

State PDC seeks suit on election violations - 2001 Des Moines races Business group accused of hiding donations to pro-runway candidates

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The state Public Disclosure Commission has asked Attorney General Rob McKenna to sue several business investors for allegedly concealing \$60,000 they spent to influence elections for the Des Moines City Council in 2001.

The investors in TME Capital Group allegedly pooled their money to help candidates sympathetic to the controversial third runway at Seattle-Tacoma International Airport. They were backing a business venture which sought permits to operate a conveyor system to transport fill to the runway project, but their efforts had run into opposition from the Des Moines council, which opposed the runway.

The commission accused the investors of operating an unregistered political committee and hiding their involvement in the municipal elections. The investors were identified as Elling Halvorson, Catherine Boshaw, Doug Edlund, John Taylor, Lon Halvorson, E. Kent Halvorson, Tim Teteak and David Chavalier.

At a meeting Thursday, the commission also asked that the lawsuit seek penalties against

Henry "Hank" Hopkins, a businessman who operated Environmental Materials Transport, the company seeking the runway work.

Scandal related to the runway fight has tainted politics for several years in Des Moines, a waterfront town of 29,000 south of the airport.

Former Mayor Don Wasson resigned in 2003 following accusations that he'd concealed \$49,000 in campaign contributions and expenditures linked to Hopkins. In March 2003, Wasson agreed to pay a \$2,500 penalty.

At the same time, TME Capital Group and Environmental Materials Transport agreed to pay a \$40,000 settlement, plus \$3,000 to cover the costs of the Public Disclosure Commission (PDC) investigation, for multiple violations of campaign laws related to similar efforts to influence the 1999 council elections in Des Moines.

The latest charges are the first against the individual investors in the company, said Doug Ellis, acting assistant director for the commission. Action against the investors was recommended after investigators found evidence that they had pooled their money specifically to aid certain candidates deemed sympathetic to their business interests.

In a somewhat elaborate scheme detailed in PDC documents, the money was allegedly funneled from the investors through TME Capital Group to Hopkins' company.

The money was then converted to cashier's checks, marked "anonymous" or "N/A," and distributed by Hopkins to political consultant Tom Hujar to pay for surveys, phone calls, brochures and other aid to council candidates. Hujar, who has worked for prominent Democrats including former Govs. Mike Lowry and Gary Locke, was not charged with any campaign violations.

Neither Hopkins nor an attorney for the investors could be reached for comment yesterday afternoon. A spokeswoman for McKenna said she did not know when his office would make a decision on whether to file a lawsuit.

Ellis said the commission referred the case to McKenna's office because the PDC is limited to maximum fines of \$2,500 for multiple campaign-law violations. If McKenna files a lawsuit, the state could seek fines of up to \$10,000 per violation, with triple penalties if a judge determines the violations were intentional.

Ellis called the alleged efforts to hide the identity of campaign contributors a "fairly egregious" matter. "Concealment is the antithesis of disclosure. It's just the complete opposite of what the public has said they want and deserve," he said.

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