31. Now, this is an email you're not on, but it relates to the --
A Right.
Q -- the --
A Right.
Q If you go behind the blue divider --
A Right.
Q -- there's a letter to Jack Evans from --

A

Q -- --

A Right. Yeah.

Q -- that you're cc'd on at --

A Yes.

Q -- the bottom.

A Yes.

Q Do you see?

A Yeah. Okay.

Q And it's dated May 10, 2017.

A Okay. Right.

Q And is apparently the managing
director of .

A Right.

Q So do you know him?

A Not very well. A little. I actually
know the other fellow who's cc'd, very well. And it was who suggested Jack
contact -- well, I mean I don't -- brought
into this conversation.

Q I see.
A: And -- and this was -- yeah.
Q: So this appears to be --
A: A proposal.
Q: -- sending out -- yeah, so his boss on --
A: Yeah.
Q: -- how to --
A: Yeah.
Q: -- sort of wants to campaign around --
A: Well, this was -- right.
Q: -- the --
A: So --
Q: -- project, right?
A: Yeah.
Q: You wanted -- and so what's that about?
A: Is that the --
Q: -- your question, whatever you want?
A: No, well, I mean what -- what's -- what's it about is not a bad question.
Q: And -- and then --
A: I'm not sure --
Q -- and then --

A -- what it's about but I'll try.

Q Well, we can do: What-ups -- what up with that?

A As long as there are no numbers involved, I'm --

Q Exactly.

A -- okay with it.

Q Yeah.

A And so [REDACTED] is a very dear old friend of mine, lawyer. Did an awful lot of work, before he retired, for [REDACTED], particularly [REDACTED].

When Jack was going through this whole [REDACTED]: How do we do it? How does it work? How do -- I gotta get educated because I don't know anything about it. I can't recall whether -- and he -- and he knows and has known [REDACTED] himself for sometime. I can't recall whether Jack said maybe [REDACTED] knows somebody or maybe I said, well, maybe [REDACTED] knows somebody who could help better understand how one goes about securing a team, or
in this case making a city or jurisdiction look
good.

So are said we should talk with --
I know we had one phone conversation, and maybe we
had one meeting -- I can't promise you that -- with

was a high school friend and
then later a college friend of who had -- I
think before he went into had -- might have
even been . In any
event, after that, whatever it was, he went into
this business of advising people on

No money was exchanged, but it was kind
of: Here, as a favor to , as a favor to
Jack, that this is kind of what you would --

These are some --

-- these are the sorts of things we have
to do.

Okay. So does this have anything to do
with NSC Consulting's services to you?
1      A    No.
2      Q    This is sort of a side --
3      A    Yeah.
4      Q    -- issue that --
5      A    Yeah.
6      Q    -- you guys were --
7      A    Yeah. Exactly. Yeah.
8      Q    All right. Is there -- we've talked
9      about a bunch of different things. We've jumped
10     around a little bit. I appreciate your patience
11     with the -- with the structure of it or lack
12     thereof.
13     Is there anything that we didn't cover
14     that you think, you know, we ought to have on the
15     record, anything you want to clarify at this point?
16     And we are happy to have you back if
17     something occurs to you later.
18     MR. BUTLER: Yeah.
19     MR. BUNNELL: And I offer you guys the
20     same option. Do you want to --
21     MR. BUTLER: Maybe just -- why don't we
22     just take two minutes.
MR. BUNNELL: Yeah, yeah, just make sure.
Off the record for a minute.
(Discussion off the record)

MR. BUTLER: Nothing more to add. Thank you very much. Appreciate the accommodations.

And --

MR. BUNNELL: Okay. Well, I appreciate you making yourself available. I know there's a lot of stuff going on with this right now. And it is helpful for us to have your perspective. And I appreciate it.

MR. LINDNER: I hope I was helpful.

MR. BUNNELL: Yeah, appreciate it.

MR. LINDNER: For all of us.

MR. BUNNELL: Everything but the math, would agree with you.

All right. We're done. Thank you.

(Whereupon at 1:20 p.m., the meeting concluded.)