

MONTANA DEPARTMENT OF JUSTICE

INVESTIGATIVE REPORT

CASE NO: MC 221207
DATE: May 25, 2023
AGENT: Don Guiberson

INVESTIGATIVE REVIEW: State of North Dakota Cost Over Runs and Lease Procurement

SUSPECT(S): Troy Seibel
Former ND Deputy Attorney General

[REDACTED]

Elizabeth Brocker
Former Attorney General Executive Assistant

[REDACTED]

DETAILS:

On June 29, 2022, the North Dakota Legislative Audit Financial and Review Committee (LAFRC) requested a review by the Office of the North Dakota State Auditor of a lease and build at 1720 Burlington Ave, Bismarck, ND. The Attorney General's Office leased and moved to the property after approximately two years of negotiations, financial transactions, and construction. Questionable charges surfaced regarding cost overruns, payments, and the original procurement process of the privately owned property. Building owners alleged the Attorney General's office was responsible for approximately \$1,700,000 in cost overrun charges related to the remodel and additional new construction. The Auditors review suggested possible relationships between contracted business owners and state government. The report prompted concerns about possible bias in state contracts. The North Dakota Auditors Office was given 90 days to complete the review. North Dakota State Auditor Josh Gallion reported and presented review findings to the LAFRC on September 27, 2022. (In file).

The Auditors' findings prompted LAFRC to request the Attorney General to locate an outside agency to investigate specifics of the 1720 Burlington project. Attorney General Drew Wrigley contacted Montana Division of Criminal Investigation (DCI) and requested an investigation into the project. An MOU was signed and I, Agent Don Guiberson, was assigned the investigation. Attorney General Wrigley appointed me as a North Dakota Law Enforcement Agent for the purposes of this investigation.

On October 28, 2022, the Attorney General's office, now occupied by Drew Wrigley, received an 800-page report (Memo) from Attorney Monte L. Rogneby of Vogel law firm in response to the Auditor's review. Rogneby represents Stealth Properties LLC and its members. The "memo", and its contents will be referenced throughout the investigation. The memo contains open-source information not otherwise available as members of Stealth Properties, though their attorney declined an invitation to be interviewed. There are several emails in the memo that are not in chronological order and have odd time lapses. This report does not include all emails provided in the memo. The entire memo is included in the case file. The included emails are intended to highlight pertinent investigative information.

It is unknown if every email in the possession of Stealth Properties LLC, Parkway Properties LLC, related businesses, or individuals were included in the memo. In the Auditors interview, Dockter stated he turned over all the emails in his possession.

The memo was also posted on the website of a talk radio program in Bismarck called "Plain Talk". Episode 376 of Plain Talk was played a week after the memo was given to Attorney General Wrigley. The episode contains an interview with Jason Dockter discussing the 1720 Burlington project.

Jason Dockter
Partial Owner of Parkway Property Management LLC
Partial Owner of Frontier Contracting LLC
Partial Owner of Stealth Properties LLC
Partial Owner of D & S LLC
Owner of Frontier Payroll Services LLC
North Dakota House of Representatives
2025 Pebble view Loop
Bismarck, ND
(701)258-9848
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Email accounts of then Attorney General Wayne Stenejhem and Deputy Attorney General Seibel were deleted prior to the investigation and found to be unretrievable. All emails including Troy Seibel's were obtained from other sources. Very few emails including Stenejhem could be located.

Beginning in 2016, there was a desire by the Attorney General's office to relocate and consolidate divisions. On December 1, 2016, Troy Seibel was appointed Chief Deputy Attorney General by Attorney General Wayne Stenejem. There were specific departmental needs which were lacking in divisions at present locations. There was a desire to consolidate all divisions in one space, increase square footage, and obtain custom areas for specific divisions.

The Bureau of Investigation (BCI)'s lease on State Street was to expire in July of 2021. The division was dissatisfied with the current property for several reasons, including lack of space and maintenance. A storage garage was located at State Street, but not on Burlington. A garage was a BCI necessity which eventually would have to be included as a new build for proper operation of the division.

In 2018, there was a tour of the Salinx Elementary school by members of the Attorney General's staff for potential relocation. Attorney General Wayne Stenejem was interested in the space and plans for a renovation were drawn. According to Director of Facilities John Boyle, the 35,000 square foot school was in negotiations for approximately \$400,000. The original discussion included plans to appropriate approximately \$1,000,000 into a remodel. The attempt to relocate was unsuccessful. The lengthy legislative approval process, and the slow government accusation process were cited as the reason another entity was able to purchase the property before funding could be secured. Officials toured the former Sears building and concluded it did not meet the agency's needs. Several agency employees preferred to be located on the North side of Bismarck due to the proximity of other government agencies, as well as their homes. The blueprint plans for the proposed school renovation were later used in the initial phase of the property at 1720 Burlington Street.

Starting in late May of 2019, officials at the Attorney General's Office exchanged emails with Jason Dockter regarding real estate for a new location. Dockter has partial ownership in real estate, construction, property management, and related businesses. Dockter has been an elected member of the North Dakota House of Representatives since 2012.

September 2019 emails show Dockter asking Deputy Attorney General Troy Seibel for a "letter of intent" regarding leasing space at 1720 Burlington. Seibel responded that attorneys in his office were in the process of review. A September 27, 2019, email was the last email provided by Stealth's attorney regarding acceptance of their offer to purchase.

On December 2, 2019, an email exchange between Seibel and Dockter discusses a meeting with an architect. It appears discussion and intent of the Office of the Attorney General to lease the property were already being finalized. This was prior to the December 2019 preliminary agreement by PPM to purchase the building and their \$30,000 down payment. This indicates knowledge of the tenant prior to purchase.

In December of 2019 Parkway Property Management (PPM) entered into a preliminary agreement to purchase the property at 1720 Burlington Street and placed \$30,000 in earnest money. Prior to PPM's preliminary purchase agreement for the property at 1720 Burlington, there were several contacts made between the Attorney General's office and owners of PPM Jason Dockter, and CJ Schorsch.

CJ Schorsch
Partial Owner D & S LLC
Partial Owner Stealth Properties LLC
218 First St.
Bismarck, ND 58501

After months of contact between the Attorney General's office and members of interested LLC's, an email was sent on February 24, 2020, to division directors from Deputy Attorney General Troy Seibel:

- *From: Seibel, Troy T. Sent: Monday, February 24, 2020 8:08 AM To: Grabowska, Lonnie ; Smith, Heidi J. ; Nelson, Douglas D. ; Miller, Randall C. ; Grossman, Parrell D. ; Spahr, Marina Subject: New AG Building DDs, We have been approached with a proposal by a developer to develop a new AG building, which would enable us to consolidate many of our divisions spread around Bismarck (this building contemplates BCI, IT/CJIS, Fire Marshal, MFCU, CPAT, and Lottery). The price is right and it looks like things would work. They would begin a remodel of the existing space and construct an addition. The process would take approximately 18-24 months (although they are assuring us we could be in by July 1, 2021). I have attached the proposed drawing of the building. Don't get too hung up on the details and layout of the interior. I can see we will already need to see some changes. However, I want to be sure the basic concept works before we make a firm commitment. Please review the plans and let me know your thoughts. Obviously there are a lot of details to be worked out. However, like I said, I just want to be sure the basic concept works because they are wanting a commitment from us before moving forward. Now for the wrinkle...they need to know by the end of this week because of a bunch of moving parts (purchase options, existing leases, etc.). So, let me know your thoughts ASAP. Thanks. Troy T. Seibel Chief Deputy Attorney General Office of Attorney General 600 E. Boulevard Ave., Dept. 125 Bismarck, ND 58505 701-328-2210 tseibel@nd.gov*

Several email responses were from division directors who stated concerns and provided constructive input. Some directors were immediately opposed to the idea. The email states an expedited lease commitment needed from property owners. Seibel and Dockter emails show discussion had been occurring for some time.

Seibel directed opinions be submitted by weeks end ((February 28, 2020). (In file under emails to DCI from Auditor). It is obvious from dated emails Jason Dockter and Troy

- Frontier Contracting LLC Cancelled 12/31/18.
- Stealth Properties not on file
- Parkway Property Management not on file
- D&S LLC Active Account

Employer payroll reports appear to combine a business called “Frontier Payroll” and “D & S LLC” for payroll with the same Federal Tax ID number and Employer account number. CJ Schorsch is listed as President and Jason Dockter as Secretary.

Documentation suggests the Attorney General’s office did not request bids, nor was involved in any vetting of subcontractors. It appears Parkway Property Management, Stealth Properties, and Frontier contracting were making those decisions.

During the 2019 legislative session, Jason Dockter, a member of the North Dakota House of Representatives had an informal conversation with Lonnie Grabowska, Division Director of the Bureau of Criminal Investigation (BCI). Stealth claims this initiated the discussion with Dockter regarding his assistance in locating a building for the Attorney General’s re location.

Monte L. Rogneby esq.
 Vogel Law Firm
 200 North 3rd St. Suite 201
 Bismarck, ND 58501
 (701)258-7899

Dockter argued in his “Plain Talk” interview the Auditors Office could have reached out to him for questions. I contacted Dockter’s Attorney Monte Rogneby to request to speak with Dockter as questions remained. I was informed by Rogneby no Stealth Owners would agree to an interview.

Throughout the entire 1720 Burlington project, Frontier Contracting LLC, Parkway Property Management, and Stealth Properties LLC are significantly utilized in most phases of procurement, construction, and remodeling.

D and S is an LLC owned by Jason Dockter and CJ Schorsch. The memo states Parkway Property Management and Frontier Contracting “do business” under Parkway Management. Investigation later finds Frontier Contracting cannot use the contracting license held by Parkview or D & S as described.

An email from Barbara Seigel at the Secretary of State to Dan Cox of the Auditors office reads:

- Dan –

Attached is the most recently filed Annual Report for Frontier Contracting LLC (for 2021). The next one is due November 15, 2022.

We also have an initial filing (Articles) from 2016; Annual Reports for 2017, 2018, 2019, and 2020; and an Address Change of Principal Executive Office in 2020. If you want copies of any of those, let me know. I will note that the first two Annual Reports listed both Jason and Charles as management; then, in subsequent years, only Charles (although Jason remained as Registered Agent).

Frontier Contracting LLC does not have a current contractor license. We could also not find where they have ever applied for one.

Barb

Barbara A. Siegel

Director | Secretary of State's Office

(701) 328-3737

basiegel@nd.gov

On the “Plain Talk” interview Dockter stated Frontier was doing business under D & S’s license, and this could have been the issue in the audit. Dockter states invoices should have been billed as Frontier “doing business” under D & S. Dockter said the billing was a mistake. He also said Frontier had no employees.

D and S LLC registered its contracting license on August 23, 2019. The registration date occurred after talks with the Attorney General’s office began. The license information is located on the North Dakota Secretary of State website:

Contractor Registration - 8/23/2019

Amendment Type **Contractor Registration**
SOS Control ID #**0002878607**
Date **8/23/2019**

Sandra Bogaczyk
Community Development
Planning Division
City of Bismarck
221 N. 5th St.
Bismarck, ND 58506
(701)355-1840

I received the following email after requesting information from the North Dakota Secretary of State’s Office.

- “Agent Guiberson,
- *Good morning! I am reaching back in response to the questions you asked of Barb Siegel on our team. Essentially, you had two questions:*

Is it legal, or approved for frontier and Parkway to operate under D and S's license?

- *A contractor's licenses issued to an LLC can operate under a trade name owned by the LLC. Based on our records "D & S LLC" does have an active contractors license, and "Parkway Property Management" shows it is owned by "D & S LLC." We do have an active LLC with the name "Frontier Contracting LLC" and we have an expired (Oct. 2021) trade name of "Frontier Contracting" that was owned by "Frontier Contracting LLC", however we could not find a contractors license for this LLC.*
- *A trade name owned by a business acts as a DBA (doing business as) name. If an LLC has a contractor license, they may operate under their LLC's name or a trade name that LLC may own. So, since D & S LLC has a contractor license, they may operate under that license as D & S LLC or under their trade name Parkway Property Management. We couldn't find a contractor license for Frontier Contracting LLC, and the now-expired trade name of Frontier Contracting was owned by Frontier Contracting LLC, not by D & S LLC.*

Do you have any guidance on who I could contact in ND Government to obtain the number of employees an LLC is claiming?

- *There are three government entities that would receive some information on number of employees for an LLC. In order of where I think you'll get the best answers: Job Service North Dakota (re: unemployment), Workforce Safety & Insurance (workers compensation), and potentially the Office of State Tax Commissioner (withholding).*

We hope this helps you in your research. I've attached the North Dakota Century Code reference that deals with contractors for your information as well. Please feel free to reach out if you have further questions.

*Thanks,
Sandy*

Carpet and similar products were a major expense. Carpet World Employee Marty Hopkins stated CJ Schorsch picked up \$80,719.28 of carpet product to install themselves. It appears Frontier contracting was doing work without a contractor's license as it did not fall under Parkway Property or D & S LLC's license.

Frontier Contracting LLC charged \$73,235 for carpet and supplies (pg. 29 Auditors report). A Frontier Contracting invoice billed to 1720 Burlington Drive on April 26, 2021, reports a total of \$73,235.00. The "carpet and sundries" supplies are listed at \$37,000. The remainder of the invoice was for drywall, bulbs, dump trailer and labor for disposal. Carpet World also billed \$80,719.28 for carpet tile. Labor does not appear on this invoice and Carpet World confirmed they did not install the product. Carpet World staff said CJ Schorsch picked up the material from their warehouse. An invoice from Frontier dated April 26, 2021, includes a bill to "1720 Burlington Drive" for labor as "Dump trailer and labor for disposal" occurring on March 10, 2021. The carpet, sundries, and drywall service dates were listed as the same day as the invoice. The invoice includes handwriting "pd 4-26-21 ck 3132". Dates of service, date of invoice, and invoice marked as paid all are dated April 26, 2021. This suggests once again Frontier did the work of installing the carpet without a license.

Marty Hopkins
Carpet Garage

2300 E Bismarck Expy
Bismarck, ND 58504
(701)258-9350

On March 6, 2023, I spoke with Marty Hopkins from Carpet Garage and discussed billing to Parkway Properties. Hopkins said supplies are normally delivered to the work site. The invoices show some are shipped to Parkway Property Management at 218 S 1st street, 4023 State St #60, and others to PO Box 7459. An invoice of \$1224.16 from Carpet Garage in October 2020 was billed to Parkway Property Management at 4023 State Street. A handwritten note on the bill says "1727 Grandview". A google search shows 1727 Grandview as an apartment Complex. All are billed to Parkway Property Management.

Questions and concerns arose of a possible duplicate billing from Carpet World labeled "Labor \$1350" (Memo PG 630). An order and invoice were found separately for \$1343.71. The billing process for Carpet Garage sends an invoice, then an order to the customer. This was not charged or paid as a duplicate bill.

Dan Cox of the Auditors office
North Dakota State Auditor Office's
600 E. Boulevard Ave.
Bismarck, ND 58505
(701)328-2241

On "Plain Talk", Dockter states if the Auditors had asked questions prior to their report, cost issues related to CAM charges could have been resolved. It appears on page 501-506 of the Vogel memo itself; Dan Cox of the Auditors office did ask these pertinent questions. Cox confirmed he asked these questions.

Billing from Stealth Properties, Frontier Contracting, and Parkway Management appear to send invoices under the same computer spread sheet program. Jason Dockter owns or has an interest in several LLC's and businesses including Frontier payroll services.

Audit Manager Lindsay Slappy
North Dakota State Auditor
600 E. Boulevard Ave.
Bismarck, ND 58505
(701)328-2241

Audit Manager Lindsay Slappy of the North Dakota Auditors office was involved with the requested review by LAFRC. Slappy states she was unaware of the memo compiled by Stealth Property Attorneys until hearing a November 2, 2022, local radio talk show broadcast. Audit Manager Slappy was surprised by the information Dockter provided because it was never mentioned or furnished by Dockter, during his Auditor interviews. One of the most surprising revelations for Slappy was when Dockter revealed Stealth would be providing over \$200,000 back to the AG's office. Slappy said the November

2022 radio program was the first time any type of re payment was mentioned. Slappy stated reconciliation of payments, re payments, or refunds were never brought up by Dockter or Schorsch during, or after audit interviews.

The project was completed and occupied by the Attorney General's office in November of 2021. LFARC requested the Audit of the project on June 29, 2022, well after the project was completed. The memo drafted in October 2022 was the first document I could locate which mentioned repayment. Stealth's original reconciliation and request was for 1.7 million dollars. Slappy questioned the timing, and reasoning behind the repayment as it could have been calculated prior to the billing, alleged discussions of \$400,000 addition to the lease, and the LFARC investigation request.

Interviews of Auditor Office Employees present during meetings with Dockter and Schorsch said neither disclosed their ownership interest in subcontractor LLC's. Schorsch and Dockter never mentioned any type of repayment, even as overages were discussed. The issue of financial reconciliation, post construction and Auditor review is significant.

Lonnie Grabowska
Director ND BCI
1720 Burlington Ave.
Bismarck, ND. 59504
(701)328-5500

The memo provided by Vogel Law Firm on behalf of Stealth LLC states BCI Director Grabowska told Dockter the Attorney General's office had been looking to re locate. Dockter asked if Director Grabowska wanted assistance in looking for a building. Grabowska indicated it was acceptable. I spoke with Director Grabowska who believed the brief meeting was during the time of a legislative session. Grabowska said he was getting into his car and was approached by Dockter who he had known most of his life. Grabowska described the chance meeting as unremarkable. Grabowska said he does not recall specifics of talking about the relocation. Grabowska told me Dockter would have already known the Attorney General was looking to relocate before this conversation. Emails provided by Rogneby (memo Pg 14) show email communication between Dockter, Seibel, Grabowska, Liz Brocker, Heidi Smith, and Douglas Nelson starting on Sunday May 26, 2019. The first email supplied is from Grabowska to Dockter and Cc'd to Deputy Attorney General Troy Seibel. The email subject line reads:

- *“Preliminary plan for NDBCI/FM/AGIT-CJIS “Jason, Here is a copy of the preliminary plans we had created by J2 for Saxvig school. This plan does not include the AGIT or CJIS Division. AGIT is currently at in our building at 4205 State Street with approximately 4,211 square feet and CJIS is at Northbrook mall with approximately 1,857. NDBCI is currently at 19,165 with FM at approximately 1,700. We would be looking at around 40,000 square feet that would include conference rooms, a training room, evidence room, firearms storage room, etc. We would also be looking at staying close to that 40,000 sq feet*

so we can have room to expand for all (3) Divisions over the next 10 to 15 years. Thanks Jason, Lonnie”.

The emails were not provided entirely in chronological order. The memo’s next email chronologically, is dated June 6, 2019 (memo pg. 13). The email is from Grabowska to Dockter and Cc’d to Seibel, Grabowska, Liz Brocker, Heidi Smith, and Douglas Nelson. The email states that Grabowska had met with Seibel and reads:

- *“we would like to set up a meeting date to have you and your partner come to NDBCI to meet with the following: NDOAG Chief Deputy AG Troy Seibel NDOAG AGIT/CJIS director Heidi Smith NDOAG state Fire Marsshal Doug Nelson NDOAG NDBCI Lonnie Grabowska With the plans for Saxvig school being shared below, we would like to meet with you and see about the possibility of your business working with the NDOAG on a public/private partnership for a possible headquarters building for NDBCI, AGIT/CJIS and the Fire Marshal”*

The email discusses planning a meeting. The next email provided by Stealth and Dockter’s attorney is not until June 25, 2019, the chain continues until June 27, 2019. The next email dates begin on July 22, 2019, and then August 15, 2019. These emails describe setting up meetings between interested parties. An email dated Thursday, September 5, 2019, to Troy Seibel from Jason Dockter, subject line reads:

- *“Letter of Intent”*. The email goes on to say *“Troy, Would anytime tomorrow afternoon work to go over the letter of intent? Thanks, Jason”*.
- Seibel responds on September 6, 2019, stating he will be out of town until the following week. An email to Seibel from Dockter on September 17, 2019, states
- *“Troy We have met with the realtor and the architect and have everything ready to go. Could we get a signed letter of intent soon to move forward with the process? Thanks, Jason”*.

Emails included in the memo have numerous communications between Jason Dockter [REDACTED] and Troy Seibel (tseibel@nd.gov). An email in a chain to Seibel from Dockter, dated September 24, 2019, with “Letter of Intent” written in the subject line states:

- *“Troy, I have an interim tax meeting tomorrow at the Capitol. If you have the letter of intent ready, I could swing up to your office and pick up the letter. Let me know. Thanks, Jason”*. Seibel responds by saying *“I had asked one of our lawyers to get it in final form for my signature. I’ll follow up with her.”*

Email suggests Dockter will be meeting Seibel at Capitol during a legislative session where Dockter is engaged in state business.

Stealth claims the purchase of the building was not contingent on a lease agreement, but the loan for the additional new construction was required.

No other emails were provided in the memo by Stealth's attorney dated between September 24, 2019, and November 27, 2019. An email on November 27, 2019, was sent from Dockter to Seibel and Cc'd to (PPM) Parkway Property Management and used primarily by CJ Schorsch. The email (pg. 48) to Seibel reads:

- *"Troy We found out last night that they accepted our offer. We are now in the due diligence phase of the project. Let me know some dates and times that work for you so we can meet with the architect and get the ball rolling. Have a Happy Thanksgiving. Thanks, Jason"*.

On December 10, 2019, days after the offer was accepted, Stealth Properties LLC was formed, and paperwork was filed with the Secretary of State.

The remaining emails provided in the memo by Vogel Law Firm begin to include CJ Schorsch. Drawings and some architectural plans were being exchanged. The bulk of the emails discuss scheduling meetings. In January of 2020, emails indicate architectural plans are being discussed in detail between Dockter and Seibel.

In February 2020, Bartlett and West engineers begin to exchange emails and mention a meeting with Dockter and Deputy Attorney General Seibel. It appears emails between PPM, Dockter, Seibel, which were being CC'd to others become infrequent.

On March 1, 2020, there was an email written to ND Facilities Director John Boyle from Jason Dockter (memo pg. 76). The subject line reads:

"State Lease for Attorney General Space".

- A following attachment received by Jason Dockter from PPM is included

"Stealth Lease 3-1-20.docx; Attachment A 3-1-20 pdf".

- Boyle's response (memo pg. 77) to Dockter:

"I still think the rent is to high. I will email you my rate of return calculation for the property so you know how I am drawing my conclusions".

Dockter asks Boyle if he had spoken with Seibel regarding the lease. This is the last email correspondence I could find where Dockter or Seibel had contact with Facilities Director Boyle. In a later conversation with Joe Larrivee of Bartlett West Engineering, he states he informed CJ Schorsch he did not want to "deal" with Boyle. Larrivee advised Schorsch Boyle made things difficult, and he would only work with Schorsch. Larrivee said this was a verbal agreement, and he does not recall having any further contact with Boyle.

On April 20, 2020, Dockter emails Seibel:

- *“Troy Let me know the days and times that work for you and Wayne to walk through the building. The seller gave us a few more days to get the deal done.”*

On April 22, 2020, it appears Dockter conducted a walkthrough of the building with individuals including Attorney General Wayne Stenehjem, Deputy Attorney General Troy Seibel, and Kyle Hellman of Office Space Solutions.

On April 24, 2020, a building lease at 1720 Burlington to house the Attorney General’s office was signed by CJ Schorsch, Boyle, and Seibel. Boyle informed me he later negotiated a lower square foot price before signing the lease that Seibel approved.

On Wednesday, July 15, 2020, an email with no message from Dockter to Seibel has a subject line that simply reads: (memo pg. 95)

- *“Accepted: State Building”*

The continuing emails appear to only include Dockter, Seibel, and CJ Schorsch (memo pg. 112). These emails include a conversation regarding furniture provided by DHS and its \$3000 expenditure.

On August 5, 2020, it appears email conversations begin with Engineer Joe Larrivee at Bartlett West (memo pg. 117-118). Revision requests from BCI Director Grabowska are discussed and listed. Grabowska’s email states:

- *“I hope you will give me a call when you’re free, if I am in a meeting, I hope you’ll call back after your meeting with Troy so we can discuss these points”*.

Grabowska looks to be continuing to make certain Seibel is aware of his requests for changes.

On August 5, 2020, Joe Larrivee emailed Dockter (memo pg. 118)

- *“Jason, We are making revisions per Lonnie’s emails now. They weren’t that bad. Please forward to Troy first and he can weigh in on them as well. Hopefully this will be the end of the changes so we can move forward. Thanks”*.

On August 6, 2020, there was a group of emails exchanged between several department heads, engineers, workspace experts, and others in the Attorney General’s office. The email originates from Lonnie Grabowska at BCI and discusses several suggested workplace changes and questions of builders (Memo pg. 146-). In a portion of the email Grabowska writes:

- *“Additional Topics to share:” number 3 states “I met with Troy yesterday about the size of the increased garage. CJ and Troy met on Tuesday to look at the diagram. CJ is advocating for the increased garage space for the building. Troy is deciding the size of the garage based on increased cost. I advocated heavily to have Troy allow full garage expansion so we have the most space possible for the future. If you (Heidi or Doug) want to reach out to Troy and offer your support of the full garage, please feel free to.”. The email also states that Troy is bringing MFCU and AGIT moving to building.*

Dan Cox of the Auditors office asked CJ Schorsch in an August 24, 2022, email when the decision was made to build the garage. Schorsch responded:

- *“The decision was made in December of 2020” and “The construction began in mid-December 2020.”*

Email communication shows discussions involving the garage as early as August of 2020. If this is accurate, and the final decision to add the garage was not made until December 2020, project costs would have drastically increased.

Emails on August 6, 2020, clearly show inputs and requests to Parkway, Bartlett West, workspace experts, and others (Memo pg. 155-). The emails provided by Stealth’s attorney suggest Troy Seibel was being notified and information was being forwarded to him.

On August 6, 2020, Dockter emailed Joe Larrivee at Bartlett West who provided engineering and other building services for Parkway properties (memo pg. 117). The email states:

- *“Joe, Looked good. Troy should be giving us an answer tomorrow. Thanks, Jason”.*

On August 9, 2020, Jason Dockter sends the following email to Joe Larrivee suggesting Seibel is continuing to be notified and approving changes and the increase in garage space which would have significantly added to project costs (memo pg. 121):

- *“ Joe I talked to Troy and he is good with the new charges and adding the additional space to the shop. Those will be the last changes to the plans. What is the total square footage of the entire project? Thanks, Jason”.*

On August 10, 2020, John Nelson from Bartlett West sends an email to Dockter and Joe Larrivee at Bartlett West (memo pg. 120):

- *RE: State Building”. “Joe, The gross building area area as follows:
Remodel:20,500 SF Addition: 12,775 SF Let me know if you need anything else,
John Nelson”*

The building's square footage including the addition is less than the original desired size of 40,000 sq. ft. The original building in its entirety is approximately 40,000 square feet. Prior to the Attorney General's lease, it was known Health and Human Services was occupying and would continue to occupy approximately 20,000 square feet. The remodel was designated for 20,500 square feet. The addition for BCI was to be 12,775 square feet. The entirety of the Attorney General space is 33,275 square feet. The addition of the 12,775 is a completely new addition, which is a private build to suit property without state ownership.

Grabowska said prior to the lease being finalized, BCI understood they would be retaining storage property at their previous location. Grabowska said Seibel later informed him that after construction, and after the move, BCI would not be keeping the current storage space and would be moving to additional space on Burlington.

The initial project proposal included the Medicaid Fraud Unit being housed in the Burlington building which did not advance. The unit continues to lease at a standalone location which is paid through a separate lease.

On January 4, 2021, Heidi Smith at the Attorney General's office provided a diagram and stated BCI, AGIT, CJIS, MFCU, CP, lottery and FM were considered for occupying the Burlington building. After the move, an approximate decrease of 6000 sq feet was occupied by only BCI, FM, and AGIT compared to their previous location. Hallways in the previous location were responsible for some square footage and the new location provided an open floor plan. I observed a substantial quantity of files in a large open room located in the middle of the Burlington building. Offices are situated on the outer perimeter of the large room. The files take up most of the building which appears to limit workspace. The Division of Consumer Protection and Lottery previously shared a building located on the north side of Bismarck. CJIS was in a north Bismarck standalone prior to the move.

Pharrell Grossman
Director
North Dakota Consumer Protection
1720 Burlington Ste. C
Bismarck, ND 59504
(701)328-9933

Several agency directors whose divisions would be affected were excluded from consultation on specifics of the project. Consultation is not required; however, most of their input regarding cost and occupational needs appeared to be ignored. Mr. Grossman of Consumer Protection was adamantly opposed to the move which decreased the size of their workspace.

On August 20, 2020, Engineer Joe Larrivee of Bartlett West emailed Dockter:

- *“Jason, We are closing in on a permitting set for the City. Should have verification of loads for the penthouse by Monday and will wrap up structural, civil and architectural plans next week.”*

Emails continue between Larrivee, Dockter, Schorsch, and Seibel. The emails are primarily scheduling meetings.

On August 28, 2020, Mike Neufeld of Bartlett West sent an email (memo pg. 141) to others at Bartlett West with the subject line reading:

- *“NDA Structural Drawings”. “All-Updated structural drawings. Only change to this set is the foundation design for woner preliminary use. If they use these foundation drawings, please note that additional changes to the building could cause footing sizes to change. Also, this does not include the atrium yet”*

The changes reveal costs will rise.

Mike Neufeld
Bartlett West
3456 E. Century Ave.
Bismarck, ND 58503
(785)272-2252

On September 9, 2020, emails continue, and several changes are requested by Casey Miller and Grabowska of BCI. The requests reference the new build and furniture. As emails continue it seems evident Troy Seibel at the North Dakota Attorney General’s office is aware of BCI’s requested changes and is making decisions based on requests.

On September 14, 2020, there was an email from Larrivee to “’PPM, ‘Jason Dockter””
The subject line reads:

- *“FW: NDAG-Plan Update-09/14/2020” “Latest changes picked up from Friday afternoon”*.

On the same day the plans are sent to Seibel from PPM signed by CJ

- *“Here you go Troy for your approval”*.

On September 9, 2020, an initial lay out invoice is sent to NDAG from D & S LLC DBA Parkway Property Management for \$5000. It appears this may be one of very few bills sent to the Attorney General’s office as of Sept 9, 2020.

Joe Larrivee
Bartlett West
3456 E. Century Ave.
Bismarck, ND 58503

(785)272-2252
(701)221-8369

On February 13, 2023, I spoke with Joe Larrivee at Bartlett West Engineering. Larrivee said he originally met with Dockter, Schorsch, and Seibel about the project. Larrivee said it was extremely rare for all three to be together when project discussions took place. Larrivee said CJ Schorsch was their primary contact. Larrivee said all bills and invoices Bartlett West sent were directed to PPM. The original completed and schematic plan quotes were requested by PPM, but John Boyle “did not want to pay that amount”. Bartlett West desired the project, and says a contract was signed on June 29, 2020, but they would only work with PPM and not John Boyle as he made projects difficult. Larrivee wanted contractual wording stipulating they would only deal with PPM. Larrivee said costs quoted to PPM were extremely reasonable by industry standards. Larrivee stated no other division heads would directly contact them with changes, all changes were with PPM approval. According to Larrivee, the original plan included 2,900 square feet of new space and a 20,000 square foot remodel. Larrivee confirmed if measurements included Health and Human Services, the original building would have been approximately 40,000 square feet. Initially, Grabowska said the desire was to house all divisions in a 40,000 square foot space. The Health and Human Services lease would consume half of the original space and is not a division under the Attorney Generals supervision. Larrivee claims he has been involved in several projects including state government projects, and this project was oddly much easier. Larrivee’s opinion is without being directly involved in design, leasing turnkey businesses after remodel is a mistake. As it appears, design communication was between only Bartlett West and PPM. There were small projects done related to drainage and health department needs. Larrivee said he believed these were paid separately. Larrivee was unsure of the arrangements as Bartlett West would have directly billed PPM. Larrivee agreed to provide me with a copy of the contract and final cost if available. He was later recommended not to supply the documentation. He said the architectural design was \$255K and \$15K for what is called “bidding phase”.

On October 7, 2020, it appears Joe Schell of the I.T. Division begins email discussions involving I.T. needs and issues of department space. It appears Schell periodically speaks to Steve Harstad at BCI and then relays information to CJ Schorsch.

On October 7, 2020, emails begin between PPM and Sandra Bogaczyk, Community Development, City of Bismarck. The emails are related to storm water drainage, and permit issues. In the email Bogaczyk states:

- *“Again, I am not sure why you are in the middle here. Barlett & West should be the project manager it seems. The City processes site plan review requests is pretty straight-forward given the introductory email sent to you below back on 9/17/20. It clearly states that we need 3 pdfs uploaded to the site plan request. We currently have the site plan only, per this email you just sent.”*

Ki Lee
Planning Manager
City of Bismarck
221 N. 5th St.
Bismarck, ND 58506
(701)355-1840

The emails show confusion from experienced industry professionals why PPM is acting as the project manager and not Bartlett West.

The email chain continues. Bogaczyk appears to be communicating with someone named Steve at PPM (Memo pg. 186 forward discusses plans related to storm drainage). I spoke with Ki Lee from the City of Bismarck regarding the water drainage and said there were no large expenses related to compliance. Lee said everything appeared standard and adaptations to meet regulations had not incurred any large costs.

On October 19, 2020, an email from Kenneth Burgen at Bartlett and West refers to a change in water piping and fire suppression. The email states Burgen spoke with CJ Schorsch about new piping to the health department side of the building. This may have incurred costs not related to the AG portion of build.

A November 9, 2020, email from Casey Colbern at Bartlett West to several individuals including PPM, speaks of revisions to the property per city code (memo pg. 195). It includes a six-foot sidewalk, adding sanitary cleanouts and service requiring under street boring, tree planting, and landscaping.

On November 10, 2020, emails show the city is confused as to who is the signer for “Stealth Property” as the registered Agent is Marie Brown.
CJ Schorsch responds by writing (Memo pg. 198):

- *“I am stealth properties signer/owner”.*”

November 10, 2020, CJ Schorsch emails Eric Brenden of Northwest contracting telling him to proceed with a concrete bid. Also on November 10, 2020, Bartlett West employees discuss specs related to fire protection piping and hydraulic calculations (memo pg. 206). An email on December 10, 2020, shows an updated Architectural and Structural design from John Nelson at Bartlett West to PPM (Memo pg. 216).

Email communications begin between PPM, Northwest contracting, CJ Schorsch with several individuals CC’d (Memo pg.206). I did not observe anyone from the AG’s office included in the email chain receiving this information.

On November 30, 2020, CJ Schorsch asks Jennifer Krause of Northwest Contracting for a budget proposal, she states they are waiting for the city permit process.

On Wednesday December 23, 2020, emails between Jason Dockter and Troy Seibel discuss a walkthrough of the building with AG Stenehjem. (Memo pg. 220).

Emails continue to show Troy Seibel was the project contact at the Attorney General's office. Attorney General employees stated Seibel initially was adamant that all changes go through him. Emails showed approval would go to Schorsch, then Seibel, and at other times it would not. It is not clear if all change orders were approved by Seibel, but emails suggest several were. CJ Schorsch, and Jason Dockter had several email communications with Seibel, including some approval requests for expenditures. Division heads emailed Seibel requesting approval on additions. As the project evolved CJ Schorsch and Seibel were communicating, but clear documentation of every expenditure was not discovered. Complete documentation related to original cost estimates, actual costs, all change orders, material, and labor receipts are lacking. The "memo" provided by Stealth after the requested Auditor review had receipts and documents, but invoices and receipts remained inconsistent with payments. Several meetings were held between Seibel, Schorsch and at times Dockter. The exact topics and specifics of those meetings are unknown.

Emails between Schorsch and Seibel which took place in March and April 2021, suggest Seibel is communicating with stake holders, but Schorsch may be deferring decisions to contractors. A March 8, 2021, email shows Schorsch requesting major change plans for Seibel to sign (Memo 372).

The Attorney General's accounting staff show concern as they locate costs related to CAM charges and advise Seibel. Seibel tells them it is a minimal cost.

Through May and June 2021 email communication between Seibel, Schorsch and Dockter, suggest Dockter is trying to set up a meeting with Seibel. The meeting appears to finally take place at the end of June 2021.

In June of 2021 CJ Schorsch sends an email to Troy Seibel requesting rent. The agreement states the Attorney General would occupy the Burlington Street building at this time. BCI was still leasing, and occupying the property on State Street as the Burlington building was not yet completed. The Attorney General office was still going to pay the lease rent even as the project and occupation was incomplete.

In June of 2021, Schorsch sends Seibel another email regarding project cost over runs. On June 23, 2021, Seibel appears to have met Dockter and possibly Schorsch. Two days later an email was sent from Seibel to PPM.

Email from ppm@bis.midco.net which was originally sent to tseibel@nd.gov on June 25, 2021 at 1:00 PM and subject line reads: *1720 Burlington Drive*

- *"Attached is the spreadsheet for the construction overages at the address 1720 Burlington.*

- *Let me know what we need from me on this as far as an invoice I am in all week if you want to have a quick meeting.”*

- *PARKWAY PROPERTY MANAGEMENT*
- *218 S 1st Street*
- *OFFICE-701-223-6676*
- *EMAIL-ppm@bis.midco.net*
- *WEBSITE-www.parkwaymanagement.com*
- *CJ SCHORSCH*
- *DBA Parkway Property Management*
- *PO Box 7459, Bismarck, ND 58507-7459*

An email on Monday June 28, 2021, at 0957 AM was forwarded to AG Finance Manager Becky Keller from Seibel with subject *FW:1720 Burlington Drive and attachment AG-2.xlsx from Troy Seibel*

“How much of this could we pay out of end-of-biennium funds?”

On June 29, 2021, Seibel emails PPM asking what the changes in rent would be per \$100,000. Seibel stated they were looking for the money but may not have the funds. This is the first documentation including Seibel informing others in the office of the overruns.

On June 29, 2021, as the project is in the final stages, Seibel asks PPM for a square footage breakdown per department. Schorsch supplied the following:

- BCI 22,284 (with shop space)
- IT 2100
- CGIS 1850
- Fire Marshall 1825 (with shop space)
- Consumer Protection 2100
- Lottery 2841

In June of 2021 Seibel informs the Attorney General financial staff the division is responsible for \$1,742,210 as project costs ran over. The total project was reported to be \$5, 530,810. The remaining cost for Parkway Property Management would be \$3,788,600.

In July of 2021, The Attorney General’s Office Pays \$1,342,210 out of existing funds appropriated in different areas within the Division as follows:

- Operating, \$470,187
- Law Enforcement, \$197,900
- Criminal Justice Information Systems, \$325,876

- North Dakota Lottery, \$348,247

The remaining \$400,000 of alleged costs billed to the Attorney General's office were rolled into the lease. This was apparently negotiated by Seibel. This resulted in the monthly lease cost being increased to nearly \$7,000 monthly.

If the \$400,000 debt was not rolled into the lease and the overrun was reported, the Attorney General would have been required to seek Legislative authority and approval.

According to North Dakota Auditors office, \$602,185 was paid from the General Fund and \$740,025 from Special Funds. The payments were made at the very end of the 2019-2021 fiscal biennium. The alleged unexpected \$1,342,210 payment for cost overruns, if not used would have been required to be returned to the state general fund. The Payments in the final days of the 19-21 biennium depleted all AG funds.

I could locate just one email in July of 2021 that was in the memo provided by Stealth Properties. This would indicate there was a month-long lapse in email communication. This was irregular as prior email contact appeared frequent. The next email was written on August 10, 2021, when Seibel sends an email to Steve Harstad at BCI and PPM (CJ Schorsch) (Memo pg. 432).

- *"For auditing purposes, our finance division needs documentation regarding the cost overruns on the new building. Specifically, we need documentation about why costs increased (i.e., change orders, increased material/labor costs because of COVID, etc.). It does not have to be very formal. It could be emails, or a short memo/note about why the costs were incurred so we have documentation in our files. Let me know if you have any questions. Thanks.*
- *Troy T. Seibel"*

PPM responds:

- *Received, all the contractors know this needed to be broken out, the final bills have not all been received since there is a few items due to arrive in Bismarck later this week. (Doors in Breeze way, and lottery generator switch, controls for boiler system). Will the end of September be okay to get this documentation or do we need to do this in August?*
- *CJ*

It appears Seibel was aware of the overruns as early as January 2021 but requests the documentation in August which is a month after payment was made. Construction on the Burlington building continues even as overruns are known. It also appears Schorsch informed Seibel on or before January 2021, that project costs were approaching five million. January 27, 2021, emails from Joe Schell at AG IT to PPM shows confusion related to IT's accessibility on Burlington drive for Consumer Protection and Lottery (Memo 259, 263, 319(331)816).

At the end of August 2021, Attorney General's finance managers Tasha Gerding, and Becky Keller email Schorsch. Keller asks for specifics and documentation relating to costs, invoices, and if an amendment to the lease has been drafted. No documentation was located suggesting the amendment was drafted and signed at this point.

A vague invoice from Frontier dated August 19, 2021, simply lists labor and supplies. The vague invoice lists service and monthly bill dates for "dump trailer, skid steer, and labor". Specifics on labor are not described. The invoice lists every month between June 2020 and January 2021 in the same manner and exact same price which accrued costs of \$26,500. The invoices give the appearance they were copied verbatim for each month.

On August 31, 2021, Becky Keller emailed PPM asking "CJ" if he had determined a new lease rate, if there was a new drafted amendment, and to specify costs covered under CAM. Keller asked for documentation, invoices, emails, etc. to justify cost overruns the Attorney General's office had already paid (Memo pg. 435, 436).

PPM responded on September 1, 2021, with the following:

- *"We will be addeing \$2.44 a sqft to the 33,000 sqft lease for a 5 year ternm to cover the \$400,000 overage. The lease rate of \$11.94 per sqft (\$9.50 +\$2.44) for the first 5 years of the lease, at the end of the 5 year term rent will be \$10.00 sqft starting July 2026. We have not drafted the amendment for this portion of the lease agreement how should we do this? The BCI/fire marshal area of about 20,300 sqft occupied the soace o the 9th o fJuly, the lottery and consumer protection occupied their space the 23rd of August.*
- *The CAM charges are the following, parking lot repair/maintenance, landscaping, lawn care, exterior/common light poles/fixtures, snow removal, common bathrooms and break room equipment/maintenance.*
- *Yes we have all the invoices/emails Troy wants us to get them to him the end of this month once all the subcontractors have finished and are paid in full CJ,"*

In this type of lease, it is not customary for the lessee to be charged these CAM costs.

On September 23, 2021, Tasha Gerding asks Schorsch to clarify square footage space (Memo pg. 437). Schorsch responds with calculations which do not match the calculations he emailed Seibel in June. Gerding had previously and specifically asked Seibel in a June email to explain Lottery's 2481 square ft, and CPAT's 2100 square feet charges. The costs were being billed for 8300 square feet. Schorsch explains he measured using the following Bartlett and West print:

- *"Existing building 20,128*

- *Breezeway and Addition 12,960*
- *Total usable space 33,088 sq ft (Not including the common bathrooms and break room areas on the west side of the building)*

- *The breakouts are as follows:*

- *BCI 19,315 (with shop space) I don't know exactly what the break out of employees is in the cubicle here is my best guess. The storage rooms are shared I believe.*
- *CGIS 2100*
- *IT 1850*
- *Fire Marshal 1825 (with shop space)*
- *Lottery/CPAT 7998 (With common bathrooms and breeze way) They pretty much ½ of that space so 3999 sq ft a per division””*

Emails provided once again appear to contain gaps. On October 4, 2021, Gershing sends an email to Schorsch explaining she was continuing to pay invoices. Schorsch requests the October rent. She replies by telling Schorsch the payment for invoices was to get July through September's rent paid.

On October 11, 2021, Seibel sends an email to PPM and Steve Harstad of BCI requesting documentation of cost overruns. This is over three months after requesting explanation on invoices from financial staff, and over three months after payment. Emails regarding the cost of snow removal between Randall Miller, the State, and PPM continue. A future contract amendment addresses the CAM costs.

An early January of 2022 email from Lonnie Grabowska to Troy Seibel states “Wayne” regarding the purchase of an ice machine. Wayne asked Grabowska to search for a cheaper unit. Grabowski relayed to Seibel the cheapest commercial model was \$4500. In a follow up email on February 17, 2022, Lonnie Grabowska tells Seibel he and Wayne had discussed purchasing an ice machine with Wayne saying they would roll it in to the lease cost. This suggests Attorney General Stenejhem may have been aware of the plan for purchases rolling in to lease costs (Memo pg. 476). Seibel responds to Grabowska on February 17, 2022, by recommending that he move forward on the ice machine if it was in the budget.

January 28, 2022, Attorney General Wayne Stenejhem passes away.

On January 30, 2022, Attorney General Stenejhem's email account is deleted by IT at the request of Executive Assistant Elizabeth “Liz” Brocker.

On March 16, 2022, PPM (Schorsch) emails Tasha Gershing asking for a rent payment. On March 17, 2022, Gershing responds to Schorsch saying Seibel had informed her to hold off on paying rent (memo pg. 452). Later in the afternoon of March 17, 2022, Schorsch once again emails Gershing stating he could not get a hold of Seibel. Schorsch

asks if Gershing would have Seibel call him. Gershing informs Schorsch that Seibel was no longer employed at the Attorney General's office.

Finance Manager Becky Keller supplied the Attorney General's office a timeline of events immediately after Seibel's resignation. Keller's timeline reports she spoke with CJ Schorsch on April 6, 2022. The timeline states Schorsch informed Keller there were conversations regarding cost overruns where both Seibel and Stenejem were present. Keller's timeline says Schorsch told her that in January of 2021, both Attorney General Stenejem and Deputy Attorney General Seibel were advised the Burlington Street project was close to \$1.5 million dollars over budget, but the project continued.

On May 23, 2022, Liz Brocker directed IT to delete Seibel's state email account.

Becky Keller
Accounting Manager
Attorney General office
600 East Boulevard Ave.
Bismarck, ND 58505
(701)328-2210

On December 6, 2022, I spoke with Attorney General Chief Financial Officer Becky Keller at the North Dakota Capital. Keller stated in June of 2021 she received a forwarded email from Deputy Attorney General Troy Seibel. The email originated from CJ Schorsch stating the AG was responsible for cost overages on Burlington Street project. Keller said she "almost choked" when the amount was reported as being \$1,742,209. Keller immediately went to Seibel's office and questioned him to obtain an explanation. Seibel provided Keller with assurances that everything was handled. Seibel informed Keller that paying the overages was their contractual and legal obligation. Keller's concern remained, but said Seibel was her supervisor, and she was intimidated by him and the position he held. Seibel emailed Keller remaining departmental biennium funds and inquired about paying the overages with these funds. The Attorney General's office is referred to as a "decentralized" department with compound funds allowing more flexibility and fewer spending restrictions than other government funds. Keller stated during the build, Seibel had once directed her to pay \$150,000 for "bump outs". Keller said this was basically the only involvement she had during the actual project. Keller felt the rest of the office was "left in the dark" as the project progressed. At the project's onset, Seibel did not allow staff attorneys to assist. Seibel was adamant everything went through him. Keller informed Seibel invoices were immediately required to verify costs. Keller said she "hounded Troy" for invoices and was continually told they were with Schorsch. Keller said at this point she was not provided with any invoices from Schorsch or Seibel. Seibel conveyed to Keller covid issues and change orders were responsible for the overages. In the final weeks of the biennium, Seibel directed Keller to utilize the \$1.342 million in remaining biennium funds to pay for the overages accrued by the Burlington Street project. Keller informed Seibel she would reject paying the overages without invoices. Keller soon received what she described as a "generic" invoice from

PPM. Invoice number 252, dated July 22, 2021, is very basic with minimal detail. The invoice reads:

- *“Bill to
NDAG 1720 Burlington Drive
Bismarck, ND 58504
D & S LLC
DBA Parkway Property Management
PO Box 7459
Bismarck, ND 58507
701-223-6676
Service Date 7/22/2021
Description
Overages per leases at build out and addition at 1720 Burlington Drive
Rate
1,342,209.70
Amount
1,342,209.70
Total 1,342,209,70”*

Keller said the invoice was paid with the remaining 19-21 biennium funds, but the invoice from D & S is dated after the fact on July 22, 2021, even as this was the beginning of the 21-23 biennium. Funds used for payment came from the following account line items:

- Operating, \$470,187
- Law Enforcement, \$197,900
- Criminal Justice Information Systems, \$325,876
- North Dakota Lottery, \$348,247

Seibel informed Keller \$400,000 of the remaining debt was negotiated into the monthly lease payments. Keller said she was never given any change orders to justify costs.

John Boyle
North Dakota Director of Facilities Management
600 E Boulevard Ave Dept 130
Bismarck, ND 58505
(701)328-2471

On December 4, 2022, I spoke with Director of Facilities Management John Boyle. Boyle stated he was approached by the Attorney General’s office years prior to the Burlington Street project. Boyle said the former BCI Director and Attorney General were interested in consolidating locations. BCI’s lease was to expire and there were other issues with their current location. Boyle described an attempt to purchase the 35,000 square foot

Salix school. Preliminary plans were to purchase the school for \$400,000 and acquire \$1,000,000 for remodeling. The project did not materialize.

Boyle said half of the 40,000 square foot Burlington Street building was already occupied and leased by the State Health Department. The owner at this point was “Bismarck Industries.” ITD occupied the other half of the building but were planning to relocate. The BCI’s current lease was to expire in June of 2021. Boyle said rent for half of the Burlington building was originally quoted at \$950 a month. This would include \$5 for pass-throughs resulting in about \$1450 a month, substantially cheaper than the north side of Bismarck. Boyle stated:

- *“So once the lease was negotiated um there was an email that I sent from myself to representative Dockter that said a you know the lease is too much you’re asking too much ‘cause I know what you’re buying the building for.*
- *I kind of have a rule of thumb that you know really no landlord should make more than like 400 (unintelligible) points above a treasury bond.”*

Boyle explained Jason Dockter representing his partnership had collaborated with them during the attempt to buy the Salix school. Boyle said there were discussions examining a private public partnership with Dockter’s LLC. They discussed Dockter’s partnership buying the school, then later selling it to the State of North Dakota with legislative approval. In theory, this would allow time for the legislative process to move forward to appropriate funds, but the transaction did not progress. Boyle explained when the Burlington building project developed, he was once again working with Dockter. Boyle was unaware of how Dockter and the business relationship between the Attorney General’s office developed. This suggests Dockter had previous direct knowledge that the Attorney General’s office was to relocate. The direct knowledge was before a contemplated purchase of the Burlington Street building occurred.

Boyle was familiar with the property at Burlington as ITD had been renting partial space. Based on the real estate market in Bismarck, Boyle proposed capping the state’s new construction investment at \$200 a square foot, and \$50 a square foot for remodel. Boyle said ITD leased the space at the time, so he did not think there would be a substantial amount of remodeling. Boyle went on to say:

- *“So, so I felt very comfortable the rent that they were paying was based on that investment so you know we could have gone back to them and thought no that’s not gonna be enough it’s gotta be \$300.00 for new and a \$100.00 for remodel but then in that \$950.00 would have just gone up.*
- *So before or after you know it was gonna cost the same...*
- *...so, so what went so of course what happened was COVID came...*
- *the cost of everything went up dramatically so I think if you know if, if there weren’t COVID um I think it could have been done for, for what was in the lease but, but the,*

- *the so I just remember I was in my office at that table that upstairs...*
- *...and I was having a meeting and Troy Seibel came in with representative Dockter and said hey we got the lease the final lease...we need you to sign it and I said well let me look at it real quick so I just looked at the first page it showed the rent... base rent came in and then I flipped to the back to see that it was still \$250.00...dollars for remodeling and then I signed it and then, then I was done.*
- *Nobody, nobody ever came back to me a CJ called me and said hey do you want to go down and see the space it's all built out they actually BCI's moved in and some of the other divisions are getting ready to move in so I said sure I'll go take a look at it so I meet CJ down there and we go in and we walk in and I mean it had changed dramatically...*
- *...from when IT had it and I said there's no way that you remodeled all this for \$50.00 a square foot he said oh no we went over by like over a million dollars a million some dollars I'm like what I said so are we gonna adjust the rent and he said no they're gonna they paid some this was already after the payment or they agreed to this was in July of 21 before the end of the biennium or the end of biennium occurred...*
- *they already made the big payment they never came to me and asked hey what should we do or anything the attorney general's office so I'm like they paid, and they said yeah, they cut us a check and the remainder we're gonna spread out over four years and we're gonna just increase that base rent their gonna kind of a loan at zero percent interest.*

In the past Boyle said departments had asked the Emergency Commission for spending authority, if accepted the legislative budget section would be required for approval. Boyle continued:

- *"if the Attorney General office would have just done the same thing" He then stated by "Attorney General" he meant "Troy".*

Boyle said Dockter and Seibel "basically interrupted" a meeting he was attending asking for a letter of intent to assist them in obtaining financing for the Burlington project. Boyle said he understood what they were trying to accomplish. Boyle said letters of intent usually are titled in big bold letters "non-binding." He does not recall if the non-binding statement was in the letter. Boyle said:

- *"And I took a minute to look at it but in hindsight I should have said well do you already own the building".*

- ...'cause how are we signing a lease with an entity that doesn't even own the building so I that's where I kind of kick myself is why, why we should have made sure they owned the building before we signed the lease."

Boyle described at purchase the building was approximately 40,000 square feet, with approximately 20,000 square feet in use. The building sat on 4 acres and plans were to add approximately 15,000 square feet of new space.

The following is an excerpt from Boyles interview describing how money is obtained if the State itself buys a property:

- *JB: ...you know and I know those guys some of them and maybe they would have said well we'll hang on and see what happens in the legislative session to see if you get it um but they probably would have wanted some earnest money or something like that but when they when they had a buyer because again it's, it's not in the best location of town.*

DG: Mm-hmm (affirmative).

JB: Not a lot of state employees live down there um that's why it went for so little and um, but I knew it was a great deal and I knew those guys were gonna get a really good deal and that's why they gave us a lower rent too...

DG: Mm-hmm (affirmative).

JB: ...um but yeah it was there's, there's been four times in my twenty years where we should buy a building instead, but a landlord bought it then we ended up leasing it from a private landlord.

- *DG: So, do you I think it's fair to say they probably have an inside they knew you guys were gonna do this I mean they know that not you guys sorry, but the state was gonna be the renter there when they bought this property.*

JB: Oh Jason Dockter?

DG: Yeah.

JB: Oh yeah definitely.

DG: Yeah.

JB: They would have never bought it if they weren't.

DG: They wouldn't have bought it.

JB: Absolutely not.

DG: Okay.

JB: They wouldn't like they wouldn't have bought it just on spec.

DG: Okay.

JB: In hopes of getting an agency (unintelligible).

DG: Is, is that normal?

JB: No like I say there's only been twice where somebody's said they would build a building for us without us signing a lease first. This

one and this IT building. But usually there most, most of the space we lease are not you know they're not in desirable Class A office buildings.

Boyle said he was not privy to the specifics of the build and was unaware of the landlord's financial contribution agreement.

Boyle said:

- *"I think I think if Troy would have just come to me and said John you know I'm in way over my head we need some help with this build out and everything if I could work with his divisions directors and then I think that we could have mitigated a lot of this.*

But, but then like I, I also said that you know when these change orders came in well, we would have done it the appropriate way it would have been in writing you know it would have been you know 'cause that's how we do them here.

We would have but even if Troy said no, we're gonna go ahead and do it I can't say no you can't spend your money that way.

You're not gonna get that and who am I to say that to the deputy attorney general of the state you know".

Boyle said he only spoke to Schorsch on one occasion, this was after the relocation to the Burlington building.

Boyle said the square footage price seemed fair after the original negotiation. He was adamant he would never expect costs to exceed the negotiated square footage price. Boyle was certain costs would not reach the amount of the cap space for changes; he explained this is why he signed off on the project. Boyle was not comfortable with the high rate. Boyle emailed Dockter explaining the lease was too expensive and CAM (common area maintenance) charges were suspect. Boyle agreed COVID would have caused overages but was incredibly surprised the overages were almost 1.8 million dollars. Boyle said he was confused as the project appeared to be "pay first" which was far from customary.

An email showed Boyle's disbelief that a project of this magnitude did not utilize a governmental lead. Boyle said he was alarmed that a "spec book" was not used by the contractor. A spec book is used by a project foreman and contains running cost totals and project changes. Boyle added the Attorney General's office should not have paid for any architect fees. An email from an industry professional shares Boyle's concern regarding the absence of a spec book.

On February 12, 2021, Jennifer Krause from Northwest Contracting sent the following email to John Nelson of Bartlett and West, PPM was cc'd (pg. 324 in memo):

- *“Thanks John,*

I was going to use a Tyvek wrap for the exterior weather barrier. Is there a spec for what B & W had called out? I don't have a spec book for this project, if there is one.

Jennifer Krause”

Lloyd Suhr esq.
Criminal Defense Attorney
Suhr & Lofgren
120 N. 3rd St. Suite 225
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(701)223-3874

On February 7, 2023, Attorney Lloyd Suhr called advising me he was now personally representing Jason Dockter, this is beyond the representation of Stealth LLC. Suhr inquired if a criminal investigation was being conducted. I informed Suhr I was fact-finding, and any investigation may turn into a criminal matter. I informed Suhr I had questions for Mr. Dockter and offered him a chance to explain the specifics of his involvement. In an open-source media interview Dockter stated he was not given an opportunity to clarify issues relating to the Auditors final report. I wanted to provide Dockter with that opportunity. Mr. Suhr advised his client, Mr. Dockter, would not be providing an interview.

Laura Balliett esq.
Attorney
ND Attorney General's office
600 East Boulevard Ave. Dept 125
Bismarck, ND 58505
(701)328-2210

On February 16, 2023, I spoke with Attorney General Staff Attorney Laura Balliett. Balliett recalled Seibel presenting her a “letter of intent.”

- The letter requested the AG's signature and was penned by a private company named “Stealth.” The signature was required to confirm the Attorneys Generals intention of leasing the Burlington building. Balliett reviewed the agreement to verify it complied with legal requirements and policy. Balliett “redlined” the letter and returned it to Seibel. “Redlining” describes the process of correcting issues in a document. Balliett attempted to locate the email exchange between she and Seibel but was unsuccessful.
- Balliett recalled a conversation with Seibel informing him she was uncomfortable with the contract. Balliett's concern stemmed from the Attorney General's

office's previous recommendation to ITD that best practice in lease agreements was to partake in competitive bidding. The recommendation referenced an earlier "build to suit" property by a private builder. Balliett explained to Seibel if they are recommending divisions engage in open bidding, they should follow their own recommendation.

- Balliett reviewed the lease which appeared to be a template used for an older Health and Human Services lease. Balliett observed changes in tenant the lease contained the same typographical errors as the old Health and Human Services lease. She believed this confirmed an old, outdated template was used by the property owner. Balliett explained the Attorney General's office historically uses their own specific template for leases and does not know why it wasn't used in this lease. Balliett clarified there is no requirement, but the AG template had always been a standard starting point.
- Balliett has no knowledge of any attempt at competitive bidding for the Burlington project. Balliett felt she intentionally was left "out of the loop" after vocalizing her concerns and opinions. Balliett is unaware of any other division attorney aiding in establishing the lease, albeit qualified attorneys were available.
- Balliett does not recall any discussions regarding cost overruns prior to Seibel's departure. I asked if the remaining biennium funds were strictly intended for the Burlington project, and if not, how were the divisions functioning without utilizing these funds? Balliett answered, "good question." An email shows Balliett voiced concerns about the projects costs and suggested approaching the legislature with overruns. After Seibel resigned, newly appointed Deputy AG, Claire Ness asked Balliett to review the lease and aid in a revision.

On February 16, 2023, I once again spoke with Attorney General financial officer Becky Keller. The content remained consistent with her prior interview.

- Keller recalled Seibel informing her there were not enough funds to cover a substantial portion of the overrun. Seibel told Keller \$400,000 was going to be absorbed into the monthly lease payments. She had no knowledge of the financial overruns until Seibel informed her.
- Keller recalled Seibel directing her to make payments at the time of service for bumps outs which cost \$150,000, as well as the original \$5000 for the architect. These payments were only instances she recalls paying for at the time the service was rendered.
- Keller was not receiving receipts, invoices, or information on the project and assumed Seibel was dealing with those issues.

- Keller again stated Seibel advised her of the cost overruns of \$1.7 million dollars. Keller repeatedly asked, and even demanded invoices from Seibel as the overruns appeared. She did not receive any for months. According to Keller Seibel said, “they will have everything” referring to the contractors.
- Keller said unutilized biennium funds may be put into special funds, but most require return to the general fund. There are separate requirements for lottery and CPAT. These divisions have restrictions, but expenditures were justified as both divisions were included in the relocation. According to Keller, monies remaining at biennium’s end are commonly used for office needs, overrun payments eliminated this funding source.
- Keller said she cannot understand Stealth’s “bill”, or the explanation provided by Stealth LLC (pg. 272 in “memo”). Keller stated Stealth’s calculated final cost appears skewed. She said the calculations in the Stealth memo itself are contradictory.
- In an email during the Auditors review, Keller stated Schorsch explained his interpretation of the overruns were caused by the following factors:
 - Increased materials costs due to supply chain issues
 - Increased labor costs due to COVID
 - Increasing the garage size to two bays
 - Adding security features including bullet proof glass
 - Additional wiring and configuration for IT

On December 29, 2022, over a year and a half after the 1.3-million-dollar payment, Keller attended a meeting described to her as a reconciliation of CAM fees. The meeting occurred months after the Auditor’s review findings were released and the LFARC investigation request. This information was not provided, or available to the Auditors’ office during their review. Keller explained that CJ Schorsch approached her after the meeting. Schorsch told Keller Stealth LLC was no longer requiring the state to pay the \$400,000 which was absorbed into the lease payments. Keller was told not to worry about it. Schorsch gave Keller a binder holding the Vogel Law Firm memo and an attached check for \$224,854.93. Schorsch described the check as monies owed to the Attorney General’s office after reconciliation. The Attorney General’s office has not cashed the check to avoid the perception an agreement was reached on the final repayment amount. I asked Keller to provide me with further details of her interaction with Schorsch. On February 7, 2023, Keller sent me the following email:

- *“The check, in the amount of \$224,854.93, is a cashier’s check drawn on First International Bank and Trust. The remitter is Stealth Properties LLC. The date on the check is December 15, 2022. The check was handed to me by CJ Schorsch on December 29, 2022, at a meeting in the 17th floor conference room at the Capitol. He stated*

they had been holding the check waiting for us to come to his office to pick it up and that it was for the overpayment we made on the building. I told CJ we would not cash the check because we did not want that to be construed as agreement on our part of the amount owed. We have not deposited the check.

The meeting was regarding a reconciliation of CAM fees paid to actual expenses. Also present at the meeting were Tasha Gerding and Laura Balliet.

*Let me know if you have additional questions,
Becky”*

Keller explains as of February 16, 2023, Stealth has changed their total project costs several times. According to Keller, conflicting cost reports by Stealth were 4.91 million, then 4.49 million, and then 4.837 million.

Keller stated other lease concerns remain, including CAM costs which they believe are too high. Keller said she thought it was “odd” when Stealth suddenly wanted to return money which to her knowledge had never been previously discussed. Keller said she was never informed of any cost reconciliation plans, or the possibility of financial returns. Keller was unaware of any plans or mention of financial returns until she was advised through the media after investigations into the project were requested.

Keller said she was never made aware of or provided with any itemized labor costs from Frontier. Keller was presented with the generic bill for the 1.7 million prior to Biennium’s end.

On March 13, 2023, I received an email response from Becky Keller after a request to provide a current Attorney General ledger. I requested clarity on the return of funds from Stealth. The “return” of funds occurred months after the request for investigation:

- *“Don*
- *“Attached is the updated ledger of AG payments and any related invoices. This includes payments made for the remodel prior to move-in, rent and utilities.*
- *On December 29, 2022, a meeting was held at 1:30 pm in the OAG’s conference room on the 17th floor of the Capitol. In attendance were myself; Tasha Gerding, Accounting Manager for OAG; Laura Balliet, Assistant Attorney General; and CJ Schorsch, Parkway Property Management. The purpose of the meeting was to review CAM costs and related invoices for the period of October 2022 through December 2022.*

- *After the CAM cost discussion, CJ handed me a cashier's check in the amount of \$224,854.93, drawn on First International Bank and Trust, remitted by Stealth Properties LLC, and made out to the ND Office of Attorney General. The check was dated December 15, 2022. He stated the check was for the amount we overpaid Stealth Properties on cost overruns for the Burlington Drive building. This amount was identified on page 573 of a Vogel Law Firm response to Senator Jerry Klein, Chairman of the Legislative Audit and Fiscal Review Committee, and ND Attorney General Drew Wrigley.*
- *I told CJ we would not cash the check as we were still reconciling Stealth Property invoices to determine if the calculation for the amount on the check included the \$400,000 overpayment rolled into the lease rate. He responded the \$400,000 was no longer owed and could be removed from the lease rate. We began submitting rent based on the original lease rate beginning with the November 2022 lease payment paid on October 28, 2022.*
- *At the present time, our plan is to hold the check until the investigation is complete””.*

Keller compiled and provided a total cost review spreadsheet. Keller utilized Attorney General invoices, bills, and payments comparing information in the Vogel Law firm memo compiled for Stealth LLC after investigations were initiated. The following calculations were provided by Keller:

- The costs reported by Vogel, Stealth's law firm show their own discrepancy at \$112,103.22. (Memo Pg 572-573)
- Keller's findings use the Vogel memo which contradicts itself regarding totals reported to the Attorney General. The Vogel memo reported a total of \$4,911,062.32. Keller calculates \$4,837,457.03. The difference between Stealth and Keller's calculations is \$73,605.29. The invoices in the Vogel report added up to \$4,949,560.25 showing a difference of \$112,103.22 from Keller's calculation of \$4,837,457.03.
- The calculation difference of \$73,605.29 in the Vogel memo contradicts its own invoices calculated to \$4,949,560.25. This shows the billing of \$112,103.22 provided to the Attorney General's Office is not supported by their own memo.
- Keller's review as of March 13, 2023, calculates the current total project cost as \$5,538,209.70. As of March 13, 2023, Vogel reports \$4,993,184.77.
- Keller's review reports Stealth's project cost at \$3,788,600.00 mirroring the Vogel report.

- As of July 1, 2021, AG had paid \$101,828.71 in overages for rent and CAM charges alone. Per the Vogel report, the number calculates to only \$87,230.00 for a difference of \$14,598.71.
- Based on Keller's calculations, and considering \$400,000 in addition to lease payments, the total overpayment based on invoices is \$239,453. Keller's calculations state if the December 29, 2022, check for \$224,854.93 provided by Schorsch were cashed, Stealth would still owe the Attorney General's office \$14,598.71.

Keller has never been provided with an original cost estimate or lease agreement from any entity prior to the project. The only information Keller observed was the original floor plan before any project changes. Keller was not privy to any project changes or financials until the cost overruns were brought to her attention. Keller questioned, if money was to be returned, why wasn't it simply deducted from the original payment or the monthly lease amount.

I was unable to locate any indication Stealth intended repayment prior to the investigation request. To my knowledge, there was no mention of repayment to the Auditors office during their review. The Auditor's office was first made aware of the repayment plan through a memo provided by Stealth during a talk show interview with Jason Dockter. Interviewers with Auditor's staff state the repayment was not mentioned during their review and meetings with Stealth owners.

Tasha Gerding
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On May 10, 2023, I spoke with Attorney General Accounting Manager and CPA Tasha Gerding. Gerding has been employed with the state of North Dakota for 24 years. Gerding began working in the Attorney General's office in December of 2020. Gerding stated she and Becky Keller began approving invoices in July of 2021. Prior to July 2021, the responsibility belonged to Shannon Vandevender. Division Directors were responsible for approving bills, but simple reoccurring bills such as electricity were handled without direct approval. Gerding stated Keller is her direct supervisor and she rarely had direct contact with Seibel. She had no contact with Stenejhem related to this project. In March or April of 2021, Gerding became aware of financial issues related to the Burlington Street project. Gerding stated OMD (Operations and Management) asked for information relating to state lease standards. Gerding said she and Keller attempted to get lease information on the Burlington Street address, but Seibel would blow them off. Gerding said she and Keller continually, and unsuccessfully asked Seibel for the lease.

Seibel eventually provided the lease and she and Keller were concerned with its content. The lease said the State of North Dakota would pay the lease, utilities, and CAM costs which exceeded what they were previously paying. The payments along with cost overages were a concern to Gerding as the project was labelled cost saving. Gerding and Keller informed Seibel of their unease related to the lease and were told the problems would be settled in the final lease.

Gerding was never instructed to pay a Burlington Street project invoice prior to Seibel's resignation. The only invoice she recalls being paid was when Seibel instructed Keller to pay a \$150,000 invoice for an HVAC system. Gerding said this was not the usual method of paying for a project. She stated the bills were technically the responsibility of Parkview Property Management. Clauses stating overages in construction found in the lease with PPM are not customary in her experience. Gerding asked John Boyle at Facilities Management about the cost overage clause. She said Boyle was not aware of the overrun clause. Gerding was employed at Facilities Management just prior to her employment at the Attorney General's office. Gerding said she was aware Jason Dockter was involved in state projects as he was in meetings with John Boyle and Seibel in 2020.

I asked Gerding if Stenejhem was aware of the cost of over runs. Gerding said she would not be surprised if Stenejhem was unaware of the over runs. Gerding commented that Stenejhem wanted positive information relayed to him, not negative information. This was a common statement by several individuals. In Gerding's opinion Stenejhem trusted his employees to handle the "bad" situations. To Gerding's knowledge, Stenejhem did not receive financial reports and was not commonly involved with the division's finances.

Gerding assumed after Seibel brushed off their lease concerns the project was handled. On June 28, 2021, a concerned Keller advised Gerding of the 1.7-million-dollar overrun. Seibel instructed them to locate funding for the overrun. Gerding was shocked at the unexpected amount, especially after they informed their concerns with Seibel. Seibel was continually asked for documentation to justify expenditures but was unresponsive. The funds located in the Attorney Generals accounts were unusually high due to retained travel expenses related to COVID. Approximately 1.3 million dollars were in four separate division funds. Gerding was informed the remaining \$400,000 debt would be rolled in to lease payments. According to Gerding, Seibel was told by Keller they needed invoices to justify the costs. Eventually, Keller was given a simple invoice for 1.7 million dollars. The Finance Department questioned whether the invoice could even be paid as it was so late in the biennium. Common practice had been that orders needed to be in their possession prior to July 1 or they would be charged in the next biennium's budget. They still hadn't been provided with invoices as Seibel blamed Schorsch for not getting them to him. The Finance Department did not receive invoices until after Seibel's resignation. After Seibel's resignation Keller and Gerding informed Attorney General Wrigley of their concerns. Gerding said right after Seibel resigned in March or April of 2022 they reached out to CJ Schorsch. Schorsch said he had informed Seibel he wasn't going to provide invoices until the project was finished, but this was after they requested payment. These statements simply suggest PPM asked for payment but did not provide invoices for

the payment. Keller and Gerding were later told the bills were “estimates”, once again after payment was made. Gerding said they were never advised these were estimates, nor were they ever informed of any refunds or repayments. Gerding never saw any invoices until Seibel was gone. Gerding was unaware of any return of funds or “paybacks” until Jason Dockter publicly presented his personal audit report on the radio. This occurred after the Auditors report to the Legislative Audit and Fiscal Review Committee. No employee of the Auditors office I spoke with was told of a possible return of funds during their investigation or meetings with Dockter or Schorsch. Gerding believed PPM had final invoice numbers and the 1.7 million dollars was to cover these expenditures. The finance department had no invoices so they could not precisely compare the expenditure and payments. Gerding, a CPA simply did not know how PPM arrived at the final cost. It was not until sometime later she was informed PPM was now claiming the costs were estimates. Gerding stated they would have never paid any invoice if they had been advised these were only estimates.

Gerding said the first invoice received from PPM after being advised of the 1.7-million-dollar overage was a simple email from Siebel with no explanation or itemization. Finance then requested formal documentation and received a simple invoice of \$1.7 million from PPM, once again with no itemization. Gerding said Schorsch later provided them with a spreadsheet showing square footage costs, but it was never communicated as an estimate. Gerding said finance was not informed this was an estimated cost until March of 2022. The first Gerding heard these were estimated costs was a year after the Attorney General’s office had made payment, and financial questions began to surface. Gerding said they never could match their dollar amounts to those of invoices and payments. In Dockter’s public report, costs were lower than what they paid. The finance department’s totals were different, and some invoices were clearly marked as the Health Departments. Gerding described the whole situation as a “big mess”, and their accounting never resulted in matching amounts with PPM.

Gerding was only made aware of repayment when she and Keller met with Schorsch regarding CAM costs in December of 2022. Schorsch told them the check had been “sitting there” for a month and a half and no one came to get it. Claire Ness had stated they were told on Oct. 28, 2022, PPM had overpaid. This occurred after the Auditors report to the Legislative Audit and Review Committee. Keller stated the check was given to her on December 29, 2022, and dated just two weeks prior on Dec 15, 2022. Schorsch informed them the alleged \$400,000 shortfall was moved into the lease and was no longer required, so the previous addendum was not necessary. This was also reported in Dockter’s publicly released report. Schorsch gave the check to Keller advising them they overpaid. Gerding said the Attorney General’s office stopped paying the higher lease price right when overages were questioned. She continued by saying if the new calculations by PPM were estimates, they would have been closer to \$600,000 in overruns, so PPM “obviously” removed some of the invoices they had originally billed to the AG. Gerding said if they were truly original estimates, they “Really over estimated” in an exaggerated tone. Gerding advised she believed they had to have “kicked out” (removed) invoices. The original AG invoice audit calculated a \$1.5 million cost. PPM later said it was \$1.1 million. This corroborates Gerding’s statement that some of the

original invoices sent to the AG must have been removed from PPM calculation after the fact.

To simplify, I asked Gerding if she believed PPM billed the AG, then finance eventually received the invoices and came up with an amount less than PPM's bill. PPM then returned the difference between 1.1 and 1.5 million. This all occurred quite some time after questions related to the project cost evolved. Gerding agreed with the simplification.

Gerding went on to say that in her opinion Schorsch has very bad bookkeeping skills. Even as of May 2023 their business owes \$130,000 for their portion of CAM costs, and \$170,000 for the year ending June 30, 2023. These costs are in addition to what is being investigated in this report.

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On June 1, 2023, I spoke with Attorney General Budget Specialist Shannon Vandevender. According to Vandevender she was not involved in detailed aspects of the Burlington Project. She recalled paying two invoices at the very beginning of the project. The payments were \$5000 for the original plans, and \$150,000 for an HVAC related invoice. The HVAC invoice was paid at the time Keller and Vandevender were both dealing with invoices. Keller stated in her interview Seibel had instructed her to pay the invoices. Vandevender said the invoices would have had the approval of Seibel as he was "at the helm" of the project (approval emails in file). Vandevender became involved in other financial aspects of the Attorney General's office as Keller and Gerding began dealing with payments. Vandevender said she recalls only one other conversation regarding the project. She spoke with a frantic Becky Keller at the end of the Biennium, possibly on June 29, 2021. Vandevender said Keller told her Seibel advised her they needed to locate over one million dollars in the current biennium's budget. The biennium would close June 30, 2021. Vandevender said she does not recall any conversation with Seibel or Stenejhem related to the Burlington project.

Considering the \$224,854.71 check were cashed, and based on cost reconciliation, invoices, and payments, the most reliable documented estimate is Stealth Property would still hold \$14,589.71 of Attorney General funds.

A simplified, and condensed timeline is included in this report. The timeline was compiled utilizing information I could obtain from dated emails, billing statements, and interviews. No warrants or investigative subpoenas were provided.

CONCLUSION

Attempts to relocate the Attorney General's office were unsuccessful in previous years. Two separate buildings were considered, but neither became a reality. Interviews suggest Jason Dockter, as an LLC representative, was at least partially involved from the onset of the Attorney General Office's attempts at relocation. In mid-2019, emails suggest Dockter contacted Director of Facilities John Boyle looking for information regarding a state lease. In 2019, as a partial owner of Parkway Property Management LLC, Legislator Jason Dockter offered his assistance to BCI Director Lonnie Grabowska with the procurement of office space for divisions under the Attorney General's office. This shows Dockter had prior knowledge of the Attorney General's desire to relocate. The meeting seemed happenstance and informal. The meeting occurred on Capitol grounds during a legislative session. Grabowska does not have authority to make these types of decisions, so he relayed the information to Deputy Attorney General Troy Seibel. An initial meeting with Dockter, his business partner CJ Schorsch, and members of the Attorney General's office were scheduled. The initial meetings and correspondence included Attorney General Wayne Stenejhem. It should be known Dockter was the treasurer for Stenejhem's 2016 campaign for Governor.

Emails suggest project management was handled by Seibel. I spoke with several staff members at the Attorney General's office and all stated Seibel was the person charged with handling the Burlington Street project Attorney General Stenejhem wanted the project done by June of 2021. Stenejhem was aware the project was moving forward and knew the Office of the Attorney General would be relocating to the Burlington location. The specific amount of Stenejhem's knowledge, involvement, or lack thereof regarding overruns is not clear. As the project continued it is obvious Seibel is making the project decisions at the Attorney General's office.

Parkway Property Management located a building they could purchase and continued talks with the Attorney General's office about a lease, and possible plans for renovation. In a September 24, 2019, email Dockter requested a "letter of intent" from the Attorney General's office to lease the property. This request was made prior to PPM's purchase of the property or any known government approval. In December of 2019 an offer for the building was made by PPM and earnest money put down. The offer was accepted and Dockter notified Seibel by email. This establishes a business that Dockter had interest in, purchased property after discussions and to some degree coordination with Deputy Attorney General Troy Seibel. Dockter had prior knowledge of the Attorney General's office desire to relocate. The Attorney General's Division would later lease the property.

On December 10, 2019, merely days after PPM purchased the property, Stealth LLC was formed. Stealth LLC owners are Jason Dockter, CJ Schorsch, Mike Gietzen, Mike

Luther, Alex Schmidt, Mark Aurit, Craig Dockter, Jed Fluhrer, and Marie Brown as Signer. Jed Fluhrer is a loan officer at National Bank, where the loan and financials for the building were obtained. Various other LLC owners have a financial interest in separate LLC's and businesses which were significantly utilized and compensated in the Burlington Street project. The intermingled business interests include areas such as procurement, renovation, and management. The Burlington Street property was purchased by Parkway Property Management and transferred to Stealth LLC. Several of the owners of these businesses and LLCs are the same as owners of the project's real estate, loan procurement, remodeling, building, leasing, and property management. The individuals, LLC's and businesses benefitted financially from the general non-bid process. A letter of intent for Stealth to secure financing at National Bank required a signature from an Attorney General Representative.

The owners of Parkway Property Management report that when Stealth Properties bought the Burlington building Parkway Property Management became the property managers hired by Stealth. Stealth representatives reported the Attorney General wanted the project done quickly. They report on hiring businesses with the expertise and reputation to quickly complete the building and remodel. I did not locate any documentation indicating bid requests from subcontractors. D & S LLC is owned by Jason Dockter and CJ Schorsch and was later described as the contracting company in charge of the project. D and S applied for a contracting license in August of 2019, just prior to initiating the Burlington Street project. The timing of the license application suggests the business itself as an entity had little to no experience in substantial projects. In a January 21, 2021, an email signed "CJ" to Troy Seibel from Parkway Property Management shows concern due to inexperience. "CJ" relays that he does not believe Northwest Contracting had ever installed a level 4 barrier panel that was included in the remodel.

Seibel did not inform Attorney General Department Supervisors until February of 2020 of the potential lease and re location. The email requested input as the "price was right". Seibel wrote that input was needed promptly as a decision needed to be made within days, even though plans had been discussed for months. Several department heads initially voiced concerns related to space, security, and location. There were divisions currently leasing property which lacked adequate space and others that coveted their location. The building on Burlington Street had less combined square footage than the properties which departments were occupying prior to the relocation. When project queries appeared Dockter reported the Burlington Street buildings layout created more usable space. Half of the approximately 40,000 square foot Burlington property was already utilized by Health and Human Services. The relocation initially provided the Attorney General Departments with less space than they previously occupied.

A lease was proposed by Dockter and sent to Director of Facilities John Boyle. Boyle communicated with Seibel cost concerns believing the square footage price was excessive. The price of the square footage was renegotiated and Boyle the agreed cost was beneficial to the state. Boyle stated due to the proposed square footage costs being estimated so high, he could not imagine the project ever exceeding the estimates and

causing overruns. The contract was described as a “Pay first” project that Boyle found very unusual.

A storage area was built on the Burlington property. The previous BCI property had a small, inadequate storage facility. A smaller garage being built at Burlington was discussed, then plans were updated, and a larger garage was built resulting in increased expenditures.

Several emails show Seibel being asked for permission on project changes which he granted. It appears Seibel began deferring decisions to individuals doing the build and email communication became more sparse. Most communication appeared to be in person as several meetings were scheduled. CJ Schorsch was noted as saying oral approval regarding the major portion of the “build” was given during a meeting at the Bartlett West engineering firm.

Seibel instructed very few invoices to be paid at the time of service, however a \$150,000 invoice for an HVAC system was immediately paid for. Afterward, it appeared Seibel may have been the only employee of the State of North Dakota involved in the project. Seibel may have been aware of the cost overruns as early as January 2021. In June of 2021, Seibel informed AG Account Manager Keller of the 1.7 million overrun.

Keller was instructed by Seibel at the end of June 2021 to pay \$1,342,210 with biennium funds before the biennium’s end which was only a day or two away. Keller demanded invoices and wrote a check as instructed. The written invoice she received was dated three weeks after the biennium on July 22, 2021.

In August 2021, Seibel began asking for invoices from agency heads. The agency heads did not receive invoices as they only communicated with Seibel or Schorsch. Department heads did not have financial authority for payment on the project and would not have been sent invoices.

Monies were taken out of existing Attorney General Funds and applied to the \$1,342,210. The payment depleted the Attorney Generals biennium budget just days before the new biennium began. Keller stated she had been continually requesting documentation to justify the expenditures from Seibel. Most of the monies left in the budget after June 30, 2021, would have been required to be returned to the general fund. The remainder of the claimed “over run” was \$400,000.

Seibel told Keller they were legally obligated to pay this amount and the property owners agreed to roll the remaining \$400,000 into the monthly lease costs. There was no known contact with the legislature or any committees reporting the overruns or asking for amendments. Departments moved into the Burlington building in the fall of 2021.

At the end of January 2022 Attorney General Wayne Stenejhem passed away.

Attorney General Stenejhem's emails were deleted by IT at the direction of Executive Assistant Elizabeth "Liz" Brocker, even though she had no legal authority. Brocker claims the deletion was approved by Troy Seibel. Emails Show Joe Schell and others at IT deleted data retention and storage areas where emails could have been stored, and or retrieved.

Drew Wrigley was appointed Attorney General in early February 2022. Wrigley appointed Claire Ness Deputy Attorney General in March and Seibel promptly resigned. Seibels state email account was deleted by IT at the request of Liz Brocker. According to Brocker she examined them for pertinent and important information which was forwarded.

Immediately following Seibels' departure Becky Keller informed newly appointed Attorney General Drew Wrigley of the cost overruns related to the Burlington Street project. Attorney General Wrigley advised the Auditor and the Legislative Financial Audit and Review Committee (LFRAC). LFRAC requested the North Dakota State Auditor's office to assist with an investigation and audit into the project. The Auditor's office performed the review as requested. The Auditor's report prompted LFRAC to ask Attorney General Wrigley to locate an outside agency to investigate.

When questions surfaced regarding the missing emails, the Attorney General's office asked IT to attempt to recover the deleted emails. The Attorney Generals IT, and the State of North Dakota's IT reported they were unable to retrieve emails from Stenejhem's and Seibels state accounts. An outside agency reported they could not retrieve the deleted emails. Montana DCI coordinated with Microsoft to retrieve the deleted emails, but Microsoft stated too much time had lapsed since the deletion. Microsoft claimed it was impossible to retrieve the deleted emails as a preservation letter had not been requested within six months of deletion and the storage servers were permanently purged.

In early November 2022, Jason Dockter was a guest on "Plain Talk", a local radio talk show. Dockter spoke about the now controversial project providing a "memo" from Stealth LLC. Vogel law firm assisted in the production of the memo which Stealth says explains the questions relating to the cost overruns.

In December of 2022, well after the initial discovery of the cost overruns and investigation requests, there was a meeting between Stealth property representatives and Attorney General staff regarding the project's costs. After the meeting CJ Schorsch gave Attorney General Accountant Becky Keller a check for \$224,854.93, saying it was owed by Stealth after reconciliation of funds. Keller asked Schorsch about the status of the \$400,000 which was rolled into the lease. Schorsch told Keller to forget about the addition of \$400,000 as they were no longer requiring it. As of June 1, 2023, the check for \$224,854.93 has not been cashed.

There were no employees at the Auditor's office, or the Attorney General's office that claimed to have knowledge of a repayment or overage return from Stealth until after

financial concerns were detected. The audit requested by LFARC was performed by professionals and CPA's who had conversations and questioned LLC owners to explain inaccuracies. The financial professionals said at no time where they advised of or was there any mention of repayment or reimbursement by Stealth. There was ample time for Stealth to advise audit managers of the supposed repayment. The possible return of monies would have been very crucial information for auditors to perform their review. The audit was requested a year after project completion with the only documentation located which mentioned repayment was after investigations were requested. Several government entities directly involved only learned of repayment through public media sources. Several individuals in finance positions were confused why repayment had not been mentioned at the onset, or simply figured into the final bill or deducted from the \$400,000 addition to the lease.

Lack of policy, or failure to follow policy regarding electronic records and their deletion was significant. Authority, or perception of individuals with authority requesting deletion by IT raises a question of a clear understanding of the chain of command. These issues all contributed to confusion and ultimately played a role in the deletion of electronic communication of an elected, and high-ranking public official.

Several issues surfaced causing problems associated with the Burlington Street project. Invoices, expenditures, payments, and records were not organized or professionally processed. The undetailed, ambiguous, and large monetary invoices that were requested lacked specific and necessary details. A "spec book" commonly used by a contractor to record updates and changes either did not exist, was not utilized, or was not provided. The lack of detailed state procurement rules is either nonexistent or was not followed. Change orders were not properly requested, documented, or recorded in a fashion to ascertain transaction details. Finance professionals in the Attorney General's office were either underutilized or not utilized at all. There was no evidence the contract was renegotiated in its entirety, even after it was examined, redlined, and concerns described to Deputy Attorney General Seibel by Assistant Attorney General Balliett. Costs understandably increased during the COVID pandemic but specific discussions, agreements, or records to corroborate costs were not located. Monies used from the remaining biennium funds were authorized by Seibel. Any calculations for upgrades in space were inadequate resulting in a shortage of space, a separate build, and an inability for some departments to relocate all contributing to increases in cost. The State of North Dakota system of awarding individuals, or company's bids to procure work on tax funded projects appears to provide access to some but is not afforded to all. If the Attorney General's offices had utilized their own opinion on best practice of a government bid process, it may have alleviated any actual, or perceived favoritism. The LLC's involved in purchase, remodel, and construction had several of the same members. The lack of clarity caused confusion in billing, payments, and labor. Supposed verbal "agreements" and decisions during face-to-face meetings were not documented. Email conversations suggest owners of Parkway Management, and eventually Stealth were negotiating a possible lease with the Attorney General's office prior to their purchase. This appears to have given the soon-to-be owners prior knowledge the building would be leased by a financially stable government entity. The \$1.4 million dollar overrun payment had a

direct effect on other government spending during the biennium. Costs and invoices were not being shared with financial professionals resulting in inadequate oversight. Even as questions went unanswered, the final bill to the Attorney General from PPM did not match invoices they provided to the Attorney General's office. The final cost return reported by PPM was less than calculated. It appears invoices first given to the Attorney General's office by Stealth to justify costs were now omitted in PPM's calculations.

I believed the MOU accepting North Dakota's request for assistance included complete access to a North Dakota attorney. I was unable to utilize a North Dakota Prosecutor to assist in search warrants, subpoenas, or legal direction in North Dakota law which may have provided more clarity. An Attorney located within the Attorney General's office stated they were conflicted in the case and had no authority to ask a State's Attorney to assist. I attempted to reach out to Burleigh County States Attorney myself and found a possible suspect employed there. In May of 2023, I went to the State's Attorney's office in Bismarck. I identified myself and asked to speak with the employee, but she declined as is her right. I then asked to speak to a State's Attorney, as I needed simple assistance. They declined to speak with me as well.

End of Report

Don Guiberson

Agent Don Guiberson

MONTANA DEPARTMENT OF JUSTICE

INVESTIGATIVE REPORT

CASE NO: MC 221207
DATE: April 3, 2023
AGENT: Don Guiberson

SUBJECT: North Dakota Attorney General investigative report as requested
by the Legislative Audit and Fiscal Review Committee.

Email Deletion

SUSPECT(S): Troy Seibel
Former ND Deputy Attorney General

[REDACTED]

Elizabeth "Liz" Brocker
Former Executive Assistant to AG Stenehjem

[REDACTED]

DETAILS:

North Dakota Attorney General Drew Wrigley requested that Montana Division of Criminal Investigation (DCI) investigate a case involving cost over runs, and deleted emails within the North Dakota Attorneys Generals office. The case specifics occurred prior to Wrigley's appointment as Attorney General. Wrigley's request was accepted, and a memo of understanding was signed by both Montana and North Dakota.

The request by Wrigley was in the interest of transparency and to alleviate conflicts of interest or the perception of such.

The following Investigation conducted by the Montana Division of Criminal Investigation (DCI) was requested per MOU by the North Dakota Attorney General's Office. The investigation attempts to separate two matters which correspond to one another. The start of the case report combines general facts of the case in its entirety. The first investigative

section focuses on the deletion of emails from the Attorney General's office and attempts to recover them. The supplemental report focuses on cost overruns within the Attorney General's Office relating to a relocation project. The case report includes information ascertained during the cost overrun investigation which involved the procurement process, negotiation, purchase, construction, and remodel of the project located at 1720 Burlington Avenue.

Any North Dakota legal decisions, determinations, prosecutorial discretion, violation of division policy and procedure, private businesses' legal obligations, or related issues are outside of the MOU request, as well as the Montana DCI investigative scope. The investigative report will be sent to the North Dakota Attorney General's office for any legal decisions on prosecution and dissemination.

I, Agent Don Guiberson, researched background information regarding the Attorney General's office procurement of lease space at 1720 Burlington Avenue. The intent to move divisions of the Attorney General to one location began as early as 2016. The project began in 2019 and was basically completed in 2021. Questions arose regarding cost overruns and deleted emails which may have clarified financial discrepancies. This investigation attempts to ascertain specifics of the case and its evolution which culminated in the investigative request to Montana.

Drew Wrigley was appointed to North Dakota Attorney General on February 9, 2022. The appointment was to fill the remainder of the term left by long time Attorney General Wayne Stenehjem, after his unexpected death on January 28, 2022. Stenehjem's term was to expire at the end of 2022. Wrigley was elected to the permanent position in November of 2022.

In March of 2022, Attorney General Wrigley informed Stenehjem's Chief Deputy Troy Seibel he intended on appointing a different Chief Deputy resulting in Seibel's resignation. After Seibel's resignation in March 2022, Attorney General Doug Wrigley was informed of cost overruns in the Attorney General's office by AG Director of Finance Becky Keller. Wrigley examined the matter and requested a meeting with North Dakota Auditor Josh Gallion to advise him of a possible fiscal problem. The cost overrun was regarding the Attorney General's new location and building lease. The building was initially intended to house the Attorney General's office as well as related divisions. The building is located at 1720 Burlington Avenue in Bismarck, North Dakota.

On June 29, 2022, at their next scheduled meeting, Attorney General Drew Wrigley informed the Legislative Audit and Fiscal Review Committee (LAFRC), of approximately \$1.74 million in unexpected costs relating to the Attorney General's relocation which predated Wrigley's appointment. Documents show the Legislative Audit and Fiscal Review Committee has scheduled meetings quarterly. There was a meeting March 31, 2022, and not again until June 29, 2022. This was the first meeting Attorney General Drew Wrigley could have attended after he had time to examine the deficit. The Legislative Audit and Fiscal Review Committee (LAFRC) requested a review of the lease and recently reported costs regarding the relocation of the Attorney General's office by the North

Dakota State Auditor's Office. The Auditor's office was given until September 2022 to complete their report. For reference purposes, it should be noted that the Auditor's Office is limited in investigative authority relating to criminal conduct.

North Dakota law specifically allows and/or directs certain investigations when requested by the LAFRC. The Auditor's investigation into deleted or missing emails directly parallels the investigation into state monies, which may have value in determining expenditures falling under authority of the Auditor's Office. For reference purposes, North Dakota code 54-10-01 (1c) cites, "*Audits may be conducted at more frequent intervals if requested by the governor or the legislative audit and fiscal review committee and (1g) Perform all other duties as prescribed by law.*"

The office of the North Dakota State Auditor conducted a review and report titled "Investigative Report of the Office of the Attorney General" dated September 27, 2022. The cover sheet includes "Investigative report as requested by the Legislative Audit and Fiscal Review Committee".

During the Auditor's investigation a request was made to retrieve emails from the late Wayne Stenehjem's and past Deputy Chief Seibel's state email accounts to clarify questions on overruns. The Auditor reported they were told the email accounts were deleted and unretrievable. According to several open-source searches, a public request for records was filed with the state and the emails were once again reported as being deleted.

Elizabeth (Liz) Brocker served for decades in several professional roles in both the public and private sector for Wayne Stenehjem. Brocker was described by coworkers as Stenehjem's "right hand" and "close confidant". In a letter penned by Brocker on July 15, 2022, she describes herself as "Wayne's Executive Assistant". Brocker writes she had permitted full access to Stenehjem and Seibel's email accounts. On January 29, 2022, the day after Attorney General Stenehjem's death, an email to Heidi Smith at IT from Elizabeth "Liz" Brocker reads:

- *Sent: Saturday, January 29, 2022, 8:51 PM
To: Smith, Heidi J.
From: Brocker, Liz
Subject: Monday 1st thing*

1st thing Monday, could you have Wayne's nd.gov email account shut down and the emails in his in box, in box folders, sent items - deleted. Troy and I went in today and are meeting again tomorrow - I will search for personal emails that Beth might want, and print them off. We want to make sure no one has an opportunity to make an Open Record request for his emails, especially as he kept EVERYTHING. This was approved by Troy. Thank you. Liz

Smith responds:

- *“Absolutely. We will let you know when it is completed. Heidi”.*

On January 31, 2022, the following email chains continue regarding the deletion:

- *From: Brocker, Liz
Sent: Monday, January 31, 2022 6:46 AM
To: Smith, Heidi J.
Subject: Re: Monday 1st thing*

I'm sending Wayne's laptop with Jenny. We're hoping you can get into it. Im still looking for his password. Before removing his work profile, Beth wants me to pull anything personal info from his word folders. The PD still has his phone. Beth will pick it up today. Before wiping it can we try to get into it and Uninstall the work app so she doesn't lose his photos.

Sent from my phone.

- *From: Schell, Joe R.
Sent: Monday, January 31, 2022 7:37 AM
To: Brocker, Liz
Subject: FW: Monday 1st thing*

I submitted the request to NDIT to delete his mailbox (email account). I will report back when complete.

After NDIT deletes the mailbox on the server, we should login to Wayne's laptop and remove the email account there as well. I believe Outlook has an offline version that should also be deleted.

Joe S.

- *From: Smith, Heidi J.
Sent: Monday, January 31, 2022 8:35 AM
To: Brocker, Liz
Subject: RE: Monday 1st thing*

Hi Liz, They are in the computer, working on getting everything moved off onto a drive, so the photos and personal information are not lost.

Thank you,

Heidi

- *From: Brocker, Liz
Sent: Monday, January 31, 2022 8:40 AM
To: Smith, Heidi J.
Subject: RE: Monday 1st thing*

Brilliant! Thank you. Liz

- *From: Schell, Joe R.
Sent: Monday, January 31, 2022 12:19 PM
To: Brocker, Liz
Subject: RE: Monday 1st thing
NDIT deleted the email account.
I'm working with Wayne's laptop as we speak. I will return to Jennifer when complete.
1. I copied everything from his "Photos", "My Documents" and "Desktop" to a flash drive.
2. I moved everything from his "Photos", "My Documents" and "Desktop" to the local "Wayne Stenehjem" account on the laptop. 2
3. I removed office software packages from his computer.
4. I disabled the drive encryption that we had enabled on the computer.
5. I removed the computer from our network.
There at two accounts on the computer.
1. Wayne Stenehjem – Password125Password125
2. Administrator – Password125Password125
Joe S.*
- *From: Brocker, Liz Sent: Monday, January 31, 2022 1:16 PM
To: Schell, Joe R.
Subject: RE: Monday 1st thing
Thank you so much. Liz*
- *From: Brocker, Liz
Sent: Monday, January 31, 2022 1:45 PM
To: Schell, Joe R. Subject:
RE: Monday 1st thing
The family just called. They need some of the photos they believe were on his laptop for the powerpoint at the viewing. A family member will drive down there shortly to get it. I told her to ask for you by name. Liz*
- *From: Schell, Joe R. Sent:
Monday, January 31, 2022 2:14 PM
To: Brocker, Liz
Subject: RE: Monday 1st thing

She arrived and picked up both the laptop and flash drive. I provided the password. I sat with her for just a couple of minutes and explained how to login to the computer and where she could find the needed items. explained that all of those same items on the flash drive in folders with the same name.*

Joe S.

- *From: Schell, Joe R.*
Sent: Monday, January 31, 2022 1:46 PM
To: Brocker, Liz
Subject: RE: Monday 1st thing
OK. I will be here. Joe S.:

On January 31, 2022, at 8:52:13 AM, Wayne Stenehjem's state email account was deleted by NDIT. In Brocker's letter she states a week prior to Stenehjem's death, he had been working from home as she "*actively monitored*" Stenehjem and Seibel's email accounts regarding "*urgent matter*". The letter continues,

- "*After Wayne's death, during a discussion with Troy, he directed that Wayne's email account should be deleted. I relayed that instruction to IT*".

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On February 8, 2022, eleven days after Stenehjem's passing, Governor Burgum appointed Drew Wrigley as Attorney General to fill the remainder of Stenehjem's term. On March 16, 2022, Attorney General Drew Wrigley informed Troy Seibel he was being replaced by Claire Ness as Chief Deputy. Seibel resigned after the meeting. After the resignation of Seibel, Attorney General's Director of Finance Becky Keller, informed Attorney General Wrigley of concerns regarding cost over runs and billing in relation to the move to 1720 Burlington Ave. Keller said she was intimidated by Seibel as he was essentially "her boss". Keller stated directions by Seibel regarding financial issues "were very concerning", so she immediately informed Attorney General Wrigley after Seibel's resignation. On March 18, 2022, Attorney General Drew Wrigley informed State Auditor Josh Gallion his office was examining suspicious cost overruns related to a lease in the Attorney General's office. Wrigley informed the Auditor for transparency purposes.

After Stenehjem's death, questions arose regarding substantial state funding cost overruns from the Attorney General's budget. The cost overruns were believed to be in reference to the agency's recent relocation to 1720 Burlington Ave. It was later discovered email accounts from Attorney General officials had been deleted. There is a concern the deleted emails may have contained information on the cost overruns of the move, construction, and relocation of the Attorney General's office. State of North Dakota Information Technology (NDIT) departments were tasked with trying to recover the email accounts. The Attorney General's IT and NDIT were unsuccessful in locating the deleted emails. A private IT

company “Planet Technologies” was hired by the State of North Dakota to attempt locating the deleted emails, they too were unsuccessful.

On May 23, 2022, at 12:27:16 PM Troy Seibel’s email account provided by the State of North Dakota was deleted. On the day of her resignation, July 15, 2022, “Elizabeth Brocker” writes a letter explaining the earlier deletion of Seibel’s email account. The letter states.

- *“After Troy left, as a matter of routine, IT contacted me regarding removing his email account. I asked for time to go through the emails before anything was deactivated”. The letter goes on to say she went through the emails that were only addressed to Troy. The letter by Brocker continues, “ccs relating to pending or upcoming issues, I forwarded them on to other agency staff as appropriate. I then went through the emails by date order, reviewing them to ensure nothing got missed. I printed a few off to check the issue was concluded, and I checked up on a few others, but for the most part, the emails either related to routine office matters or were about the numerous cases being litigated in state or federal court and had other people included in the email chain”.*

Brocker’s letter continued stating the process took some time and IT was asked for an extension. IT contacted the writer again asking if the account could be deactivated. It was confirmed the remaining emails could be deleted. In Brocker’s own letter she admits to deleting both accounts. The letter states Stenehjem’s account was deleted with approval from Seibel, and Seibel’s account was deleted by her, with correspondence from IT. The deletion, and the inability to retrieve them of emails makes it impossible to assess if they held any evidentiary value.

Monte L. Rogneby esq.
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The audit report contains emails provided by Jason Dockter and his attorney. It is unknown if the emails provided by Dockter are the complete email correspondence between individuals, government agencies and business interests involved in the 1720 building project I, Agent Guiberson, later contacted Vogel Law Firm Attorney Rogneby who stated he represents Stealth LLC and its owners including Dockter and Schorsch. Rogneby said his clients would not agree to an interview.

Attempts were made by the North Dakota Attorney General’s office and their IT department to retrieve deleted email accounts. The IT department initially stated the deleted emails could not be recovered from any server or information and data saving software.

The Auditor's Office made several requests during their audit to the Attorney General's IT, as well as technology providers (Planet Technologies). Planet Technologies is used by the Attorney General's office and implemented and installed their email system. The Auditor's Office also contacted Microsoft. The report did not specifically inform emails could not be located. A Microsoft employee Michael Andersen wrote:

- *“just because an account was deleted doesn't mean that the data is gone”*. The communication from Anderson continues *“If you need to ensure the accounts/mailboxes are completely removed, you'd want to dig a little deeper on your side to confirm”*.

At the time of Stenehjem's death Troy Seibel was the Chief Deputy Attorney General. Interviews of staff were consistent in stating that Seibel oversaw the Attorney General's portion of the building project, and costs related to the remodel, construction, and relocation to 1720 Burlington Drive.

Greg Hoffman
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North Dakota Information Technology (NDIT)
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On January 26, 2023, I spoke with NDIT Deputy Chief Greg Hoffman to clarify their role in the deletion of the emails and the process to recover. Hoffman was able to clarify the procedure. Hoffman stated a “ticket” is generated when a request is made to NDIT. A “ticket” was generated by the Attorney General's IT to delete the email account of Stenehjem. The email account was deleted on January 31, 2022, by NDIT. Hoffman explained the account goes in to a “deactivated” state within the exchange email system for 30 days until deletion by universal policy. After 30 days the account is deleted and cannot be retrieved by NDIT. Hoffman stated they did all they could to retrieve the account in the exchange email system but were unable. The investigation by this department appears to verify Hoffman's claim that NDIT exhausted all options at recovery. NDIT did not receive an email found in which Brocker states to delete Stenehjem's account because he “kept everything”.


“Planet Technologies” a third-party IT company was contracted by the North Dakota Attorney General's office to do a detailed and in-depth search to locate the deleted emails. At the conclusion of their search, Planet Technologies reported they could not retrieve the deleted email account. The explanation states the unsuccessful attempt was due to retention policies, and the time lapse between deletion and the request to locate. I contacted North Dakota NDIT, North Dakota Attorney Generals IT, and Planet Technologies. Each entity's reports to the Auditor's Office corroborated the emails could not be retrieved. Once again,

policy, procedure and time lapse were explanations cited for the unsuccessful recovery attempt.

Several phone calls, emails, requests for information, and other correspondence were made between I, and several Microsoft divisions to recover deleted emails. Microsoft privacy, data retention, policy, and procedure regarding law enforcement are complex and labor intensive. The specialists were aware of prior requests for the same information. My first contact at Microsoft was Chelsea Bode, who had prior knowledge of the request. Bode directed me to Microsoft legal staff attorney Aileen O'Brien. My credentials were checked by O'Brien including contacting supervisors and providing proof of my law enforcement credentials in North Dakota. I, along with Microsoft specialists, attempted to locate the deleted emails through technological and legal avenues but were unsuccessful. I spoke with Michael Anderson who had written the previous email "*just because an account was deleted doesn't mean that the data is gone*". I was again referred to their legal department. After exhausting all avenues, Microsoft informed me they had some abilities to try and recover deleted emails, but these emails were nonrecoverable. It was relayed to me by Microsoft that the deleted North Dakota email accounts assigned to Wayne Stenehjem and Troy Seibel could not be retrieved. Archiving policy and procedure, along with time lapse were once again cited as the main reasons the deleted emails could not be retrieved. Microsoft also provided information explaining the different deletion categories and how accounts are disposed. Microsoft has a 183-day time frame in which "soft" deletions are kept. It appears as if the deletion of the emails accounts in this case were "hard" deletions. A legal warrant would not have been served within the 183-day time frame even if it was a "soft" delete. Concluding the investigation into the deleted emails, and attempts to recover them the last correspondence from Microsoft was as follows:

- *"In response to your email (attached), Microsoft does not have access to customer data/emails, or any way of "mining or locating those deleted emails on the Microsoft side."*
- *Per our Trust Portal, at Microsoft, we value, protect, and defend privacy. We believe in transparency, so that people and organizations can control their data and have meaningful choices in how it is used. Microsoft guarantees this with contractual commitments to our customers. Our customer's data is theirs to access, modify and delete at any time.*
- *Please see the information below on Online Services email recovery. It is up to the state/customer to determine their retention policy, which may be more or less than 183 days if they choose to retain a copy of their mailbox on premises. If this information was deleted more than 183 days ago, your request for information would need to be deferred to the state of North Dakota around their retention policy. I have also provided the Microsoft standard retention policy provide below for your convenience.". (email in file)."*

Balliett, Laura Anne Bearfield Esq.
North Dakota Attorney General Office
600 East Boulevard Ave. Dept 125
Bismarck, ND 58505



Interviews with employees in the Attorney General's office showed there was not a standard policy for the deletion of emails. It appears emails in criminal and civil cases were archived or added to case files. Deputy Attorney General Laura Balliett stated she was unaware of any written policy regarding emails. Balliett stated it was her general knowledge that emails were retained until they were no longer needed, then deleted by the user. Balliett said Liz Brocker would filter Stenehjem's emails and then forward them to the division leaders so Wayne would not be inundated. Employees consensus revealed Liz Brocker handled Attorney General Stenehjem's emails as they arrived.

Investigation concludes information once located in the State of North Dakota's email accounts assigned to then Attorney General Wayne Stenehjem, and Deputy Attorney Deputy Chief Troy Seibel are no longer retrievable unless new information, or new technological advances become available.

Liz Brocker instructed IT to delete Stenehjem's email account on January 29, 2022, and Seibels email account on May 23, 2022. Brocker resigned her position on July 15, 2022. Brocker currently is employed at the Burleigh County State's Attorney's office. According to statements, Brocker deleted the account of Attorney General Wayne Stenehjem after his death. In emails to IT including the deletion request, Brocker writes that the request to delete was to circumvent a public records request. Brocker wrote that "Troy" was aware of the request and agreed. It is assumed immediately after Stenehjem's death the Deputy Attorney General, Troy Seibel, would be in the supervisory position over Brocker. Joe Schell at IT deleted Stenehjem's email accounts as well as software and encryption of his laptop.

Brocker emails to IT indicate Troy Seibel was aware of the email deletion request of Stenehjem's account. According to Brocker's letter, and supported by her emails to IT, the deletion of Seibel's email account was executed after a canvas, and detailed search of emails assigned to Seibel.

As of April 3, 2023, neither Seibel nor Brocker have responded to my documented attempts at communication. Communications with Stealth property's Attorney Rogenby indicate his clients will not agree to a face-to-face interview. I was hoping gaps in communication could be retrieved from that end. He directed me to a memo written to the Attorney General's office from his law firm which included emails.

On February 13, 2023, I succeeded in contacting Brocker at the Bismarck State Attorney's Office where she is now employed. I identified myself and asked to speak with Ms. Brocker. I was transferred and a female answered the phone. I asked if I was speaking to Ms. Brocker and she immediately hung up. I called back, identified myself and was informed Brocker would not take my calls.

On May 15, 2023, I went to the Burleigh County States Attorney's office to try and speak with Brocker. I told the receptionist my name, gave her my business card, and asked to speak with Brocker. The receptionist called and said Brocker would only talk if he was Burleigh County business. I asked the receptionist to call her once again and she did not answer this time. I asked the receptionist if she could ask the States Attorney to come and speak with me. I was attempting, by instruction, to simply have Brocker tell me in person she did not want to speak with me so we could all be clear was given the opportunity. The receptionist then stated that the State Attorney would not speak to me as she was preparing for trial. I asked to speak to a Deputy States Attorney and the receptionist made a call and later told me that I was to be informed by the States Attorney I would not be let in as Brocker did not want to speak with me.

On May 15, 2023, I drove to Brocker's residence at [REDACTED]. I waited for some time and did not see Liz Brocker. I later returned and observed a male and female placing what appeared to be travel bags in the truck registered to them. I pulled up to the residence as the male and female were walking into the garage. I yelled "Liz" from the passenger side window and identified myself as law enforcement. I asked if she was willing to talk to me as she began to walk further into the garage. The female yelled "I do not wish to talk to you" (see recording). I left the area.

I verified Troy Seibel's last known address as [REDACTED]. I was able to verify a vehicle parked in the open garage as being registered to a Seibel. I watched the home for quite some time to see if I could speak with Seibel at a different location. No one arrived or left the residence while I was there.

Any further investigation by me, Agent Guiberson, will be included in supplemental reports.

End of Report

Don Guiberson

Agent Don Guiberson

MONTANA DEPARTMENT OF JUSTICE
MONTANA ANALYSIS & TECHNICAL INFORMATION CENTER

ANALYST REPORT

CASE NO: MC221207
MATIC RFS: 2023-3632
DATE: 09/06/2023
ANALYST: Andy Rumley
SUBJECT: 1720 Burlington Drive, Bismarck, ND Project Cost Overruns

Details: On 06/02/2023, Montana Analysis & Technical Information Center (MATIC) Supervisory Agent Bryan Gortmaker assigned MATIC Analyst Andy Rumley to provide investigative support to Montana Division of Criminal Investigation Agent Don Guiberson for DCI Case MC221207. In this investigation, North Dakota Attorney General Drew Wrigley requested that Montana DCI investigate cost overruns and deleted emails related to a building project (located at 1720 Burlington Drive, Bismarck, ND) involving the previous North Dakota Attorney General's administration. For case specifics, refer to Agent Guiberson's investigative reports listed below.

On 06/06/2023, DCI Agent Guiberson provided the following investigative reports to Analyst Rumley:

- MC221207.GUIBERSON.INV ND EMAIL REPORT *(Guiberson's initial investigative report)*
- MC221207.GUIBERSON.INV ND SUPP. BUILDING *(Guiberson's supplemental report to the above email report)*
- Office of the State Auditor's Investigative Report of the Office of the Attorney General *(North Dakota State Auditor's official report of the cost overruns)*

Agent Guiberson requested Analyst Rumley to produce a timeline of events distilled from the information from these reports.

Timeline of Events

The following organizations are mentioned in Agent Guiberson's reports with varying degrees of involvement in the 1720 Burlington Drive Project and are included in the timeline:

- North Dakota Attorney General's Office (ND AGO)
- North Dakota Attorney General's Office-Information Technology
- North Dakota Information Technology (NDIT)
- North Dakota Facilities Management
- 1720 Burlington Drive, Bismarck, ND
- Frontier Contracting LLC
- Parkway Property Management LLC
- D&S LLC
- Bartlett & West
- Stealth Properties LLC

- Vogel Law Firm
- Suhr & Lofgren

The following individuals are mentioned in Agent Guiberson's reports with varying degrees of involvement in the 1720 Burlington Drive Project and are included in the timeline:

- Wayne Stenehjem (Late North Dakota Attorney General)
- Troy Seibel (Former ND Deputy Attorney General)
- Elizabeth "Liz" Bocker (Former Executive Assistant to AG Stenehjem)
- Heidi Smith (Director-Attorney General Information Technology Criminal Justice Information Sharing)
- Joe Schell (IT Manager-North Dakota Information Technology)
- Becky Keller (Finance Director-ND AGO)
- Tasha Gerding (Accounting Manager-ND AGO)
- Shannon Vandevender (Budget Specialist-ND AGO)
- Laura Balliett (Staff Attorney-ND AGO)
- Lonnie Grabowska (Director-Bureau of Criminal Investigation)
- Casey Miller (Employee-Bureau of Criminal Investigation)
- Steve Harstad (Employee-Bureau of Criminal Investigation)
- Greg Hoffman (Deputy Chief-NDIT)
- Monte L. Rogenby, Esq. (Attorney-Vogel Law Firm)
- Lloyd Suhr, esq. (Criminal Defense Attorney-Suhr & Lofgren)
- Jason Dockter (Owner-D&S LLC, Stealth Properties Frontier LLC, Parkway Property Management LLC,)
- CJ Schorsch (Owner-D&S LLC, Stealth Properties Frontier LLC, Parkway Property Management LLC,)
- Mike Gietzen (Owner-Stealth Properties LLC)
- Mike Luther (Owner-Stealth Properties LLC)
- Alex Schmidt (Owner-Stealth Properties LLC)
- Mark Aurit (Owner-Stealth Properties LLC)
- Craig Dockter (Owner-Stealth Properties LLC)
- Jed Fluhrer (Owner-Stealth Properties LLC)
- Marie Brown (Owner-Stealth Properties LLC)
- John Boyle (Director of Facility Services-State of North Dakota)
- Joe Larrivee (Employee-Bartlett & West)
- Mike Neufeld (Employee-Bartlett & West)
- Kenneth Burgen (Employee-Bartlett & West)
- Casey Colbern (Employee-Bartlett & West)
- John Nelson (Employee-Bartlett & West)
- Sandra Bogaczyk (Employee-City of Bismarck, Community Development, Planning Division)
- Eric Brenden (Employee-Northwest Contracting)
- Jennifer Krause (Employee-Northwest Contracting)
- Kyle Hellman (Employee-Office Space Solutions)

Based on Agent Guiberson's reports, Analyst Rumley built the following timeline:

Date	Time	Event Description	Entities Involved
1/1/2017		Starting in approximately 2017/2018 there had been interest to move and consolidate divisions of the North Dakota Attorney General's Office into one location when current leases expired. There were specific departmental needs which were lacking in divisions at present locations.	North Dakota Attorney General's Office
1/1/2018		<p>AG staff scout the Saxvig Elementary School for potential relocation of divisions under the Attorney General's Office. AG Stenehjem was interested in the space and plans for a renovation were drawn.</p> <p>According to North Dakota Director of Facilities Management John Boyle, the 35,000 square foot school was in negotiations for approximately \$400,000. The original discussion included plans to appropriate approximately \$1,000,000 into a remodel. The attempt to relocate was unsuccessful. The lengthy legislative approval process, and the slow government accusation process were cited as the reason another entity was able to purchase the property before funding could be secured. Officials toured the former Sears building and concluded it did not meet the agency's needs. Several agency employees preferred to be located on the North side of Bismarck due to the proximity of other government agencies, as well as their homes. The blueprint plans for the proposed school renovation were later used in the initial phase of the property at 1720 Burlington Drive.</p>	North Dakota Attorney General's Office
1/1/2019		1720 Burlington Drive discussions begin. According to Schorsch in a 9/15/22 email to Dan Cox at the end of January 2018, Jan 2019 is when the opportunity to buy the property was proposed.	CJ Schorsch
1/2/2019		<p>North Dakota's 2019 legislative session begins. During the session (date unknown), Jason Dockter has an informal conversation with BCI Director Grabowska.</p> <p>In the memo provided by Attorney Rogenby, Stealth Properties LLC claims this initiated the discussion with Dockter regarding his assistance in locating a building for the relocation of the Attorney General's Office. BCI Director Grabowska told Dockter the Attorney General's office had been looking to re locate. Dockter asked if BCI Director Grabowska wanted assistance in looking for a building. Grabowska indicated it was acceptable.</p> <p>However, when Agent Guiberson interviewed BCI Director Grabowska, Grabowska said he was getting into his car and was approached by Dockter, who he had known most of his life. Grabowska described the chance meeting as unremarkable. Grabowska said he does not recall specifics of talking about the relocation. Grabowska told Agent Guiberson that Dockter</p>	Jason Dockter, Lonnie Grabowska

		would have already known the Attorney General was looking to relocate before this conversation.	
4/15/2019		North Dakota Attorney General's Office tours the Sears Building.	North Dakota Attorney General's Office
4/26/2019		North Dakota's 2019 legislative session ends.	N/A
5/1/2019		Appears to be the beginning of any documented discussions regarding 1720 Burlington Drive.	N/A
5/26/2019		<p>Email conversation (provided by Monte L. Rogenby, Esq., from the Vogel Law Firm's memo) between Jason Dockter, Deputy Attorney General (DAG) Troy Seibel, Bureau of Criminal Investigation Director Lonnie Grabowska, Elizabeth Brocker (AG Stenehjem's assistant), Heidi Smith (Attorney General's Office-Information Technology/Criminal Justice Information Sharing Director), and Douglas Nelson (State Fire Marshal) reads:</p> <p>Subject: <i>"Preliminary plan for NDBCI/FM/AGIT-CJIS"</i></p> <p><i>"Jason, Here is a copy of the preliminary plans we had created by J2 for Saxvig school. This plan does not include the AGIT or CJIS Division. AGIT is currently at in our building at 4205 State Street with approximately 4,211 square feet and CJIS is at Northbrook mall with approximately 1,857. NDBCI is currently at 19,165 with FM at approximately 1,700. We would be looking at around 40,000 square feet that would include conference rooms, a training room, evidence room, firearms storage room, etc. We would also be looking at staying close to that 40,000 sq feet so we can have room to expand for all (3) Divisions over the next 10 to 15 years. Thanks Jason, Lonnie".</i></p>	Jason Dockter, Troy Seibel, Lonnie Grabowska, Elizabeth Brocker, Heidi Smith

6/1/2019		Officials at the ND Attorney General's Office exchange emails with Jason Dockter regarding real estate for a new location. Dockter has partial ownership in real estate, construction, property management, and related businesses. Dockter has been an elected member of the North Dakota House of Representatives since 2012.	North Dakota Attorney General's Office, Jason Dockter
6/6/2019		Email (provided by Attorney Rogenby, from Vogel Law Firm's memo) from BCI Director Grabowska to Jason Dockter and Cc'd to DAG Seibel, Grabowska himself, Elizabeth Brocker, Heidi Smith, and Douglas Nelson. The email discusses planning a meeting and reads: <i>"we would like to set up a meeting date to have you and your partner come to NDBCI to meet with the following: NDOAG Chief Deputy AG Troy Seibel NDOAG AGIT/CJIS director Heidi Smith NDOAG state Fire Marsshal Doug Nelson NDOAG NDBCI Lonnie Grabowska With the plans for Saxvig school being shared below, we would like to meet with you and see about the possibility of your business working with the NDOAG on a public/private partnership for a possible headquarters building for NDBCI, AGIT/CJIS and the Fire Marshal"</i>	Jason Dockter, Troy Seibel, Lonnie Grabowska, Elizabeth Brocker, Heidi Smith, Douglas Nelson
6/20/2019		Jason Dockter emails North Dakota Director of Facilities Management John Boyle regarding the state leasing space at a Burlington Drive location. Records at the time provided no indication Dockter had any ownership stake prior to discussions.	Jason Dockter, John Boyle
6/25/2019		06/25/2019 through 06/26/2019 Dockter and DAG Seibel email about setting up a meeting for 07/10/2019 to talk about project. Dockter thanks Seibel for the "Drawings".	Jason Dockter, Troy Seibel
6/27/2019		Email (provided by Attorney Rogenby, from Vogel Law Firm's memo) describes setting up meetings between interested parties.	N/A
7/2/2019		John Boyle emails Jason Dockter stating Laura Balliett at the Attorney General's office advised the legislature still needed to provide agency authority concerning a public private partnership (p3)	Jason Dockter, John Boyle, Laura Balliett
7/3/2019		Jason Dockter's email asks lease questions and terms regarding agreements absent of a P3 with North Dakota Director of Facilities Management John Boyle.	Jason Dockter, John Boyle
8/15/2019		Email (provided by Attorney Rogenby, from Vogel Law Firm's memo) from Dockter to Seibel describes setting up meetings between interested parties. Real Estate consultant and "Build to Suit" professional Kyle Holwengar will accompany Dockter.	Jason Dockter, Holwengar
8/23/2019		D&S LLC registers its contracting license with the North Dakota Secretary of State. The registration date occurs <u>after</u> talks with the Office of the Attorney General began.	D&S LLC

9/5/2019	<p>Email (provided by Attorney Rogenby, from Vogel Law Firm's memo) show Dockter asking DAG Seibel for a "letter of intent" regarding leasing space at 1720 Burlington. Seibel responded that attorneys in his office were in the process of review. The email reads:</p> <p>Subject: <i>"Letter of Intent"</i></p> <p><i>"Troy, Would anytime tomorrow afternoon work to go over the letter of intent? Thanks, Jason".</i></p>	Jason Dockter, Troy Seibel
9/17/2019	<p>An email (provided by Attorney Rogenby, from Vogel Law Firm's memo) from Jason Dockter to DAG Seibel states:</p> <p><i>"Troy We have met with the realtor and the architect and have everything ready to go. Could we get a signed letter of intent soon to move forward with the process? Thanks, Jason"</i></p>	Jason Dockter, Troy Seibel
9/24/2019	<p>An email (provided by Attorney Rogenby, from Vogel Law Firm's memo) from Jason Dockter to DAG Seibel reads:</p> <p>Subject: <i>"Letter of Intent"</i></p> <p><i>"Troy, I have an interim tax meeting tomorrow at the Capitol. If you have the letter of intent ready, I could swing up to your office and pick up the letter. Let me know. Thanks, Jason".</i></p> <p>Seibel responds by saying <i>"I had asked one of our lawyers to get it in final form for my signature. I'll follow up with her."</i></p> <p>The email suggests Jason Dockter will be meeting DAG Seibel at Capitol during a legislative session where Dockter is engaged in state business.</p> <p>Stealth Properties LLC claims the purchase of the building was not contingent on a lease agreement, but the loan for the additional new construction was required.</p> <p>This request was made prior to PPM's purchase of the property or any known government approval.</p> <p>No other emails were provided in the memo by Stealth Properties LLC's attorney dated between September 24, 2019, and November 27, 2019.</p>	Jason Dockter, Troy Seibel
9/27/2019	Last email provided by Stealth Properties LLC's attorney regarding acceptance of their offer to purchase.	Stealth Properties LLC
11/27/2019	<p>An email (provided by Attorney Rogenby, from Vogel Law Firm's memo) from Jason Dockter to DAG Seibel reads:</p> <p><i>"Troy We found out last night that they accepted our offer. We are now in the due diligence phase of the project. Let me know some dates and times that work for you so we can meet with</i></p>	Jason Dockter, Troy Seibel

		<i>the architect and get the ball rolling. Have a Happy Thanksgiving. Thanks, Jason”.</i>	
12/2/2019		Email exchange between DAG Seibel and Jason Dockter discusses a meeting with an architect. It appears discussion and intent of the Office of the Attorney General to lease the property were already being finalized. This was prior to the December 2019 preliminary agreement by Parkway Property Management to purchase the building and their \$30,000 down payment. This indicates knowledge of the tenant prior to purchase.	Jason Dockter, Troy Seibel
12/5/2019		In December of 2019, PPM enters into a preliminary agreement to purchase the property at 1720 Burlington Drive and placed \$30,000 in earnest money. Prior to PPM’s preliminary purchase agreement for the property at 1720 Burlington, there were several contacts made between the Attorney General’s office and owners of PPM Jason Dockter, and CJ Schorsch.	Parkway Property Management
12/10/2019		<p>Days after the offer was accepted, Stealth Properties LLC is formed, and paperwork is filed with the Secretary of State.</p> <p>The remaining emails provided in the memo by Vogel Law Firm begin to include CJ Schorsch. Drawings and some architectural plans were exchanged. The bulk of the emails discuss scheduling meetings. In January of 2020, emails indicate architectural plans are being discussed in detail between Dockter and Seibel.</p> <p>Stealth Properties LLC's owners are Jason Dockter, CJ Schorsch, Mike Gietzen, Mike Luther, Alex Schmidt, Mark Aurit, Craig Dockter, Jed Fluhrer, and Marie Brown as Signer. Jed Fluhrer is a loan officer at National Bank, where the loan and financials for the building were obtained.</p>	Stealth Properties LLC, Jason Dockter, CJ Schorsch, Mike Gietzen, Mike Luther, Alex Schmidt, Mark Aurit, Craig Dockter, Jed Fluhrer, Marie Brown
1/27/2020		In February 2020, Bartlett & West engineers begin to exchange emails and mention a meeting with Jason Dockter and DAG Seibel. It appears emails between PPM, Dockter, Seibel, which were being CC’d to others become infrequent.	Jason Dockter, Troy Seibel

2/24/2020	<p>After months of contact between the Attorney General's office and members of interested LLC's, DAG Seibel sends the following email to division directors on February 24, 2020:</p> <p><i>"From: Seibel, Troy T. Sent: Monday, February 24, 2020 8:08 AM To: Grabowska, Lonnie ; Smith, Heidi J. ; Nelson, Douglas D. ; Miller, Randall C. ; Grossman, Parrell D. ; Spahr, Marina Subject: New AG Building DDs, We have been approached with a proposal by a developer to develop a new AG building, which would enable us to consolidate many of our divisions spread around Bismarck (this building contemplates BCI, IT/CJIS, Fire Marshal, MFCU, CPAT, and Lottery). The price is right and it looks like things would work. They would begin a remodel of the existing space and construct an addition. The process would take approximately 18-24 months (although they are assuring us we could be in by July 1, 2021). I have attached the proposed drawing of the building. Don't get too hung up on the details and layout of the interior. I can see we will already need to see some changes. However, I want to be sure the basic concept works before we make a firm commitment. Please review the plans and let me know your thoughts. Obviously there are a lot of details to be worked out. However, like I said, I just want to be sure the basic concept works because they are wanting a commitment from us before moving forward. Now for the wrinkle...they need to know by the end of this week because of a bunch of moving parts (purchase options, existing leases, etc.). So, let me know your thoughts ASAP. Thanks. Troy T. Seibel Chief Deputy Attorney General Office of Attorney General 600 E. Boulevard Ave., Dept. 125 Bismarck, ND 58505 701-328-2210 tseibel@nd.gov"</i></p>	Troy Seibel
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3/4/2020	<p>An email (provided by Attorney Rogenby, from Vogel Law Firm's memo) from Jason Dockter to North Dakota Director of Facilities Management John Boyle on 3/4/2023 reads:</p> <p>Subject: <i>"State Lease for Attorney General Space"</i></p> <p>o A following attachment received by Jason Dockter from PPM is included</p> <p><i>"Stealth Lease 3-1-20.docx; Attachment A 3-1-20 pdf"</i>.</p> <p>o Boyle's response (memo pg. 77) to Dockter:</p> <p><i>"I still think the rent is to high. I will email you my rate of return calculation for the property so you know how I am drawing my conclusions"</i>.</p> <p>Dockter asks Boyle if he had spoken with DAG Seibel regarding the lease. This is the last email correspondence Agent Guiberson could find where Dockter or DAG Seibel had contact with Boyle. In a later conversation with Joe Larrivee of Bartlett & West Engineering, he states he informed CJ Schorsch he did not want to "deal" with Boyle. Larrivee advised Schorsch Boyle made things difficult, and he would only work with Schorsch. Larrivee said this was a verbal agreement, and he does not recall having any further contact with Boyle.</p>	Jason Dockter, John Boyle, Parkway Property Management, Stealth Properties LLC
4/20/2020	<p>Email from Jason Dockter to DAG Seibel reads:</p> <p><i>"Troy Let me know the days and times that work for you and Wayne to walk through the building. The seller gave us a few more days to get the deal done."</i></p>	Jason Dockter, Troy Seibel
4/22/2020	<p>On April 22, 2020, it appears Dockter conducted a walkthrough of the building with individuals including AG Stenehjem, DAG Seibel, and Kyle Hellman of Office Space Solutions.</p>	Jason Dockter, Troy Seibel, Wayne Stenehjem, Kyle Hellman
4/24/2020	<p>On April 24, 2020, a building lease at 1720 Burlington Drive to house the Attorney General's office is signed by CJ Schorsch, North Dakota Director of Facilities Management John Boyle, and DAG Seibel.</p> <p>Boyle informed Agent Guiberson he later negotiated a lower square foot price before signing the lease that Seibel approved.</p>	CJ Schorsch, Troy Seibel, John Boyle

5/29/2020	<p>PPM finalizes the purchase of the property at 1720 Burlington Drive. Through their memo, owners of PPM reported the property was “assigned” to Stealth Properties LLC, and PPM was now acting as the property management company.</p> <p>Some businesses and LLCs are intermingled with owners and members who have a financial interest in one another. The entities were involved in negotiation, procurement, construction, and remodeling phases of the project.</p>	Parkway Property Management, Stealth Properties LLC
6/29/2020	<p>According to Bartlett & West engineer Joe Larrivee (in his interview with Agent Guiberson), a contract between Bartlett and PPM was signed on 06/29/2020 (for work on 1720 Burlington Drive). (Refer to 02/13/2023 entry.)</p>	Bartlett & West, Joe Larrivee, Parkway Property Management
7/15/2020	<p>An email (provided by Attorney Rogenby, from Vogel Law Firm's memo) with no message from Jason Dockter to DAG Seibel has a subject line that simply reads: (memo pg. 95)</p> <p><i>“Accepted: State Building”</i></p> <p>The continuing emails appear to only include Dockter, DAG Seibel, and CJ Schorsch (memo pg. 112). These emails include a conversation regarding furniture provided by DHS and its \$3000 expenditure.</p>	Jason Dockter, Troy Seibel
8/5/2020	<p>Email conversations (provided by Attorney Rogenby, from Vogel Law Firm's memo) with Bartlett & West engineer Joe Larrivee begin. Revision requests from BCI Director Grabowska are discussed and listed. Grabowska's email states:</p> <p><i>“I hope you will give me a call when you're free, if I am in a meeting, I hope you'll call back after your meeting with Troy so we can discuss these points”.</i></p> <p>BCI Director Grabowska looks to be continuing to make certain DAG Seibel is aware of his requests for changes.</p> <p>On August 5, 2020, Joe Larrivee emails Jason Dockter the following:</p> <p><i>“Jason, We are making revisions per Lonnie's emails now. They weren't that bad. Please forward to Troy first and he can weigh in on them as well. Hopefully this will be the end of the changes so we can move forward. Thanks”.</i></p>	Bartlett & West, Joe Larrivee, Lonnie Grabowska, Troy Seibel, Jason Dockter

8/6/2020	<p>A group of emails are exchanged (as provided by Attorney Rogenby, in Vogel Law Firm's memo) between several department heads, engineers, workspace experts, and others in the Attorney General's office. The email originates from BCI Director Grabowska and discusses several suggested workplace changes and questions of builders. In a portion of the email Grabowska writes:</p> <p><i>"Additional Topics to share: "I met with Troy yesterday about the size of the increased garage. CJ and Troy met on Tuesday to look at the diagram. CJ is advocating for the increased garage space for the building. Troy is deciding the size of the garage based on increased cost. I advocated heavily to have Troy allow full garage expansion so we have the most space possible for the future. If you (Heidi or Doug) want to reach out to Troy and offer your support of the full garage, please feel free to."</i> The email also states that Troy is bringing MFCU and AGIT moving to building.</p> <p>Dan Cox of the North Dakota Auditors Office asks CJ Schorsch in an August 24, 2022 email when the decision was made to build the garage. Schorsch responded:</p> <p><i>"The decision was made in December of 2020" and "The construction began in mid-December 2020."</i></p>	Lonnie Grabowska, CJ Schorsch, Troy Seibel
8/6/2020	<p>Continued: Email communication shows discussions involving the garage as early as August of 2020. If this is accurate, and the final decision to add the garage was not made until December 2020, project costs would have drastically increased.</p> <p>Emails on August 6, 2020 clearly show inputs and requests to PPM Property Management, Bartlett & West, workspace experts, and others. The emails provided by Stealth Properties LLC's attorney suggest DAG Seibel was being notified and information was being forwarded to him.</p> <p>On August 6, 2020, Dockter emails Joe Larrivee at Bartlett & West who provided engineering and other building services for PPM. The email states:</p> <p><i>"Joe, Looked good. Troy should be giving us an answer tomorrow. Thanks, Jason".</i></p>	Lonnie Grabowska, CJ Schorsch, Troy Seibel, Parkway Property Management, Bartlett & West, Joe Larrivee, Troy Seibel

8/9/2020		<p>Jason Dockter sends the following email (as provided by Attorney Rogenby, in Vogel Law Firm's memo) to Joe Larrivee, suggesting DAG Seibel is continuing to be notified and approving changes and the increase in garage space which would have significantly added to project costs:</p> <p><i>"Joe I talked to Troy and he is good with the new charges and adding the additional space to the shop. Those will be the last changes to the plans. What is the total square footage of the entire project? Thanks, Jason"</i>.</p>	Jason Dockter, Joe Larrivee
8/10/2020		<p>John Nelson from Bartlett & West sends the following email (as provided by Attorney Rogenby, in Vogel Law Firm's memo) to Jason Dockter and Joe Larrivee:</p> <p>Subject: <i>"RE: State Building"</i></p> <p><i>"Joe, The gross building area as follows: Remodel:20,500 SF Addition: 12,775 SF Let me know if you need anything else, John Nelson"</i></p>	Bartlett & West, John Nelson, Jason Dockter, Joe Larrivee
9/9/2020		<p>Emails continue, and several changes are requested by BCI Director Grabowska and Casey Miller of BCI. The requests reference the new build and furniture. As emails continue it seems evident DAG Seibel is aware of BCI's requested changes and is making decisions based on requests.</p>	Lonnie Grabowska, Casey Miller
9/9/2020		<p>On 09/09/2020, an initial lay out invoice is sent to NDAG from D&S LLC DBA PPM for \$5000. It appears this may be one of very few bills sent to the Attorney General's office as of 09/09/2020.</p>	North Dakota Attorney General's Office, D&S LLC, Parkway Property Management

10/7/2020	<p>On October 7, 2020, emails begin between PPM and Sandra Bogaczyk, Community Development, City of Bismarck. The emails are related to storm water drainage, and permit issues. In the email Bogaczyk states:</p> <p><i>“Again, I am not sure why you are in the middle here. Bartlett & West should be the project manager it seems. The City processes site plan review requests is pretty straight-forward given the introductory email sent to you below back on 9/17/20. It clearly states that we need 3 pdfs uploaded to the site plan request. We currently have the site plan only, per this email you just sent.”</i></p> <p>The emails show confusion from experienced industry professionals why PPM is acting as the project manager and not Bartlett & West.</p> <p>The email chain continues. Bogaczyk appears to be communicating with someone named Steve at PPM. Agent Guiberson spoke with Ki Lee from the City of Bismarck regarding the water drainage and said there were no large expenses related to compliance. Lee said everything appeared standard and adaptations to meet regulations had not incurred any large costs.</p>	Parkway Property Management, Sandra Bogaczyk
10/19/2020	<p>Kenneth Burgen of Bartlett & West refers to a change in water piping and fire suppression. The email states Burgen spoke with CJ Schorsch about new piping to the health department side of the building. This may have incurred costs not related to the AG portion of build.</p>	Bartlett & West, Kenneth Burgen, CJ Schorsch
11/9/2020	<p>Casey Colbern of Bartlett & West emails several individuals (as provided by Attorney Rogenby, in Vogel Law Firm's memo), to include PPM, and speaks of revisions to the property per city code. It includes a six-foot sidewalk, adding sanitary cleanouts and service requiring under street boring, tree planting, and landscaping.</p>	Bartlett & West, Casey Colbern, Parkway Property Management
11/10/2020	<p>Emails show the city is confused as to who is the signer for “Stealth Property” as the registered Agent is Marie Brown.</p> <p>CJ Schorsch responds by writing (as provided by Attorney Rogenby, in Vogel Law Firm's memo):</p> <p><i>“I am stealth properties signer/owner”.</i></p>	Stealth Properties LLC, Marie Brown, CJ Schorsch
11/30/2020	<p>CJ Schorsch asks Jennifer Krause of Northwest Contracting for a budget proposal, she states they are waiting for the city permit process.</p>	CJ Schorsch, Northwest Contracting, Jennifer Krause
12/1/2020	<p>Construction for 1720 Burlington Drive begins Dec 2020.</p>	1720 Burlington Drive

12/10/2020		<p>An email (as provided by Attorney Rogenby, in Vogel Law Firm's memo) on December 10, 2020 shows an updated Architectural and Structural design from John Nelson at Bartlett & West to PPM.</p> <p>Email communications begin between PPM, Northwest Contracting, CJ Schorsch with several individuals CC'd. Agent Guiberson did not observe anyone from the AG's office included in the email chain receiving this information.</p>	Bartlett & West, John Nelson, Parkway Property Management
12/23/2020		<p>Emails between Jason Dockter and DAG Seibel discuss a walkthrough of the building with AG Stenehjem.</p> <p>Emails continue to show DAG Seibel was the project contact at the Attorney General's office. Attorney General employees stated DAG Seibel initially was adamant that all changes go through him. Emails showed approval would go to CJ Schorsch, then DAG Seibel, and at other times it would not. It is not clear if all change orders were approved by Seibel, but emails suggest several were. CJ Schorsch, and Jason Dockter had several email communications with DAG Seibel, including some approval requests for expenditures. Division heads emailed DAG Seibel requesting approval on additions. As the project evolved CJ Schorsch and DAG Seibel were communicating, but clear documentation of every expenditure was not discovered. Complete documentation related to original cost estimates, actual costs, all change orders, material, and labor receipts are lacking. The "memo" provided by Stealth Properties LLC after the requested Auditor review had receipts and documents, but invoices and receipts remained inconsistent with payments. Several meetings were held between Seibel, Schorsch and at times Dockter. The exact topics and specifics of those meetings are unknown.</p>	Jason Dockter, Troy Seibel
3/8/2021		<p>Emails between CJ Schorsch and Seibel which took place in March and April 2021, suggest DAG Seibel is communicating with stakeholders, but Schorsch may be deferring decisions to contractors. On 03/08/2021, Schorsch emails DAG Seibel (as provided by Attorney Rogenby, in Vogel Law Firm's memo), requesting major change plans for Seibel to sign.</p> <p>The Attorney General's accounting staff show concern as they locate costs related to CAM charges and advise Seibel. Seibel tells them it is a minimal cost.</p>	CJ Schorsch, Troy Seibel
4/26/2021		<p>Carpet World Bismarck bills PPM for the following materials for a total of \$80,719.28:</p> <p>31,564.26 square feet, carpet tile: \$75,438.58+\$5,280.70 tax.</p> <p>(Carpet World staff said CJ Schorsch picked up the material from their warehouse.)</p>	Carpet World, Parkway Property Management, CJ Schorsch

4/26/2021	Frontier Contracting LLC bills 1720 Burlington Drive \$73,235 for the following: 2/10/2021: Bulbs; \$250 3/10/2021: Dump trailer and labor for disposal; \$1,285 4/26/2021: Drywall supplies; paint, tape, & texture; \$34,700 4/26/2021: Carpet and sundries; \$37,000	Frontier Contracting LLC
5/20/2021	Frontier Contracting LLC bills 1720 Burlington Drive for the following services for a total of \$55: 05/07/2021: Men's bathroom toilet not running; plunged toilet and reset sensor; \$55	Frontier Contracting LLC
6/1/2021	In June of 2021, CJ Schorsch sends an email to DAG Seibel requesting rent. The agreement states the Attorney General would occupy 1720 Burlington Drive at this time. BCI was still leasing, and occupying the property on State Street as the Burlington building was not yet completed. The Attorney General office was still going to pay the lease rent even as the project and occupation was incomplete.	CJ Schorsch, Troy Seibel
6/1/2021	In June of 2021, CJ Schorsch sends DAG Seibel another email regarding project cost overruns.	CJ Schorsch, Troy Seibel
6/25/2021	Frontier Contracting LLC bills <u>Stealth Properties</u> 1720 Burlington Drive for the following services for a total of \$42,000: 06/24/2021: Bathroom rehab; \$42,000	Frontier Contracting LLC, Stealth Properties LLC
6/28/2021	In June of 2021, DAG Seibel informs the Attorney General financial staff the division is responsible for \$1,742,210 as project costs ran over. The total project was reported to be \$5,530,810. The remaining cost for PPM would be \$3,788,600.	Troy Seibel

6/28/2021		<p>At the end of June 2021, the Attorney General's Office pays \$1,342,210 out of existing funds appropriated in different areas within the Division as follows:</p> <ul style="list-style-type: none"> o Operating, \$470,187 o Law Enforcement, \$197,900 o Criminal Justice Information Systems, \$325,876 o North Dakota Lottery, \$348,247 <p>The remaining \$400,000 of alleged costs billed to the Attorney General's Office were rolled into the lease. This was apparently negotiated by DAG Seibel. This resulted in the monthly lease cost being increased to nearly \$7,000 monthly.</p> <p>If the \$400,000 debt was not rolled into the lease and the overrun reported, the Attorney General would have been required to seek Legislative authority and approval for the expenditure.</p> <p>According to North Dakota Auditor's Office, \$602,185 was paid from the General Fund and \$740,025 from Special Funds. The payments were made at the very end of the 2019-2021 fiscal biennium. The alleged unexpected \$1,342,210 payment for cost overruns, if not used would have been required to be returned to the state general fund. The payments in the final days of the 2019-2021 biennium depleted all AG funds. Keller states the invoice from D&S is dated July 22, 21 weeks after the payment.</p>	North Dakota Attorney General's Office, Troy Seibel
6/28/2021	9:57:00 AM	<p>DAG Seibel forwards the following email to Attorney General's Office Finance Director Becky Keller:</p> <p>Subject: <i>"FW:1720 Burlington Drive and attachment AG-2.xlsx from Troy Seibel"</i></p> <p><i>"How much of this could we pay out of end-of-biennium funds?"</i></p>	Troy Seibel, Becky Keller
6/29/2021		<p>On June 29, 2021, as the project is in the final stages, DAG Seibel asks PPM for a square footage breakdown per department. CJ Schorsch supplied the following:</p> <ul style="list-style-type: none"> o BCI 22,284 (with shop space) o IT 2100 o CGIS 1850 o Fire Marshall 1825 (with shop space) o Consumer Protection 2100 o Lottery 2841 	Troy Seibel, Parkway Property Management, CJ Schorsch
6/29/2021	8:18:00 AM	<p>DAG Seibel emails PPM asking what the changes in rent would be per \$100,000. Seibel stated they were looking for the money but may not have the funds. Shows knowledge of overruns.</p>	Troy Seibel, Parkway Property Management

7/1/2021		North Dakota Bureau of Criminal Investigation's lease on State Street set to expire on this month.	North Dakota Bureau of Criminal Investigation
8/10/2021		<p>DAG Seibel sends the following email (as provided by Attorney Rogenby, in Vogel Law Firm's memo) to Steve Harstad at BCI and CJ Schorsch/PPM:</p> <p>“For auditing purposes, our finance division needs documentation regarding the cost overruns on the new building. Specifically, we need documentation about why costs increased (i.e., change orders, increased material/labor costs because of COVID, etc.). It does not have to be very formal. It could be emails, or a short memo/note about why the costs were incurred so we have documentation in our files. Let me know if you have any questions. Thanks.</p> <p>Troy T. Seibel”</p> <p>PPM replies: "Received, all the contractors know this needed to be broken out, the final bills have not all been received since there is a few items due to arrive in Bismarck later this week. (Doors in Breeze way, and lottery generator switch, controls for boiler system). Will the end of September be okay to get this documentation or do we need to do this in August?</p> <p>CJ"</p> <p>It appears DAG Seibel was aware of the overruns as early as January 2021 but requests the documentation in August which is a month after payment was made. Construction on the Burlington building continues even as overruns are known. It also appears Schorsch informed DAG Seibel on or before January 2021, that project costs were approaching five million. January 27, 2021, emails from Joe Schell at AG IT to PPM shows confusion related to IT's accessibility on Burlington drive for Consumer Protection and Lottery (Memo 259, 263, 319(331)816)</p>	Troy Seibel, Steve Harstad, CJ Schorsch, Parkway Property Management

8/19/2021	<p>Frontier Contracting LLC bills 1720 Burlington Drive for the following services that had occurred more than a year prior, on 1/1/2021, for a total of \$26,500:</p> <p>Demo labor and maintenance: \$0. June 2020: \$1,350. Dump trailer/skid: \$900. July 2020: \$2,850. Dump trailer/skid: \$200. August 2020: \$5,250. Dump trailer/skid: \$300. September 2020: \$4,000. Dump trailer skid: \$100. October 2020: \$2,000. November 2020: \$2,500. Skid steer: \$300. December 2020: \$2,750. Skid steer: \$1,050. January 2021: \$2,250. Dump trailer/skid: \$700.</p> <p>A vague invoice from Frontier dated August 19, 2021, simply lists labor and supplies. The vague invoice lists service and monthly bill dates for “dump trailer, skid steer, and labor”. Specifics on labor are not described. The invoice lists every month between June 2020 and January 2021 in the same manner and exact same price which accrued costs of \$26,500. The invoices give the appearance they were copied verbatim for each month.</p>	Frontier Contracting LLC
8/19/2021	<p>At the end of August 2021, Attorney General’s Office Finance Director Becky Keller and Accounting Manager Tasha Gerding emails CJ Schorsch. Keller asks for specifics and documentation relating to costs, invoices, and if an amendment to the lease has been drafted. No documentation was located suggesting the amendment was drafted and signed at this point.</p>	Becky Keller, Tasha Gerding, CJ Schorsch

8/31/2021	8:49:00 AM	<p>On August 31, 2021, Finance Director Becky Keller emails PPM (as provided by Attorney Rogenby, in Vogel Law Firm's memo) asking CJ Schorsch if he had determined a new lease rate, if there was a new drafted amendment, and to specify costs covered under CAM. Keller asked for documentation, invoices, emails, etc. to justify cost overruns the Attorney General's office had already paid (Memo pg. 435, 436).</p> <p>PPM responded on September 1, 2021, with the following:</p> <p>"We will be adding \$2.44 a sqft to the 33,000 sqft lease for a 5 year term to cover the \$400,000 overage. The lease rate of \$11.94 per sqft (\$9.50 +\$2.44) for the first 5 years of the lease, at the end of the 5 year term rent will be \$10.00 sqft starting July 2026. We have not drafted the amendment for this portion of the lease agreement how should we do this? The BCI/fire marshal area of about 20,300 sqft occupied the space on the 9th of July, the lottery and consumer protection occupied their space the 23rd of August.</p> <p>The CAM charges are the following, parking lot repair/maintenance, landscaping, lawn care, exterior/common light poles/fixtures, snow removal, common bathrooms and break room equipment/maintenance.</p> <p>Yes we have all the invoices/emails Troy wants us to get them to him the end of this month once all the subcontractors have finished and are paid in full CJ."</p>	Becky Keller, CJ Schorsch, Parkway Property Management
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9/23/2021		<p>Accounting Manager Tasha Gerding asks CJ Schorsch to clarify square footage space (Memo pg. 437). Schorsch responds with calculations which do not match the calculations he emailed DAG Seibel in June. Gerding had previously and specifically asked Seibel in a June email to explain Lottery’s 2481 square ft, and CPAT’s 2100 square feet charges. The costs were being billed for 8300 square feet. Schorsch explains he measured using the following Bartlett & West print:</p> <p>“Existing building 20,128 Breezeway and Addition 12,960 Total usable space 33,088 sq ft (Not including the common bathrooms and break room areas on the west side of the building)</p> <p>The breakouts are as follows: o BCI 19,315 (with shop space) I don’t know exactly what the break out of employees is in the cubicle here is my best guess. The storage rooms are shared I believe. o CGIS 2100 o IT 1850 o Fire Marshal 1825 (with shop space) o Lottery/CPAT 7998 (With common bathrooms and breeze way) They pretty much ½ of that space so 3999 sq ft a per division”</p>	Tasha Gerding, CJ Schorsch
10/4/2021		On October 4, 2021, Finance Manager Tasha Gerding sends an email to CJ Schorsch explaining she was continuing to pay invoices. Schorsch requests the October rent. She replies by telling Schorsch the payment for invoices was to get July through September’s rent paid.	Tasha Gerding, CJ Schorsch
10/11/2021		DAG Seibel emails PPM and Steve Harstad of BCI requesting documentation of cost overruns. This is over three months after requesting explanation on invoices from financial staff, and over three months after payment. Emails regarding the cost of snow removal between Randall Miller, the State, and PPM continue. A future contract amendment addresses the CAM costs.	Troy Seibel, Steve Harstad, Parkway Property Management
11/1/2021		1720 Burlington Drive project completed.	1720 Burlington Drive
1/5/2022	7:46:00 AM	In early January of 2022, BCI Director Grabowska emails DAG Seibel regarding “Wayne” and the purchase of an ice machine. Wayne asked Grabowska to search for a cheaper unit. Grabowska relayed to Seibel the cheapest commercial model was \$4500. In a follow up email on February 17, 2022, Grabowska tells Seibel he and Wayne had discussed purchasing an ice machine before Christmas saying they would roll it in to the lease cost. This suggests AG Stenehjem may have been aware of the plan for purchases rolling in to lease costs (Memo pg. 476). Seibel responds to Grabowska on February 17, 2022, by recommending that he move forward on the ice machine if it was in the budget.	Lonnie Grabowska, Troy Seibel, Wayne Stenehjem

1/21/2022		<p>AG Stenehjem actively working from home.</p> <p>In Elizabeth Brocker's letter, she states a week prior to AG Stenehjem's death, he had been working from home, as she "actively monitored" AG Stenehjem's and DAG Seibel's email accounts regarding "urgent matter". The letter continues, "After Wayne's death, during a discussion with Troy, he directed that Wayne's email account should be deleted. I relayed that instruction to IT".</p>	Wayne Stenehjem, Elizabeth Brocker, Troy Seibel
1/28/2022		AG Stenehjem passes away.	Wayne Stenehjem
1/29/2022	8:51:00 PM	<p>Elizabeth Brocker (AG Stenehjem's Executive Assistant) instructs Attorney General's Office-Information Technology to delete AG Stenehjem's state email account. Brocker sends an email to Heidi Smith (Attorney General's Office-Information Technology-Criminal Justice Information Sharing Director):</p> <p>Subject: <i>"Monday 1st thing"</i></p> <p><i>"1st thing Monday, could you have Wayne's nd.gov email account shut down and the emails in his in box, in box folders, sent items - deleted. Troy and I went in today and are meeting again tomorrow - I will search for personal emails that Beth might want, and print them off. We want to make sure no one has an opportunity to make an Open Record request for his emails, especially as he kept EVERYTHING. This was approved by Troy. Thank you. Liz"</i></p> <p>Heidi Smith replies: <i>"Absolutely. We will let you know when it is completed. Heidi"</i></p>	Elizabeth Brocker, North Dakota Attorney General's Office-Information Technology, Heidi Smith
1/31/2022	7:37:00 AM	<p>Joe Schell (Attorney General's Office-Information Technology Manager) forwards to Elizabeth Brocker in the email chain:</p> <p>Subject: <i>"FW: Monday 1st thing"</i></p> <p><i>"I submitted the request to NDIT to delete his mailbox (email account). I will report back when complete."</i></p> <p><i>After NDIT deletes the mailbox on the server, we should login to Wayne's laptop and remove the email account there as well. I believe Outlook has an offline version that should also be deleted."</i></p> <p><i>Joe S."</i></p>	Elizabeth Brocker, North Dakota Information Technology, Joe Schell
1/31/2022	8:35:00 AM	<p>Heidi Smith replies to Elizabeth Brocker in the email chain:</p> <p>Subject: <i>"RE: Monday 1st thing"</i>:</p> <p><i>"Hi Liz, They are in the computer, working on getting everything moved off onto a drive, so the photos and personal information are not lost. Thank you, Heidi"</i></p>	Elizabeth Brocker, North Dakota Attorney General's Office-Information

			Technology, Heidi Smith
1/31/2022	8:40:00 AM	Elizabeth Brocker replies to Heidi Smith in the email chain: Subject: <i>"RE: Monday 1st thing"</i> <i>"Brilliant! Thank you. Liz"</i>	Elizabeth Brocker, North Dakota Attorney General's Office- Information Technology, Heidi Smith
1/31/2022	8:52:00 AM	AG Stenehjem's state email account deleted by North Dakota Information Technology.	Wayne Stenehjem, North Dakota Information Technology
1/31/2022	12:19:0 0 PM	Joe Schell replies to Elizabeth Brocker in the email chain: Subject: <i>"RE: Monday 1st thing"</i> <i>"NDIT deleted the email account. I'm working with Wayne's laptop as we speak. I will return to Jennifer when complete. 1. I copied everything from his "Photos", "My Documents" and "Desktop" to a flash drive. 2. I moved everything from his "Photos", "My Documents" and "Desktop" to the local "Wayne Stenehjem" account on the laptop. 2 3. I removed office software packages from his computer. 4. I disabled the drive encryption that we had enabled on the computer. 5. I removed the computer from our network. There at two accounts on the computer. 1. Wayne Stenehjem – Password125Password125 2. Administrator – Password125Password125 Joe S"</i>	Elizabeth Brocker, North Dakota Information Technology, Joe Schell
1/31/2022	1:16:00 PM	Elizabeth Brocker replies to Joe Schell in the email chain: Subject: <i>"RE: Monday 1st thing"</i> <i>"Thank you so much. Liz"</i>	Elizabeth Brocker, North Dakota Information Technology, Joe Schell

1/31/2022	1:45:00 PM	Elizabeth Brocker replies (again) to Joe Schell in the email chain: Subject: <i>"RE: Monday 1st thing"</i> <i>"The family just called. They need some of the photos they believe were on his laptop for the powerpoint at the viewing. A family member will drive down there shortly to get it. I told her to ask for you by name. Liz"</i>	Elizabeth Brocker, North Dakota Information Technology, Joe Schell
1/31/2022	1:46:00 PM	Joe Schell replies to Elizabeth Brocker in the email chain: Subject: <i>"RE: Monday 1st thing"</i> <i>"OK. I will be here. Joe S."</i>	Elizabeth Brocker, North Dakota Information Technology, Joe Schell
1/31/2022	2:14:00 PM	Joe Schell replies to Elizabeth Brocker in the email chain: Subject: <i>"RE: Monday 1st thing"</i> <i>"She arrived and picked up both the laptop and flash drive. I provided the password. I sat with her for just a couple of minutes and explained how to login to the computer and where she could find the needed items. explained that all of those same items on the flash drive in folders with the same name. Joe S."</i>	Elizabeth Brocker, North Dakota Information Technology, Joe Schell
2/8/2022		On February 8, 2022, eleven days after AG Stenehjem's passing, North Dakota Governor Doug Burgum appoints Drew Wrigley as North Dakota Attorney General (AG Wrigley) to fill the remainder of AG Stenehjem's term.	Doug Burgum, Drew Wrigley
3/16/2022		CJ Schorsch/PPM emails Accounting Manager Tasha Gerding asking for a rent payment.	CJ Schorsch, Tasha Gerding
3/16/2022		AG Wrigley informs DAG Seibel that he is being replaced by Claire Ness as Chief Deputy. DAG Seibel resigns after the meeting. After Seibel resigns, Finance Director Becky Keller informs AG Wrigley of concerns regarding cost over runs and billing in relation to the move to 1720 Burlington Drive. Keller said was she intimidated by Seibel, as he was essentially "her boss". Keller stated directions by DAG Seibel regarding financial issues "were very concerning", so she immediately informed AG Wrigley after DAG Seibel's resignation.	Drew Wrigley, Troy Seibel, Becky Keller, Claire Ness
3/17/2022		Finance Director Becky Keller informs AG Wrigley of cost overruns in the Attorney General's Office. AG Wrigley examines the matter and requests a meeting with North Dakota Auditor Josh Gallion to advise him of a possible fiscal problem. The Cost overrun was the Attorney General's Office's new location and building lease.	Drew Wrigley, Becky Keller, North Dakota Office of the State Auditor, Josh Gallion

3/17/2022		Accounting Manager Tasha Gerding responds to CJ Schorsch saying DAG Seibel had directed her to hold off on paying rent (memo pg. 452). Later in the afternoon of March 17, 2022, Schorsch once again emails Gerding stating he could not get a hold of Seibel. Schorsch asks if Gerding would have Seibel call him. Gerding informs Schorsch that Seibel was no longer employed at the Attorney General's office.	Tasha Gerding, CJ Schorsch, Troy Seibel
3/18/2022		AG Wrigley informs North Dakota State Auditor (SA) Josh Gallion that his office was examining suspicious cost overruns related to a lease in the Attorney General's Office. AG Wrigley informed SA Gallion for transparency purposes.	Drew Wrigley, Josh Gallion
4/6/2022		According to Finance Director Becky Keller's timeline, Keller speaks with CJ Schorsch on April 6, 2022. The timeline states Schorsch informed Keller there were conversations regarding cost over runs where both DAG Seibel and AG Stenehjem were present. Keller's timeline says Schorsch told her in January 2021 both AG Stenehjem and DAG Seibel were advised the Burlington Drive project was close to \$1.5 million dollars over budget, but the project continued.	Becky Keller, CJ Schorsch, Wayne Stenehjem, Troy Seibel
5/23/2022	12:27:00 PM	Elizabeth Brocker instructs Attorney General's Office- Information Technology to delete DAG Seibel's state email account.	Elizabeth Brocker, North Dakota Attorney General's Office- Information Technology, Troy Seibel
6/29/2022		AG Wrigley informs the Legislative Audit and Fiscal Review Committee at their next scheduled quarterly meeting of approximately \$1.74 million in unexpected costs relating to the AGO relocation at 1720 Burlington Drive. The Legislative Audit and Fiscal Review Committee requested a review of the lease and recently reported costs regarding the relocation of the Attorney General's Office by North Dakota State Auditor's Office. The Auditor's office was given until September 2022 to complete their report.	Drew Wrigley, North Dakota Legislative Audit and Fiscal Review Committee, North Dakota Office of the State Auditor
6/30/2022		Open records request for emails from press leads to discovery of deletion of AG Stenehjem's emails.	Wayne Stenehjem

7/15/2022		<p>Elizabeth Brocker resigns from her position in the Attorney General's Office. Upon her resignation, Elizabeth Brocker wrote a letter explaining the earlier deletion of DAG Seibel's email account, in which she says "After Troy left, as a matter of routine, IT contacted me regarding removing his email account. I asked for time to go through the emails before anything was deactivated."</p> <p>The letter goes on to say she went through the emails that were only addressed to Troy. Brocker continues, "ccs relating to pending or upcoming issues, I forwarded them on to other agency staff as appropriate. I then went through the emails by date order, reviewing them to ensure nothing got missed. I printed a few off to check the issue was concluded, and I checked up on a few others, but for the most part, the emails either related to routine office matters or were about the numerous cases being litigated in state or federal court and had other people included in the email chain."</p> <p>Brocker's letter continued stating the process took some time and IT was asked for an extension. IT contacted the writer again asking if the account could be deactivated. It was confirmed the remaining emails could be deleted. In Brocker's own letter she admits to deleting both accounts. The letter states AG Stenehjem's account was deleted with approval from DAG Seibel, and DAG Seibel's account was deleted by her, with correspondence from IT. Because of the deletions, it is impossible to assess the content of correspondence which may, or may not have had evidentiary value related to the project at 1720 Burlington Drive.</p>	Elizabeth Brocker, Troy Seibel
9/16/2022		BCI Director Lonnie Grabowska emails Dan Cox that he did not recall Seibel ever telling him a new garage would be built. Notices it what they started digging.	Lonnie Grabowska, Dan Cox, Troy Seibel
9/16/2022	4:50:00 PM	North Dakota Secretary of State Barb Seigel emails Dan Cox on 9/16/22 4:50 stating as of that date Frontier LLC did not have a contractors license and they could not find where one had been applied for. Cancelled 12/31/18.	Barb Seigel, Dan Cox, Frontier Contracting LLC
9/27/2022		North Dakota State Auditor Josh Gallion reports his findings of his review of the cost overruns related to 1720 Burlington Drive to the North Dakota Legislative Audit Financial Review Committee. Gallion's findings prompt LAFRC to request that AG Wrigley locate an outside agency to investigate specifics of the 1720 Burlington project. AG Wrigley contacts the Montana Department of Justice-Division of Criminal Investigation and requests an investigation into the project. An MOU is signed, and Agent Don Guiberson is assigned the investigation. AG Wrigley appoints Agent Guiberson a North Dakota Law Enforcement Agent for the purposes of this investigation.	Josh Gallion, North Dakota Legislative Audit and Fiscal Review Committee, Drew Wrigley, Montana Department of Justice-

			Division of Criminal Investigation, Don Guiberson
10/28/2022		AG Wrigley receives an 800-page report from Attorney Monte L. Rogenby, Esq., of Vogel law Firm in response to the North Dakota Auditor's review. Rogenby represents Stealth Properties LLC. The memo contains open-source information not otherwise available, as members of Stealth Properties LLC (through their attorney) declined an invitation to be interviewed. There are several emails in the memo that are not in chronological order and have odd frame lapses.	Drew Wrigley, Monte Rogenby, Vogel Law Firm, Stealth Properties LLC.

<p>11/2/2022</p>	<p>Jason Dockter appears as a guest on a local radio show, "Plain Talk", and reveals the following:</p> <p>--Dockter states if the North Dakota Auditor's Office had asked questions prior to their report, cost issues related to CAM charges could have been resolved.</p> <p><i>Note: it appears on page 501-506 of the Vogel memo itself; Dan Cox of the Auditors office did ask these pertinent questions. Audit Manager Lindsay Slappy was surprised by the information Dockter provided because it was never mentioned or furnished by Dockter, during his Auditor interviews. One of the most surprising revelations for Slappy was when Dockter revealed Stealth would be providing over \$200,000 back to the AG's office. Slappy said the November 2022 radio program was the first time any type of re payment was mentioned. Slappy stated reconciliation of payments, re payments, or refunds were never brought up by Dockter or Schorsch during, or after audit interviews.</i></p> <p>--Dockter argues in the interview the North Dakota Auditor's Office could have reached out to him for questions.</p> <p><i>Note-Agent Guiberson contacted Dockter's attorney to speak with Dockter as questions remained. Agent Guiberson was informed no Stealth Properties LLC owners would agree to an interview.</i></p> <p>--Dockter states Frontier Contracting LLC was doing business under D&S's license, and this could have been the issue in the audit. Dockter states invoices should have been billed as Frontier "doing business" under D&S. Dockter said the billing was a mistake. He also states Frontier had no employees.</p>	<p>Jason Dockter, Frontier Contracting LLC</p>
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12/4/2022	<p>Agent Guiberson speaks with North Dakota Director of Facilities Management John Boyle. Boyle states he was approached by the Attorney General's office years prior to the Burlington Drive project. Boyle says the former BCI Director and Attorney General were interested in consolidating locations. BCI's lease was to expire and there were other issues with their current location. Boyle describes an attempt to purchase the 35,000 square foot Salix school. Preliminary plans were to purchase the school for \$400,000 and acquire \$1,000,000 for remodeling. The project did not materialize.</p> <p>Boyle says half of the 40,000 square foot Burlington Drive building was already occupied and leased by the State Health Department. The owner at this point was "Bismarck Industries." ITD occupied the other half of the building but were planning to relocate. The BCI's current lease was to expire in June of 2021. Boyle says rent for half of the Burlington building was originally quoted at \$950 a month. This would include \$5 for pass-throughs resulting in about \$1450 a month, substantially cheaper than the north side of Bismarck. Boyle states:</p> <p>"So once the lease was negotiated um there was an email that I sent from myself to representative Dockter that said a you know the lease is too much you're asking too much 'cause I know what you're buying the building for.</p> <p>I kind of have a rule of thumb that you know really no landlord should make more than like 400 (unintelligible) points above a treasury bond."</p>	John Boyle, Don Guiberson
12/4/2022	Continued: Boyle explains Jason Dockter representing his partnership had collaborated with them during the attempt to buy the school. Boyle says there were discussions examining a private public partnership with Dockter's LLC. They discussed Dockter's partnership buying the school, then later selling it to the State of North Dakota with legislative approval. In theory, this would allow time for the legislative process to move forward to appropriate funds, but the transaction did not progress. Boyle explains when the Burlington building project developed, he was once again working with Dockter. Boyle was unaware of how Dockter and the business relationship between the Attorney General's Office developed. This suggests Dockter had previous direct knowledge that the Attorney General's Office was to relocate. The direct knowledge was before a contemplated purchase of the Burlington Drive building occurred.	John Boyle, Don Guiberson, Jason Dockter, North Dakota Attorney General's Office

12/4/2022	<p>Continued: Boyle was familiar with the property at Burlington as ITD had been renting partial space. Based on the real estate market in Bismarck, Boyle proposed capping the state's new construction investment at \$200 a square foot, and \$50 a square foot for remodel. Boyle says ITD leased the space at the time, so he did not think there would be a substantial amount of remodeling. Boyle went on to say:</p> <p><i>"So, so I felt very comfortable the rent that they were paying was based on that investment so you know we could have gone back to them and thought no that's not gonna be enough it's gotta be \$300.00 for new and a \$100.00 for remodel but then in that \$950.00 would have just gone up.</i></p> <p><i>So before or after you know it was gonna cost the same...</i></p> <p><i>...so, so what went so of course what happened was COVID came...</i></p> <p><i>the cost of everything went up dramatically so I think if you know if, if there weren't COVID um I think it could have been done for, for what was in the lease but, but the, the so I just remember I was in my office at that table that upstairs..."</i></p>	John Boyle, Don Guiberson
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12/4/2022	<p>Continued:...and I was having a meeting and Troy Seibel came in with representative Dockter and said hey we got the lease the final lease...we need you to sign it and I said well let me look at it real quick so I just looked at the first page it showed the rent... base rent came in and then I flipped to the back to see that it was still \$250.00...dollars for remodeling and then I signed it and then, then I was done.</p> <p>Nobody, nobody ever came back to me a CJ called me and said hey do you want to go down and see the space it's all built out they actually BCI's moved in and some of the other divisions are getting ready to move in so I said sure I'll go take a look at it so I meet CJ down there and we go in and we walk in and I mean it had changed dramatically...</p> <p>...from when IT had it and I said there's no way that you remodeled all this for \$50.00 a square foot he said oh no we went over by like over a million dollars a million some dollars I'm like what I said so are we gonna adjust the rent and he said no they're gonna they paid some this was already after the payment or they agreed to this was in July of 21 before the end of the biennium or the end of biennium occurred...</p> <p>they already made the big payment they never came to me and asked hey what should we do or anything the attorney general's office so I'm like they paid, and they said yeah, they cut us a check and the remainder we're gonna spread out over four years and we're gonna just increase that base rent their gonna kind of a loan at zero percent interest."</p>	John Boyle, Don Guiberson, Troy Seibel, CJ Schorsch
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<p>12/4/2022</p>	<p>Continued: In the past, Boyle says departments had asked the Emergency Commission for spending authority, if accepted the legislative budget section would be required for approval. Boyle continued:</p> <p><i>“If the Attorney General office would have just done the same thing,” he then states by “Attorney General” he means “Troy”.</i></p> <p><i>Boyle says Dockter and Seibel “basically interrupted” a meeting he was attending asking for a letter of intent to assist them in obtaining financing for the Burlington project. Boyle said he understood what they were trying to accomplish. Boyle said letters of intent usually are titled in big bold letters “non-binding.” He does not recall if the non-binding statement was in the letter. Boyle said:</i></p> <p><i>“And I took a minute to look at it but in hindsight I should have said well do you already own the building”.</i></p> <p><i>...’cause how are we signing a lease with an entity that doesn’t even own the building so I that’s where I kind of kick myself is why, why we should have made sure they owned the building before we signed the lease.”</i></p> <p>Boyle described at purchase the building was approximately 40,000 square feet, with approximately 20,000 square feet in use. The building sat on 4 acres and plans were to add approximately 15,000 square feet of new space.</p>	<p>John Boyle, Don Guiberson, North Dakota Attorney General's Office, Jason Dockter, Troy Seibel</p>
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<p>12/4/2022</p>	<p>Continued: The following is an excerpt from Boyles interview describing how money is obtained if the State itself buys a property:</p> <p><i>JB: ...you know and I know those guys some of them and maybe they would have said well we'll hang on and see what happens in the legislative session to see if you get it um but they probably would have wanted some earnest money or something like that but when they when they had a buyer because again it's, it's not in the best location of town.</i></p> <p><i>DG: Mm-hmm (affirmative).</i></p> <p><i>JB: Not a lot of state employees live down there um that's why it went for so little and um, but I knew it was a great deal and I knew those guys were gonna get a really good deal and that's why they gave us a lower rent too...</i></p> <p><i>DG: Mm-hmm (affirmative).</i></p> <p><i>JB: ...um but yeah it was there's, there's been four times in my twenty years where we should buy a building instead, but a landlord bought it then we ended up leasing it from a private landlord.</i></p> <p><i>DG: So, do you I think it's fair to say they probably have an inside they knew you guys were gonna do this I mean they know that not you guys sorry, but the state was gonna be the renter there when they bought this property.</i></p> <p><i>JB: Oh Jason Dockter?</i></p>	<p>John Boyle, Don Guiberson, Jason Dockter</p>
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12/4/2022	<p><i>Continued: DG: Yeah.</i></p> <p><i>JB: Oh yeah definitely.</i></p> <p><i>DG: Yeah.</i></p> <p><i>JB: They would have never bought it if they weren't.</i></p> <p><i>DG: They wouldn't have bought it.</i></p> <p><i>JB: Absolutely not.</i></p> <p><i>DG: Okay.</i></p> <p><i>JB: They wouldn't like they wouldn't have bought it just on spec.</i></p> <p><i>DG: Okay.</i></p> <p><i>JB: In hopes of getting an agency (unintelligible).</i></p> <p><i>DG: Is, is that normal?</i></p> <p><i>JB: No like I say there's only been twice where somebody's said they would build a building for us without us signing a lease first. This one and this IT building. But usually there most, most of the space we lease are not you know they're not in desirable Class A office buildings.</i></p>	John Boyle, Don Guiberson
12/4/2022	<p>Continued: Boyle says he was not privy to the specifics of the build and was unaware of the landlord's financial contribution agreement. Boyle said:</p> <p><i>"I think I think if Troy would have just come to me and said John you know I'm in way over my head we need some help with this build out and everything if I could work with his divisions directors and then I think that we could have mitigated a lot of this.</i></p> <p><i>But, but then like I, I also said that you know when these change orders came in well, we would have done it the appropriate way it would have been in writing you know it would have been you know 'cause that's how we do them here.</i></p> <p><i>We would have but even if Troy said no, we're gonna go ahead and do it I can't say no you can't spend your money that way.</i></p> <p><i>You're not gonna get that and who am I to say that to the deputy attorney general of the state you know".</i></p> <p>Boyle says he only spoke to Schorsch on one occasion, this was after the relocation to the Burlington building.</p>	John Boyle, Don Guiberson, Troy Seibel, CJ Schorsch

12/4/2022	<p>Continued: Boyle says the square footage price seemed fair after the original negotiation. He was adamant he would never expect costs to exceed the negotiated square footage price. Boyle was certain costs would not reach the amount of the cap space for changes; he explained this is why he signed off on the project. Boyle was not comfortable with the high rate. Boyle emailed Dockter explaining the lease was too expensive and CAM (common area maintenance) charges were suspect. Boyle agreed COVID would have caused overages but was incredibly surprised the overages were almost 1.8 million dollars. Boyle says he was confused as the project appeared to be “pay first” which was far from customary.</p> <p>An email shows Boyle’s disbelief that a project of this magnitude did not utilize a governmental lead. Boyle said he was alarmed that a “spec book” was not used by the contractor. A spec book is used by a project foreman and contains running cost totals and project changes. Boyle added the Attorney General’s office should not have paid for any architect fees. An email from an industry professional shares Boyle’s concern regarding the absence of a spec book.</p>	John Boyle, Don Guiberson
12/6/2022	<p>Agent Guiberson speaks with Finance Director Becky Keller at the North Dakota Capital. Keller states in June of 2021 she received a forwarded email from DAG Seibel. The email originated from CJ Schorsch stating the AG was responsible for cost overages on Burlington Drive project. Keller said she “almost choked” when the amount was reported as being \$1,742,209. Keller immediately went to DAG Seibel’s office and questioned him to obtain an explanation. DAG Seibel provided Keller with assurances that everything was handled. DAG Seibel informed Keller that paying the overages was their contractual and legal obligation. Keller’s concern remained, but said DAG Seibel was her supervisor, and she was intimidated by him and the position he held. DAG Seibel emailed Keller remaining departmental biennium funds and inquired about paying the overages with these funds. The Attorney General’s Office is referred to as a “decentralized” department with compound funds allowing more flexibility and fewer spending restrictions than other government funds. Keller stated that during the build, DAG Seibel had once directed her to pay \$150,000 for “bump outs”. Keller said this was basically the only involvement she had during the actual project. Keller felt the rest of the office was “left in the dark” as the project progressed. At the project’s onset, DAG Seibel did not allow staff attorneys to assist.</p>	Becky Keller, Don Guiberson, Troy Seibel, CJ Schorsch

12/6/2022	<p>Continued: Keller says DAG Seibel was adamant everything went through him. Keller informed DAG Seibel invoices were immediately required to verify costs. Keller said she “hounded Troy” for invoices and was continually told they were with Schorsch. Keller said at this point she was not provided with any invoices from Schorsch or DAG Seibel. DAG Seibel conveyed to Keller covid issues and change orders were responsible for the overages. In the final weeks of the biennium, DAG Seibel directed Keller to utilize the \$1.342 million in remaining biennium funds to pay for the overages accrued by the Burlington Drive project. Keller informed DAG Seibel she would reject paying the overages without invoices. Keller soon received a generic invoice from PPM. Invoice number 252, dated July 22, 2021, is very basic with minimal detail. The invoice reads:</p> <ul style="list-style-type: none"> o “Bill to NDAG 1720 Burlington Drive Bismarck, ND 58504 D&S LLC DBA PPM PO Box 7459 Bismarck, ND 58507 701-223-6676 Service Date 7/22/2021 Description Overages per leases at build out and addition at 1720 Burlington Drive Rate 1,342,209.70 Amount 1,342,209.70 Total 1,342,209.70” 	Becky Keller, Don Guiberson, Troy Seibel, PPM
12/6/2022	<p>Continued: Keller says the invoice was paid with the remaining 2019-2021 biennium funds, but the invoice from D&S is dated after the fact on July 22, 2021, even as this was the beginning of the 21-23 biennium. Funds used for payment came from the following account line items:</p> <ul style="list-style-type: none"> o Operating, \$470,187 o Law Enforcement, \$197,900 o Criminal Justice Information Systems, \$325,876 o North Dakota Lottery, \$348,247 <p>DAG Seibel informed Keller that \$400,000 of the remaining debt was negotiated into the monthly lease payments. Keller said she was never given any change orders to justify costs.</p>	Becky Keller, Don Guiberson, D&S LLC, Troy Seibel

12/29/2022	<p>Over a year and a half after the 1.3-million-dollar payment, Finance Director Becky Keller attends a meeting described to her as a reconciliation of CAM fees. The meeting occurred months after the North Dakota Auditor’s review findings were released after the LFARC investigation request. This information was not provided, or available to the Auditors’ office during their review. Keller explained that CJ Schorsch approached her after the meeting. Schorsch told Keller Stealth Properties LLC was no longer requiring the state to pay the \$400,000 which was absorbed into the lease payments. Keller was told not to worry about it. Schorsch gave Keller a binder holding the Vogel Law Firm memo and an attached check for \$224,854.93. Schorsch described the check as monies owed to the Attorney General’s office after reconciliation. The Attorney General’s Office has not cashed the check to avoid the perception an agreement was reached on the final repayment amount. Agent Guiberson asked Keller to provide him with further details of her interaction with Schorsch. (Refer to February 7, 2023.)</p>	Becky Keller, CJ Schorsch, Stealth Properties LLC, Vogel Law Firm
2/7/2023	<p>On February 7, 2023, Finance Director Becky Keller sends Agent Guiberson the following email:</p> <p><i>“The check, in the amount of \$224,854.93, is a cashier’s check drawn on First International Bank and Trust. The remitter is Stealth Properties LLC. The date on the check is December 15, 2022. The check was handed to me by CJ Schorsch on December 29, 2022, at a meeting in the 17th floor conference room at the Capitol. He stated they had been holding the check waiting for us to come to his office to pick it up and that it was for the overpayment we made on the building. I told CJ we would not cash the check because we did not want that to be construed as agreement on our part of the amount owed. We have not deposited the check.</i></p> <p><i>The meeting was regarding a reconciliation of CAM fees paid to actual expenses. Also present at the meeting were Tasha Gerding and Laura Balliet.</i></p> <p><i>Let me know if you have additional questions, Becky”</i></p>	Becky Keller, Don Guiberson, First International Bank and Trust, Stealth Properties LLC, CJ Schorsch, Tasha Gerding, Laura Balliett

2/13/2023	<p>On February 13, 2023, Agent Guiberson speaks with Joe Larrivee at Bartlett & West Engineering. Larrivee said he originally met with Jason Dockter, CJ Schorsch, and DAG Seibel about the project. Larrivee said it was extremely rare for all three to be together when project discussions took place. Larrivee said CJ Schorsch was their primary contact. Larrivee said all bills and invoices Bartlett & West sent were directed to PPM. The original completed and schematic plan quotes were requested by PPM, but North Dakota Director of Facilities Management John Boyle "did not want to pay that amount". Bartlett & West desired the project, and says a contract was signed on June 29, 2020, but they would only work with PPM and not John Boyle as he made projects difficult. Larrivee wanted contractual wording stipulating they would only deal with PPM. Larrivee said costs quoted to PPM were extremely reasonable by industry standards. Larrivee stated no other division heads would directly contact them with changes, all changes were with PPM approval. According to Larrivee, the original plan included 2,900 square feet of new space and a 20,000 square foot remodel. Larrivee confirmed if measurements included Health and Human Services, the original building would have been approximately 40,000 square feet. Initially, BCI Director Grabowska said the desire was to house all divisions in a 40,000 square foot space. The Health and Human Services lease would consume half of the original space and is not a division under the Attorney General's supervision.</p>	Bartlett & West, Joe Larrivee, Don Guiberson, Jason Dockter, CJ Schorsch, Troy Siebel, Parkway Property Management John Boyle, Lonnie Grabowska
2/13/2023	<p>Continued: Larrivee claims he has been involved in several projects including state government projects, and this project was oddly much easier. Larrivee's opinion is without being directly involved in design, leasing turnkey businesses after remodel is a mistake. As it appears, design communication was between only Bartlett & West and PPM. There were small projects done related to drainage and health department needs. Larrivee said he believed these were paid separately. Larrivee was unsure of the arrangements as Bartlett & West would have directly billed PPM. Larrivee agreed to provide Agent Guiberson with a copy of the contract and final cost if available. He was later recommended not to supply the documentation. He said the architectural design was \$255K and \$15K for what is called "bidding phase".</p>	Bartlett & West, Joe Larrivee, Don Guiberson, Parkway Property Management
2/13/2023	<p>Agent Guiberson contacts Elizabeth Brocker at the Bismarck State Attorney's Office, where she is now employed. Agent Guiberson called her office, identified himself to the individual who initially answered the phone. This individual transferred Guiberson. A female then answered upon transfer. Agent Guiberson asks if he is speaking to Ms. Brocker, and the female hangs up. Guiberson called back, re-identified himself and was then informed Elizabeth Brocker would not take his calls.</p>	Elizabeth Brocker, Don Guiberson, Bismarck State Attorney's Office

2/16/2023	<p>Agent Guiberson speaks with Attorney General's Office Staff Attorney Laura Balliett. Balliett recalled DAG Seibel presenting her a "letter of intent".</p> <p>The letter requested the AG's signature and was penned by a private company named "Stealth." The signature was required to confirm the Attorneys General's intention of leasing the Burlington building. Balliett reviewed the agreement to verify it complied with legal requirements and policy. Balliett "redlined" the letter and returned it to DAG Seibel. "Redlining" describes the process of correcting issues in a document. Balliett attempted to locate the email exchange between she and Seibel but was unsuccessful.</p> <p>Balliett recalled a conversation with DAG Seibel informing him she was uncomfortable with the contract. Balliett's concern stemmed from the Attorney General's office's previous recommendation to ITD that best practice in lease agreements was to partake in competitive bidding. The recommendation referenced an earlier "build to suit" property by a private builder. Balliett explained to DAG Seibel if they are recommending divisions engage in open bidding, they should follow their own recommendation.</p>	Laura Balliett, Don Guiberson, Troy Seibel, Stealth Properties LLC
2/16/2023	<p>Continued: Balliett reviewed the lease which appeared to be a template used for an older Health and Human Services lease. Balliett observed changes in tenant the lease contained the same typographical errors as the old Health and Human Services lease. She believed this confirmed an old, outdated template was used by the property owner. Balliett explained the Attorney General's office historically uses their own specific template for leases and does not know why it wasn't used in this lease. Balliett clarified there is no requirement, but the AG template had always been a standard starting point.</p> <p>Balliett has no knowledge of any attempt at competitive bidding for the Burlington project. Balliett felt she intentionally was left "out of the loop" after vocalizing her concerns and opinions. Balliett is unaware of any other division attorney aiding in establishing the lease, albeit qualified attorneys were available.</p> <p>Balliett does not recall any discussions regarding cost overruns prior to DAG Seibel's departure. Agent Guiberson asked if the remaining biennium funds were strictly intended for the Burlington Drive project, and if not, how were the divisions functioning without utilizing these funds? Balliett answered, "good question." An email shows Balliett voiced concerns about the projects costs and suggested approaching the legislature with overruns. After DAG Seibel resigned, newly appointed Deputy AG, Claire Ness asked Balliett to review the lease and aid in a revision.</p>	Laura Balliett, Don Guiberson, Troy Seibel, Claire Ness

2/16/2023	<p>Agent Guiberson speaks with Finance Director Becky Keller again. Her statements in this interview are consistent with her last.</p> <p>Keller recalled Seibel informing her there were not enough funds to cover a substantial portion of the overrun. Seibel told Keller \$400,000 was going to be absorbed into the monthly lease payments. She had no knowledge of the financial overruns until Seibel informed her.</p> <p>Keller recalled Seibel directing her to make payments at the time of service for bumps outs which cost \$150,000, as well as the original \$5000 for the architect. These payments were only instances she recalls paying for at the time the service was rendered.</p> <p>Keller was not receiving receipts, invoices, or information on the project and assumed Seibel was dealing with those issues. Keller again states DAG Seibel advised her of the cost overruns of \$1.7 million dollars. Keller repeatedly asked, and even demanded invoices from Seibel as the overruns appeared. She did not receive any for months. According to Keller Seibel said, “they will have everything” referring to the contractors.</p>	Becky Keller, Don Guiberson, Troy Seibel
2/16/2023	<p>Continued: Keller said unutilized biennium funds may be put into special funds, but most require return to the general fund. There are separate requirements for lottery and CPAT. These divisions have restrictions, but expenditures were justified as both divisions were included in the relocation. According to Keller, monies remaining at biennium’s end are commonly used for office needs, overrun payments eliminated this funding source.</p> <p>Keller said she cannot understand Stealth Properties LLC’s “bill”, or the explanation provided by Stealth Properties LLC (pg. 272 in “memo”). Keller stated Stealth’s calculated final cost appears skewed. She said the calculations in the Stealth memo itself are contradictory.</p> <p>In an email during the Auditors review, Keller stated Schorsch explained his interpretation of the overruns were caused by the following factors:</p> <ul style="list-style-type: none"> -Increased materials costs due to supply chain issues -Increased labor costs due to COVID -Increasing the garage size to two bays -Adding security features including bullet proof glass -Additional wiring and configuration for IT 	Becky Keller, Don Guiberson, Stealth Properties LLC, CJ Schorsch

2/16/2023	<p>Continued: Keller explains as of February 16, 2023, Stealth Properties LLC has changed their total project costs several times. According to Keller, conflicting cost reports by Stealth were 4.91 million, then 4.49 million, and then 4.837 million.</p> <p>Keller stated other lease concerns remain, including CAM costs which they believe are too high. Keller said she thought it was “odd” when Stealth suddenly wanted to return money which to her knowledge had never been previously discussed. Keller said she was never informed of any cost reconciliation plans, or the possibility of financial returns. Keller was unaware of any plans or mention of financial returns until she was advised through the media after investigations into the project were requested.</p> <p>Keller said she was never made aware of or provided with any itemized labor costs from Frontier. Keller was presented with the generic bill for the 1.7 million prior to biennium’s end.</p>	Becky Keller, Don Guiberson, Stealth Properties LLC
3/6/2023	<p>Agent Guiberson speaks with Marty Hopkins from Carpet Garage to discuss billing to PPM. The invoices show some are shipped to PPM at 218 S 1st street, 4023 State St #60, and others to PO Box 7459. An invoice of \$1,224.16 from Carpet Garage in October 2020 was billed to PPM at 4023 State Street. A handwritten note on the bill says “1727 Grandview”. A Google search shows 1727 Grandview as an apartment Complex. All are billed to PPM.</p>	Marty Hopkins, Carpet Garage, Don Guiberson, Parkway Property Management
3/13/2023	<p>Finance Director Becky Keller responds to Agent Guiberson's request for a current Attorney General ledger. Agent Guiberson requested clarity on the return of funds from Stealth Properties LLC. The “return” of funds occurred months after the request for investigation:</p> <p><i>“Don</i></p> <p><i>“Attached is the updated ledger of AG payments and any related invoices. This includes payments made for the remodel prior to move-in, rent and utilities.</i></p> <p><i>On December 29, 2022, a meeting was held at 1:30 pm in the OAG’s conference room on the 17th floor of the Capitol. In attendance were myself; Tasha Gerding, Accounting Manager for OAG; Laura Balliet, Assistant Attorney General; and CJ Schorsch, Parkway Property Management. The purpose of the meeting was to review CAM costs and related invoices for the period of October 2022 through December 2022.</i></p>	Becky Keller, Don Guiberson, Stealth Properties LLC, Tasha Gerding, Laura Balliett, CJ Schorsch, Parkway Property Management

3/13/2023	<p>Continued: <i>After the CAM cost discussion, CJ handed me a cashier's check in the amount of \$224,854.93, drawn on First International Bank and Trust, remitted by Stealth Properties LLC, and made out to the ND Office of Attorney General. The check was dated December 15, 2022. He stated the check was for the amount we overpaid Stealth Properties on cost overruns for the Burlington Drive building. This amount was identified on page 573 of a Vogel Law Firm response to Senator Jerry Klein, Chairman of the Legislative Audit and Fiscal Review Committee, and ND Attorney General Drew Wrigley.</i></p> <p><i>I told CJ we would not cash the check as we were still reconciling Stealth Property invoices to determine if the calculation for the amount on the check included the \$400,000 overpayment rolled into the lease rate. He responded the \$400,000 was no longer owed and could be removed from the lease rate. We began submitting rent based on the original lease rate beginning with the November 2022 lease payment paid on October 28, 2022.</i></p> <p><i>At the present time, our plan is to hold the check until the investigation is complete."</i></p>	Becky Keller, Don Guiberson, First International Bank and Trust, Stealth Properties LLC, CJ Schorsch, Vogel Law Firm, Legislative Audit and Fiscal Review Committee, Drew Wrigley
3/13/2023	<p>Continued: Keller compiled and provided a total cost review spreadsheet. Keller utilized Attorney General invoices, bills, and payments comparing information in the Vogel Law firm memo compiled for Stealth Properties LLC after investigations were initiated. The following calculations were provided by Keller:</p> <ul style="list-style-type: none"> o The costs reported by Vogel, Stealth's law firm show their own discrepancy at \$112,103.22. (Memo Pg 572-573) o Keller's findings use the Vogel memo which contradicts itself regarding totals reported to the Attorney General. The Vogel memo reported a total of \$4,911,062.32. Keller calculates \$4,837,457.03. The difference between Stealth Properties LLC's and Keller's calculations is \$73,605.29. The invoices in the Vogel report added up to \$4,949,560.25 showing a difference of \$112,103.22 from Keller's calculation of \$4,837,457.03. o The calculation difference of \$73,605.29 in the Vogel memo contradicts its own invoices calculated to \$4,949,560.25. This shows the billing of \$112,103.22 provided to the Attorney General's Office is not supported by their own memo. o Keller's review as of March 13, 2023, calculates the current total project cost as \$5,538,209.70. As of March 13, 2023, Vogel reports \$4,993,184.77. 	Becky Keller, Stealth Properties LLC, Vogel Law Firm

3/13/2023	<p>Continued: Keller's review reports Stealth Properties LLC's project cost at \$3,788,600.00 mirroring the Vogel report.</p> <p>o As of July 1, 2021, AG had paid \$101,828.71 in overages for rent and CAM charges alone. Per the Vogel report, the number calculates to only \$87,230.00 for a difference of \$14,598.71.</p> <p>o Based on Keller's calculations, and considering \$400,000 in addition to lease payments, the total overpayment based on invoices is \$239,453. Keller's calculations state if the December 29, 2022, check for \$224,854.93 provided by Schorsch were cashed, Stealth would still owe the Attorney General's office \$14,598.71.</p> <p>Keller has never been provided with an original cost estimate or lease agreement from any entity prior to the project. The only information Keller observed was the original floor plan before any project changes. Keller was not privy to any project changes or financials until the cost overruns were brought to her attention. Keller questioned, if money was to be returned, why wasn't it simply deducted from the original payment or the monthly lease amount.</p> <p>Agent Guiberson was unable to locate any indication Stealth Properties LLC intended repayment prior to the investigation request. To his knowledge, there was no mention of repayment to the Auditor's office during their review. The Auditor's office was first made aware of the repayment plan through a memo provided by Stealth during a talk show interview with Jason Dockter. Interviewers with Auditor's staff state the repayment was not mentioned during their review and meetings with Stealth owners.</p>	<p>Becky Keller, Don Guiberson, Stealth Properties, Vogel Law Firm, North Dakota Office of the State Auditor, Jason Dockter</p>
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5/10/2023	<p>Agent Guiberson speaks with Attorney General's Office Accounting Manager and CPA Tasha Gerding. Gerding has been employed with the state of North Dakota for 24 years. Gerding began working in the Attorney General's office in December of 2020. Gerding states she and Becky Keller began approving invoices in July of 2021. Prior to July 2021, the responsibility belonged to Attorney General's Office Budget Specialist Shannon Vandevender. Division directors were responsible for approving bills, but simple reoccurring bills such as electricity were handled without direct approval. Gerding states Keller is her direct supervisor and she rarely had direct contact with DAG Seibel. She had no contact with AG Stenehjem related to this project. In March or April of 2021, Gerding became aware of financial issues related to the Burlington Drive project. Gerding stated OMD (Operations and Management) asked for information relating to state lease standards. Gerding says she and Keller attempted to get lease information on the Burlington Drive address, but DAG Seibel would blow them off. Gerding said she and Keller continually, and unsuccessfully asked Seibel for the lease. Seibel eventually provided the lease and she and Keller were concerned with its content. The lease said the State of North Dakota would pay the lease, utilities, and CAM costs which exceeded what they were previously paying. The payments along with cost overages were a concern to Gerding as the project was labelled cost saving. Gerding and Keller informed Seibel of their unease related to the lease and were told the problems would be settled in the final lease.</p>	Tasha Gerding, Don Guiberson, Becky Keller, Shannon Vandevender, Troy Seibel, Wayne Stenehjem,
5/10/2023	<p>Continued: Gerding was never instructed to pay a Burlington Drive project invoice prior to Seibel's resignation. The only invoice she recalls being paid was when Seibel instructed Keller to pay a \$150,000 invoice for an HVAC system. Gerding says this was not the usual method of paying for a project. She states the bills were technically the responsibility of PPM. Clauses stating overages in construction found in the lease with PPM are not customary in her experience. Gerding asked John Boyle at Facilities Management about the cost overage clause. She says Boyle was not aware of the overrun clause. Gerding was employed at Facilities Management just prior to her employment at the Attorney General's office. Gerding says she was aware Jason Dockter was involved in state projects as he was in meetings with John Boyle and Seibel in 2020.</p>	Tasha Gerding, Don Guiberson, Troy Seibel, Parkway Property Management, John Boyle, Jason Dockter

5/10/2023	<p>Continued: Agent Guiberson asks Gerding if AG Stenehjem was aware of the cost of overruns. Gerding says she would not be surprised if AG Stenehjem was unaware of the overruns. Gerding comments that AG Stenehjem wanted positive information relayed to him, not negative information. This was a common statement by several individuals. In Gerding’s opinion, AG Stenehjem trusted his employees to handle the “bad” situations. To Gerding’s knowledge, AG Stenehjem did not receive financial reports and was not commonly involved with the division’s finances.</p> <p>Gerding assumed after DAG Seibel brushed off their lease concerns because the project was handled. On June 28, 2021, Finance Director Becky Keller, concerned, advised Gerding of the 1.7-million-dollar overrun. DAG Seibel instructed them to locate funding for the overrun. Gerding was shocked at the unexpected amount, especially after they informed their concerns with DAG Seibel. DAG Seibel was continually asked for documentation to justify expenditures but was unresponsive. The funds located in the Attorney General's accounts were unusually high due to retained travel expenses related to COVID. Approximately 1.3 million dollars were in four separate division funds. Gerding was informed the remaining \$400,000 debt would be rolled in to lease payments. According to Gerding, DAG Seibel was told by Keller they needed invoices to justify the costs. Eventually, Keller was given a simple invoice for 1.7 million dollars. The Finance Department questioned whether the invoice could even be paid as it was so late in the biennium. Common practice had been that orders needed to be in their possession prior to July 1 or they would be charged in the next biennium’s budget. They still hadn’t been provided with invoices as DAG Seibel blamed CJ Schorsch for not getting them to him. The Finance Department did not receive invoices until after Seibels resignation.</p>	Tasha Gerding, Don Guiberson, Wayne Stenehjem, Troy Seibel, CJ Schorsch
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5/10/2023	<p>Continued: After DAG Seibel’s resignation Keller and Gerding informed AG Wrigley of their concerns. Gerding said right after DAG Seibel resigned in March or April of 2022 they reached out to CJ Schorsch. Schorsch said he had informed DAG Seibel he wasn’t going to provide invoices until the project was finished, but this was after they requested payment. These statements simply suggest PPM asked for payment but did not provide invoices for the payment. Keller and Gerding were later told the bills were “estimates”, once again after payment was made. Gerding said they were never advised these were estimates, nor were they ever informed of any refunds or repayments. Gerding never saw any invoices until DAG Seibel was gone. Gerding was unaware of any return of funds or “paybacks” until Jason Dockter publicly presented his personal audit report on the radio. This occurred after the North Dakota State Auditor's report to the Legislative Audit and Fiscal Review Committee. No employee of the North Dakota Auditor's Office Agent Guiberson spoke with was told of a possible return of funds during their investigation or meetings with Dockter or Schorsch. Gerding believed PPM had final invoice numbers and the 1.7 million dollars was to cover these expenditures. The Finance Department had no invoices so they could not precisely compare the expenditure and payments. Gerding, a CPA, simply did not know how PPM arrived at the final cost. It was not until sometime later she was informed PPM was now claiming the costs were estimates. Gerding states they would have never paid any invoice if they had been advised these were only estimates.</p>	Tasha Gerding, Don Guiberson, Troy Seibel, CJ Schorsch, Parkway Property Management, Jason Dockter, North Dakota Office of the State Auditor, Legislative Audit and Fiscal Review Committee
5/10/2023	<p>Continued: Gerding said the first invoice received from PPM after being advised of the 1.7-million-dollar overage was a simple email from Seibel with no explanation or itemization. Finance then requested formal documentation and received a simple invoice of \$1.7 million from PPM, once again with no itemization. Gerding said Schorsch later provided them with a spreadsheet showing square footage costs, but it was never communicated as an estimate. Gerding said finance was not informed this was an estimated cost until March of 2022. The first Gerding heard these were estimated costs was a year after the Attorney General’s office had made payment, and financial questions began to surface. Gerding said they never could match their dollar amounts to those of invoices and payments. In Dockter’s public report, costs were lower than what they paid. The finance department’s totals were different, and some invoices were clearly marked as the Health Departments. Gerding described the whole situation as a “big mess”, and their accounting never resulted in matching amounts with PPM.</p>	Tasha Gerding, Don Guiberson, Parkway Property Management, CJ Schorsch, Jason Dockter

5/10/2023	<p>Continued: Gerding was only made aware of repayment when she and Keller met with Schorsch regarding CAM costs in December of 2022. Schorsch told them the check had been “sitting there” for a month and a half and no one came to get it. Claire Ness had stated they were told on October 28, 202, PPM had overpaid. This occurred after the North Dakota State Auditor's report to the Legislative Audit and Review Committee. Keller stated the check was given to her on December 29, 2022, and dated just two weeks prior on Dec 15, 2022. Schorsch informed them the alleged \$400,000 shortfall was moved into the lease and was no longer required, so the previous addendum was not necessary. This was also reported in Dockter’s publicly released report. Schorsch gave the check to Keller advising them they overpaid. Gerding says the Attorney General’s office stopped paying the higher lease price right when overages were questioned. She continues by saying if the new calculations by PPM were estimates, they would have been closer to \$600,000 in overruns, so PPM “obviously” removed some of the invoices they had originally billed to the AG. Gerding says if they were truly original estimates, they “Really over estimated” in an exaggerated tone. Gerding advises she believed they had to have “kicked out” (removed) invoices. The original AG invoice audit calculated a \$1.5 million cost. PPM later said it was \$1.1 million. This corroborates Gerding’s statement that some of the original invoices sent to the AG must have been removed from PPM calculation after the fact.</p>	Tasha Gerding, Don Guiberson, CJ Schorsch, Claire Ness, Parkway Property Management, North Dakota Office of the State Auditor, Legislative Audit and Fiscal Review Committee, Becky Keller, Jason Dockter
5/10/2023	<p>Continued: To simplify, Agent Guiberson asks Gerding if she believes PPM billed the AG, then Finance eventually received the invoices and came up with an amount less than PPM’s bill. PPM then returned the difference between 1.1 and 1.5 million. This all occurred quite some time after questions related to the project cost evolved. Gerding agrees with the simplification.</p> <p>Gerding goes on to say that in her opinion Schorsch has very bad bookkeeping skills. Even as of May 2023 their business owes \$130,000 for their portion of CAM costs, and \$170,000 for the year ending June 30, 2023. These costs are in addition to what is being investigated in this report.</p>	Tasha Gerding, Don Guiberson, Parkway Property Management, CJ Schorsch

5/15/2023	<p>Agent Guiberson visits the Burleigh County State Attorney's Office to speak with Elizabeth Brocker. Agent Guiberson identifies himself to the receptionist and asks to speak with Brocker. The receptionist calls and says Brocker will only talk if Guiberson was "Burleigh County Business". Agent Guiberson asks the receptionist to call Brocker once again. Brocker does not answer. Guiberson asks the receptionist to ask the States Attorney to come speak with him. (Agent Guiberson was attempting, by instruction, to have Brocker tell him in person that she did not want to speak with him so it would be clear she had been given the opportunity.) The receptionist says the State Attorney would not speak to Agent Guiberson because she was preparing for trial. Agent Guiberson asks the receptionist if he may speak with the Deputy State Attorney. The receptionist makes the call and later tells Agent Guiberson that he was to be informed by the States Attorney he would not be let in, as Brocker did not want to speak with him.</p>	Elizabeth Brocker, Don Guiberson, Bismarck State Attorney's Office,
5/15/2023	<p>Agent Guiberson drives to [REDACTED], where he believes Elizabeth Brocker resides. Agent Guiberson verifies a truck in the driveway as belonging to the Brocker family. Agent Guiberson waits for some time and does not see Brocker. He leaves and later returns and observes a male and a female placing what appeared to be travel bags in the truck. Agent Guiberson pulls up to the residence as the male and female were walking into the garage. Agent Guiberson yells "Liz" from the passenger side window of his vehicle and identifies himself as law enforcement. Agent Guiberson asks if she was willing to talk to me as she begins to walk further into the garage, to which and she yells "I do not wish to talk to you." Agent Guiberson then leaves the area.</p>	Elizabeth Brocker, Don Guiberson

6/1/2023	<p>On June 1, 2023, Agent Guiberson speaks with Attorney General's Office Budget Specialist Shannon Vandevender. According to Vandevender, she was not involved in detailed aspects of the Burlington Project. She recalls paying two invoices at the very beginning of the project. The payments were \$5000 for the original plans, and \$150,000 for an HVAC related invoice. The HVAC invoice was paid at the time when Finance Director Becky Keller and Vandevender were both dealing with invoices. Keller stated in her interview that DAG Seibel had instructed her to pay the invoices. Vandevender says the invoices would have had the approval of DAG Seibel as he was "at the helm" of the project (approval emails in file). Vandevender became involved in other financial aspects of the Attorney General's Office as Keller and Accounting Manager Gerding began dealing with payments. Vandevender says she recalls only one other conversation regarding the project. She spoke with a frantic Keller at the end of the biennium, possibly on June 29, 2021. Vandevender says Keller told her that DAG Seibel advised her they needed to locate over one million dollars in the current biennium's budget. The biennium would close June 30, 2021. Vandevender said she does not recall any conversation with Seibel or AG Stenehjem related to the Burlington Drive project.</p> <p>Considering the \$224,854.71 check were cashed, and based on cost reconciliation, invoices, and payments, the most reliable documented estimate is Stealth Properties LLC would still hold \$14,589.71 of Attorney General funds.</p>	Shannon Vandevender, Don Guiberson, Becky Keller, Troy Seibel, Tasha Gerding, Stealth Properties LLC
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Analyst Rumley uploaded the above events into IBM's i2 Analyst Notebook, and then visualized the events into a linear timeline.

Analyst Rumley provided the timeline to Agent Guiberson on 09/06/2023.

END REPORT

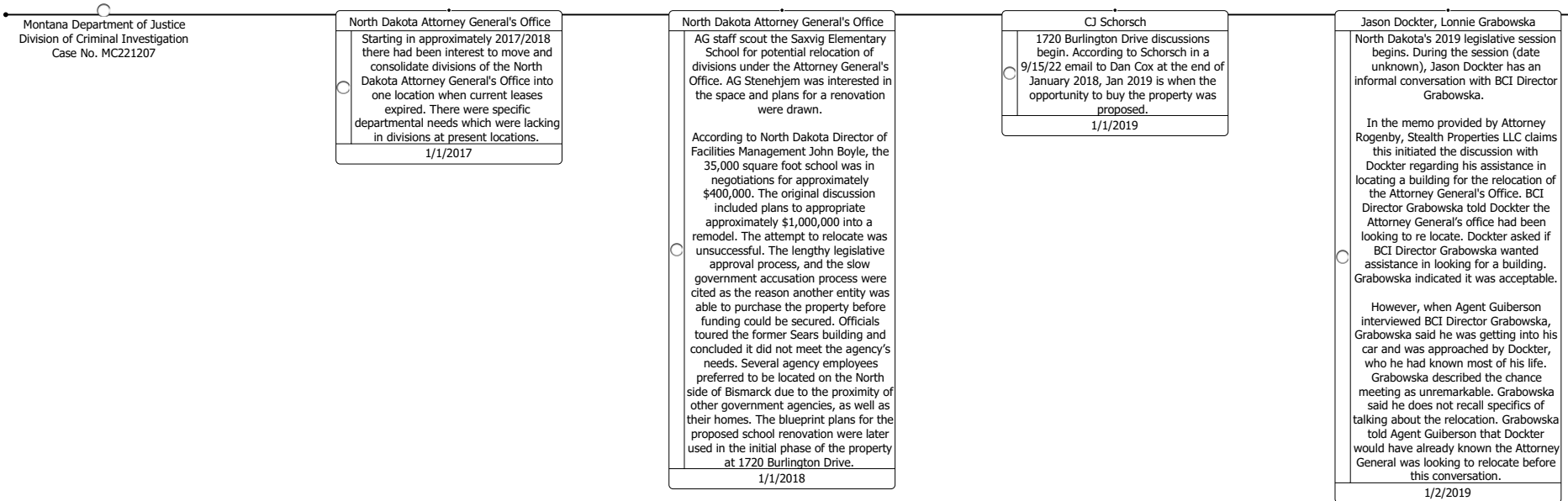
Andy Rumley


 MATIC ANALYST

Timeline of Events

North Dakota Attorney General's Office
1720 Burlington Drive, Bismarck, ND Project Cost Overruns

Montana Department of Justice-Division of Criminal Investigation
Case No. MC221207



Timeline of Events

North Dakota Attorney General's Office
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North Dakota Attorney General's Office
North Dakota Attorney General's Office tours the Sears Building.
4/15/2019

N/A
North Dakota's 2019 legislative session ends.
4/26/2019

N/A
Appears to be the beginning of any documented discussions regarding 1720 Burlington Drive.
5/1/2019

Jason Dockter, Troy Seibel, Lonnie Grabowska, Elizabeth Brocker, Heidi Smith
Email conversation (provided by Monte L. Rogenby, Esq., from the Vogel Law Firm's memo) between Jason Dockter, Deputy Attorney General (DAG) Troy Seibel, Bureau of Criminal Investigation Director Lonnie Grabowska, Elizabeth Brocker (AG Stenehjem's assistant), Heidi Smith (Attorney General's Office-Information Technology/Criminal Justice Information Sharing Director), and Douglas Nelson (State Fire Marshal) reads:

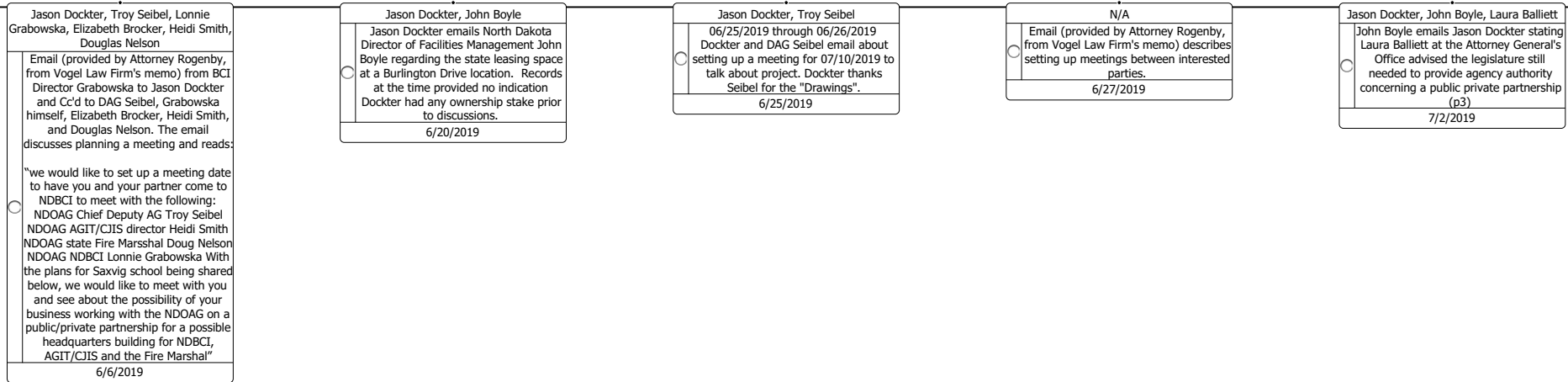
Subject: "Preliminary plan for NDBCI/FM/AGIT-CJIS"

"Jason, Here is a copy of the preliminary plans we had created by J2 for Saxvig school. This plan does not include the AGIT or CJIS Division. AGIT is currently at in our building at 4205 State Street with approximately 4,211 square feet and CJIS is at Northbrook mall with approximately 1,857. NDBCI is currently at 19,165 with FM at approximately 1,700. We would be looking at around 40,000 square feet that would include conference rooms, a training room, evidence room, firearms storage room, etc. We would also be looking at staying close to that 40,000 sq feet so we can have room to expand for all (3) Divisions over the next 10 to 15 years. Thanks Jason, Lonnie"

5/26/2019

North Dakota Attorney General's Office, Jason Dockter
Officials at the ND Attorney General's Office exchange emails with Jason Dockter regarding real estate for a new location. Dockter has partial ownership in real estate, construction, property management, and related businesses. Dockter has been an elected member of the North Dakota House of Representatives since 2012.
6/1/2019

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Timeline of Events

North Dakota Attorney General's Office
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Jason Dockter, John Boyle
Jason Dockter's email asks lease questions and terms regarding agreements absent of a P3 with North Dakota Director of Facilities Management John Boyle.
7/3/2019

Jason Dockter, Holwengar
Email (provided by Attorney Rogenby, from Vogel Law Firm's memo) from Dockter to Seibel describes setting up meetings between interested parties. Real Estate consultant and "Build to Suit" professional Kyle Holwengar will accompany Dockter.
8/15/2019

D&S LLC
D&S LLC registers its contracting license with the North Dakota Secretary of State. The registration date occurs after talks with the Office of the Attorney General began.
8/23/2019

Jason Dockter, Troy Seibel
Email (provided by Attorney Rogenby, from Vogel Law Firm's memo) show Dockter asking DAG Seibel for a "letter of intent" regarding leasing space at 1720 Burlington. Seibel responded that attorneys in his office were in the process of review. The email reads:

Subject: "Letter of Intent"

"Troy, Would anytime tomorrow afternoon work to go over the letter of intent? Thanks, Jason".
9/5/2019

Jason Dockter, Troy Seibel
An email (provided by Attorney Rogenby, from Vogel Law Firm's memo) from Jason Dockter to DAG Seibel states:

"Troy We have met with the realtor and the architect and have everything ready to go. Could we get a signed letter of intent soon to move forward with the process? Thanks, Jason"
9/17/2019

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Jason Dockter, Troy Seibel

An email (provided by Attorney Rogenby, from Vogel Law Firm's memo) from Jason Dockter to DAG Seibel reads:

Subject: "Letter of Intent"

"Troy, I have an interim tax meeting tomorrow at the Capitol. If you have the letter of intent ready, I could swing up to your office and pick up the letter. Let me know. Thanks, Jason".

Seibel responds by saying "I had asked one of our lawyers to get it in final form for my signature. I'll follow up with her."

The email suggests Jason Dockter will be meeting DAG Seibel at Capitol during a legislative session where Dockter is engaged in state business.

Stealth Properties LLC claims the purchase of the building was not contingent on a lease agreement, but the loan for the additional new construction was required.

This request was made prior to PPM's purchase of the property or any known government approval.

No other emails were provided in the memo by Stealth Properties LLC's attorney dated between September 24, 2019, and November 27, 2019.

9/24/2019

Stealth Properties LLC

Last email provided by Stealth Properties LLC's attorney regarding acceptance of their offer to purchase.

9/27/2019

Jason Dockter, Troy Seibel

An email (provided by Attorney Rogenby, from Vogel Law Firm's memo) from Jason Dockter to DAG Seibel reads:

"Troy We found out last night that they accepted our offer. We are now in the due diligence phase of the project. Let me know some dates and times that work for you so we can meet with the architect and get the ball rolling. Have a Happy Thanksgiving. Thanks, Jason".

11/27/2019

Jason Dockter, Troy Seibel

Email exchange between DAG Seibel and Jason Dockter discusses a meeting with an architect. It appears discussion and intent of the Office of the Attorney General to lease the property were already being finalized. This was prior to the December 2019 preliminary agreement by Parkway Property Management to purchase the building and their \$30,000 down payment. This indicates knowledge of the tenant prior to purchase.

12/2/2019

Parkway Property Management

In December of 2019, PPM enters into a preliminary agreement to purchase the property at 1720 Burlington Drive and placed \$30,000 in earnest money. Prior to PPM's preliminary purchase agreement for the property at 1720 Burlington, there were several contacts made between the Attorney General's office and owners of PPM Jason Dockter, and CJ Schorsch.

12/5/2019

Timeline of Events
 North Dakota Attorney General's Office
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Stealth Properties LLC, Jason Dockter, CJ Schorsch, Mike Gietzen, Mike Luther, Alex Schmidt, Mark Aurit, Craig Dockter, Jed Fluhrer, Marie Brown

Days after the offer was accepted, Stealth Properties LLC is formed, and paperwork is filed with the Secretary of State.

The remaining emails provided in the memo by Vogel Law Firm begin to include CJ Schorsch. Drawings and some architectural plans were exchanged. The bulk of the emails discuss scheduling meetings. In January of 2020, emails indicate architectural plans are being discussed in detail between Dockter and Seibel.

Stealth Properties LLC's owners are Jason Dockter, CJ Schorsch, Mike Gietzen, Mike Luther, Alex Schmidt, Mark Aurit, Craig Dockter, Jed Fluhrer, and Marie Brown as Signer. Jed Fluhrer is a loan officer at National Bank, where the loan and financials for the building were obtained.

12/10/2019

Jason Dockter, Troy Seibel

In February 2020, Bartlett & West engineers begin to exchange emails and mention a meeting with Jason Dockter and DAG Seibel. It appears emails between PPM, Dockter, Seibel, which were being CC'd to others become infrequent.

1/27/2020

Troy Seibel

After months of contact between the Attorney General's office and members of interested LLC's, DAG Seibel sends the following email to division directors on February 24, 2020:

"From: Seibel, Troy T. Sent: Monday, February 24, 2020 8:08 AM To: Grabowska, Lonnie ; Smith, Heidi J. ; Nelson, Douglas D. ; Miller, Randall C. ; Grossman, Parrell D. ; Spahr, Marina Subject: New AG Building DDs, We have been approached with a proposal by a developer to develop a new AG building, which would enable us to consolidate many of our divisions spread around Bismarck (this building contemplates BCI, IT/CJIS, Fire Marshal, MFCU, CPAT, and Lottery). The price is right and it looks like things would work. They would begin a remodel of the existing space and construct an addition. The process would take approximately 18-24 months (although they are assuring us we could be in by July 1, 2021). I have attached the proposed drawing of the building. Don't get too hung up on the details and layout of the interior. I can see we will already need to see some changes. However, I want to be sure the basic concept works before we make a firm commitment. Please review the plans and let me know your thoughts. Obviously there are a lot of details to be worked out. However, like I said, I just want to be sure the basic concept works because they are wanting a commitment from us before moving forward. Now for the wrinkle...they need to know by the end of this week because of a bunch of moving parts (purchase options, existing leases, etc.). So, let me know your thoughts ASAP. Thanks. Troy T. Seibel Chief Deputy Attorney General Office of Attorney General 600 E. Boulevard Ave., Dept. 125 Bismarck, ND 58505 701-328-2210 tseibel@nd.gov"

2/24/2020

Jason Dockter, John Boyle, Parkway Property Management, Stealth Properties LLC

An email (provided by Attorney Rogenby, from Vogel Law Firm's memo) from Jason Dockter to North Dakota Director of Facilities Management John Boyle on 3/4/2023 reads:

Subject: "State Lease for Attorney General Space"

o A following attachment received by Jason Dockter from PPM is included

"Stealth Lease 3-1-20.docx; Attachment A 3-1-20 pdf".

o Boyle's response (memo pg. 77) to Dockter:

"I still think the rent is to high. I will email you my rate of return calculation for the property so you know how I am drawing my conclusions".

Dockter asks Boyle if he had spoken with DAG Seibel regarding the lease. This is the last email correspondence Agent Guiberson could find where Dockter or DAG Seibel had contact with Boyle. In a later conversation with Joe Larrivee of Bartlett & West Engineering, he states he informed CJ Schorsch he did not want to "deal" with Boyle. Larrivee advised Schorsch Boyle made things difficult, and he would only work with Schorsch. Larrivee said this was a verbal agreement, and he does not recall having any further contact with Boyle.

3/4/2020

Jason Dockter, Troy Seibel

Email from Jason Dockter to DAG Seibel reads:

"Troy Let me know the days and times that work for you and Wayne to walk through the building. The seller gave us a few more days to get the deal done."

4/20/2020

Timeline of Events
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Jason Dockter, Troy Seibel, Wayne Stenehjem, Kyle Hellman
On April 22, 2020, it appears Dockter conducted a walkthrough of the building with individuals including AG Stenehjem, DAG Seibel, and Kyle Hellman of Office Space Solutions.
4/22/2020

CJ Schorsch, Troy Seibel, John Boyle
On April 24, 2020, a building lease at 1720 Burlington Drive to house the Attorney General's office is signed by CJ Schorsch, North Dakota Director of Facilities Management John Boyle, and DAG Seibel.
Boyle informed Agent Guiberson he later negotiated a lower square foot price before signing the lease that Seibel approved.
4/24/2020

Parkway Property Management, Stealth Properties LLC
PPM finalizes the purchase of the property at 1720 Burlington Drive. Through their memo, owners of PPM reported the property was "assigned" to Stealth Properties LLC, and PPM was now acting as the property management company.
Some businesses and LLCs are intermingled with owners and members who have a financial interest in one another. The entities were involved in negotiation, procurement, construction, and remodeling phases of the project.
5/29/2020

Bartlett & West, Joe Larrivee, Parkway Property Management
According to Bartlett & West engineer Joe Larrivee (in his interview with Agent Guiberson), a contract between Bartlett and PPM was signed on 06/29/2020 (for work on 1720 Burlington Drive). (Refer to 02/13/2023 entry.)
6/29/2020

Jason Dockter, Troy Seibel
An email (provided by Attorney Rogenby, from Vogel Law Firm's memo) with no message from Jason Dockter to DAG Seibel has a subject line that simply reads: (memo pg. 95)
"Accepted: State Building"
The continuing emails appear to only include Dockter, DAG Seibel, and CJ Schorsch (memo pg. 112). These emails include a conversation regarding furniture provided by DHS and its \$3000 expenditure.
7/15/2020

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Bartlett & West, Joe Larrivee, Lonnie Grabowska, Troy Seibel, Jason Dockter

Email conversations (provided by Attorney Rogenby, from Vogel Law Firm's memo) with Bartlett & West engineer Joe Larrivee begin. Revision requests from BCI Director Grabowska are discussed and listed. Grabowska's email states:

"I hope you will give me a call when you're free, if I am in a meeting, I hope you'll call back after your meeting with Troy so we can discuss these points".

BCI Director Grabowska looks to be continuing to make certain DAG Seibel is aware of his requests for changes.

On August 5, 2020, Joe Larrivee emails Jason Dockter the following:

"Jason, We are making revisions per Lonnie's emails now. They weren't that bad. Please forward to Troy first and he can weigh in on them as well. Hopefully this will be the end of the changes so we can move forward. Thanks".

8/5/2020

Lonnie Grabowska, CJ Schorsch, Troy Seibel

A group of emails are exchanged (as provided by Attorney Rogenby, in Vogel Law Firm's memo) between several department heads, engineers, workspace experts, and others in the Attorney General's office. The email originates from BCI Director Grabowska and discusses several suggested workplace changes and questions of builders. In a portion of the email Grabowska writes:

"Additional Topics to share: "I met with Troy yesterday about the size of the increased garage. CJ and Troy met on Tuesday to look at the diagram. CJ is advocating for the increased garage space for the building. Troy is deciding the size of the garage based on increased cost. I advocated heavily to have Troy allow full garage expansion so we have the most space possible for the future. If you (Heidi or Doug) want to reach out to Troy and offer your support of the full garage, please feel free to." The email also states that Troy is bringing MFCU and AGIT moving to building.

Dan Cox of the North Dakota Auditors Office asks CJ Schorsch in an August 24, 2022 email when the decision was made to build the garage. Schorsch responded:

"The decision was made in December of 2020" and "The construction began in mid-December 2020."

8/6/2020

Lonnie Grabowska, CJ Schorsch, Troy Seibel, Parkway Property Management, Bartlett & West, Joe Larrivee, Troy Seibel

Continued: Email communication shows discussions involving the garage as early as August of 2020. If this is accurate, and the final decision to add the garage was not made until December 2020, project costs would have drastically increased.

Emails on August 6, 2020 clearly show inputs and requests to PPM Property Management, Bartlett & West, workspace experts, and others. The emails provided by Stealth Properties LLC's attorney suggest DAG Seibel was being notified and information was being forwarded to him.

On August 6, 2020, Dockter emails Joe Larrivee at Bartlett & West who provided engineering and other building services for PPM. The email states:

"Joe, Looked good. Troy should be giving us an answer tomorrow. Thanks, Jason".

8/6/2020

Jason Dockter, Joe Larrivee

Jason Dockter sends the following email (as provided by Attorney Rogenby, in Vogel Law Firm's memo) to Joe Larrivee, suggesting DAG Seibel is continuing to be notified and approving changes and the increase in garage space which would have significantly added to project costs:

"Joe I talked to Troy and he is good with the new charges and adding the additional space to the shop. Those will be the last changes to the plans. What is the total square footage of the entire project? Thanks, Jason".

8/9/2020

Bartlett & West, John Nelson, Jason Dockter, Joe Larrivee

John Nelson from Bartlett & West sends the following email (as provided by Attorney Rogenby, in Vogel Law Firm's memo) to Jason Dockter and Joe Larrivee:

Subject: "RE: State Building"

"Joe, The gross building area as follows: Remodel:20,500 SF Addition: 12,775 SF Let me know if you need anything else, John Nelson"

8/10/2020

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Lonnie Grabowska, Casey Miller
 Emails continue, and several changes are requested by BCI Director Grabowska and Casey Miller of BCI. The requests reference the new build and furniture. As emails continue it seems evident DAG Seibel is aware of BCI's requested changes and is making decisions based on requests.
 9/9/2020

North Dakota Attorney General's Office, D&S LLC, Parkway Property Management
 On 09/09/2020, an initial lay out invoice is sent to NDAG from D&S LLC DBA PPM for \$5000. It appears this may be one of very few bills sent to the Attorney General's office as of 09/09/2020.
 9/9/2020

Parkway Property Management, Sandra Bogaczyk
 On October 7, 2020, emails begin between PPM and Sandra Bogaczyk, Community Development, City of Bismarck. The emails are related to storm water drainage, and permit issues. In the email Bogaczyk states:
 "Again, I am not sure why you are in the middle here. Bartlett & West should be the project manager it seems. The City processes site plan review requests is pretty straight-forward given the introductory email sent to you below back on 9/17/20. It clearly states that we need 3 pdfs uploaded to the site plan request. We currently have the site plan only, per this email you just sent."
 The emails show confusion from experienced industry professionals why PPM is acting as the project manager and not Bartlett & West.
 The email chain continues. Bogaczyk appears to be communicating with someone named Steve at PPM. Agent Guiberson spoke with Ki Lee from the City of Bismarck regarding the water drainage and said there were no large expenses related to compliance. Lee said everything appeared standard and adaptations to meet regulations had not incurred any large costs.
 10/7/2020

Bartlett & West, Kenneth Burgen, CJ Schorsch
 Kenneth Burgen of Bartlett & West refers to a change in water piping and fire suppression. The email states Burgen spoke with CJ Schorsch about new piping to the health department side of the building. This may have incurred costs not related to the AG portion of build.
 10/19/2020

Bartlett & West, Casey Colbern, Parkway Property Management
 Casey Colbern of Bartlett & West emails several individuals (as provided by Attorney Rogenby, in Vogel Law Firm's memo), to include PPM, and speaks of revisions to the property per city code. It includes a six-foot sidewalk, adding sanitary cleanouts and service requiring under street boring, tree planting, and landscaping.
 11/9/2020

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Stealth Properties LLC, Marie Brown, CJ Schorsch
<ul style="list-style-type: none"> ○ Emails show the city is confused as to who is the signer for "Stealth Property" as the registered Agent is Marie Brown. ○ CJ Schorsch responds by writing (as provided by Attorney Rogenby, in Vogel Law Firm's memo): "I am stealth properties signer/owner".
11/10/2020

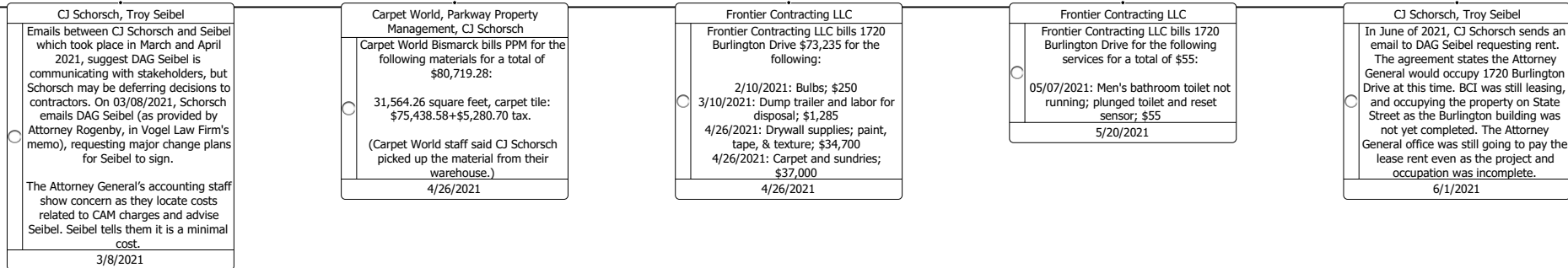
CJ Schorsch, Northwest Contracting, Jennifer Krause
<ul style="list-style-type: none"> ○ CJ Schorsch asks Jennifer Krause of Northwest Contracting for a budget proposal, she states they are waiting for the city permit process.
11/30/2020

1720 Burlington Drive
<ul style="list-style-type: none"> ○ Construction for 1720 Burlington Drive begins Dec 2020.
12/1/2020

Bartlett & West, John Nelson, Parkway Property Management
<ul style="list-style-type: none"> ○ An email (as provided by Attorney Rogenby, in Vogel Law Firm's memo) on December 10, 2020 shows an updated Architectural and Structural design from John Nelson at Bartlett & West to PPM. ○ Email communications begin between PPM, Northwest Contracting, CJ Schorsch with several individuals CC'd. Agent Guiberson did not observe anyone from the AG's office included in the email chain receiving this information.
12/10/2020

Jason Dockter, Troy Seibel
<ul style="list-style-type: none"> ○ Emails between Jason Dockter and DAG Seibel discuss a walkthrough of the building with AG Stenehjem. ○ Emails continue to show DAG Seibel was the project contact at the Attorney General's office. Attorney General employees stated DAG Seibel initially was adamant that all changes go through him. Emails showed approval would go to CJ Schorsch, then DAG Seibel, and at other times it would not. It is not clear if all change orders were approved by Seibel, but emails suggest several were. CJ Schorsch, and Jason Dockter had several email communications with DAG Seibel, including some approval requests for expenditures. Division heads emailed DAG Seibel requesting approval on additions. As the project evolved CJ Schorsch and DAG Seibel were communicating, but clear documentation of every expenditure was not discovered. Complete documentation related to original cost estimates, actual costs, all change orders, material, and labor receipts are lacking. The "memo" provided by Stealth Properties LLC after the requested Auditor review had receipts and documents, but invoices and receipts remained inconsistent with payments. Several meetings were held between Seibel, Schorsch and at times Dockter. The exact topics and specifics of those meetings are unknown.
12/23/2020

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Timeline of Events

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CJ Schorsch, Troy Seibel
In June of 2021, CJ Schorsch sends DAG Seibel another email regarding project cost overruns.
6/1/2021

Frontier Contracting LLC, Stealth Properties LLC
Frontier Contracting LLC bills Stealth Properties 1720 Burlington Drive for the following services for a total of \$42,000:
06/24/2021: Bathroom rehab; \$42,000
6/25/2021

Troy Seibel
In June of 2021, DAG Seibel informs the Attorney General financial staff the division is responsible for \$1,742,210 as project costs ran over. The total project was reported to be \$5, 530,810. The remaining cost for PPM would be \$3,788,600.
6/28/2021

North Dakota Attorney General's Office, Troy Seibel
At the end of June 2021, the Attorney General's Office pays \$1,342,210 out of existing funds appropriated in different areas within the Division as follows:
o Operating, \$470,187
o Law Enforcement, \$197,900
o Criminal Justice Information Systems, \$325,876
o North Dakota Lottery, \$348,247
The remaining \$400,000 of alleged costs billed to the Attorney General's Office were rolled into the lease. This was apparently negotiated by DAG Seibel. This resulted in the monthly lease cost being increased to nearly \$7,000 monthly.
o If the \$400,000 debt was not rolled into the lease and the overrun reported, the Attorney General would have been required to seek Legislative authority and approval for the expenditure.
According to North Dakota Auditor's Office, \$602,185 was paid from the General Fund and \$740,025 from Special Funds. The payments were made at the very end of the 2019-2021 fiscal biennium. The alleged unexpected \$1,342,210 payment for cost overruns, if not used would have been required to be returned to the state general fund. The payments in the final days of the 2019-2021 biennium depleted all AG funds. Keller states the invoice from D&S is dated July 22, 21 weeks after the payment.
6/28/2021

Troy Seibel, Becky Keller
DAG Seibel forwards the following email to Attorney General's Office Finance Director Becky Keller:
o Subject: "FW:1720 Burlington Drive and attachment AG-2.xlsx from Troy Seibel"
"How much of this could we pay out of end-of-biennium funds?"
6/28/2021 9:57:00 AM

Timeline of Events
 North Dakota Attorney General's Office
 1720 Burlington Drive, Bismarck, ND Project Cost Overruns
 Montana Department of Justice-Division of Criminal Investigation
 Case No. MC221207

Troy Seibel, Parkway Property Management, CJ Schorsch

On June 29, 2021, as the project is in the final stages, DAG Seibel asks PPM for a square footage breakdown per department. CJ Schorsch supplied the following:

- o BCI 22,284 (with shop space)
 - o IT 2100
 - o CGIS 1850
- o Fire Marshall 1825 (with shop space)
 - o Consumer Protection 2100
 - o Lottery 2841

6/29/2021

Troy Seibel, Parkway Property Management

DAG Seibel emails PPM asking what the changes in rent would be per \$100,000. Seibel stated they were looking for the money but may not have the funds. Shows knowledge of overruns.

6/29/2021 8:18:00 AM

North Dakota Bureau of Criminal Investigation

North Dakota Bureau of Criminal Investigation's lease on State Street set to expire on this month.

7/1/2021

Troy Seibel, Steve Harstad, CJ Schorsch, Parkway Property Management

DAG Seibel sends the following email (as provided by Attorney Rogenby, in Vogel Law Firm's memo) to Steve Harstad at BCI and CJ Schorsch/PPM:

"For auditing purposes, our finance division needs documentation regarding the cost overruns on the new building. Specifically, we need documentation about why costs increased (i.e., change orders, increased material/labor costs because of COVID, etc.). It does not have to be very formal. It could be emails, or a short memo/note about why the costs were incurred so we have documentation in our files. Let me know if you have any questions. Thanks.

Troy T. Seibel"

PPM replies: "Received, all the contractors know this needed to be broken out, the final bills have not all been received since there is a few items due to arrive in Bismarck later this week. (Doors in Breeze way, and lottery generator switch, controls for boiler system). Will the end of September be okay to get this documentation or do we need to do this in August?"

CJ"

It appears DAG Seibel was aware of the overruns as early as January 2021 but requests the documentation in August which is a month after payment was made. Construction on the Burlington building continues even as overruns are known. It also appears Schorsch informed DAG Seibel on or before January 2021, that project costs were approaching five million. January 27, 2021, emails from Joe Schell at AG IT to PPM shows confusion related to IT's accessibility on Burlington drive for Consumer Protection and Lottery (Memo 259, 263, 319(331)816)

8/10/2021

Frontier Contracting LLC

Frontier Contracting LLC bills 1720 Burlington Drive for the following services that had occurred more than a year prior, on 1/1/2021, for a total of \$26,500:

Demo labor and maintenance: \$0.
 June 2020: \$1,350.
 Dump trailer/skid: \$900.
 July 2020: \$2,850.
 Dump trailer/skid: \$200.
 August 2020: \$5,250.
 Dump trailer/skid: \$300.
 September 2020: \$4,000.
 Dump trailer/skid: \$100.
 October 2020: \$2,000.
 November 2020: \$2,500.
 Skid steer: \$300.
 December 2020: \$2,750.
 Skid steer: \$1,050.
 January 2021: \$2,250.
 Dump trailer/skid: \$700.

A vague invoice from Frontier dated August 19, 2021, simply lists labor and supplies. The vague invoice lists service and monthly bill dates for "dump trailer, skid steer, and labor". Specifics on labor are not described. The invoice lists every month between June 2020 and January 2021 in the same manner and exact same price which accrued costs of \$26,500. The invoices give the appearance they were copied verbatim for each month.

8/19/2021

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Becky Keller, Tasha Gerding, CJ Schorsch

At the end of August 2021, Attorney General's Office Finance Director Becky Keller and Accounting Manager Tasha Gerding emails CJ Schorsch. Keller asks for specifics and documentation relating to costs, invoices, and if an amendment to the lease has been drafted. No documentation was located suggesting the amendment was drafted and signed at this point.

8/19/2021

Becky Keller, CJ Schorsch, Parkway Property Management

On August 31, 2021, Finance Director Becky Keller emails PPM (as provided by Attorney Rogenby, in Vogel Law Firm's memo) asking CJ Schorsch if he had determined a new lease rate, if there was a new drafted amendment, and to specify costs covered under CAM. Keller asked for documentation, invoices, emails, etc. to justify cost overruns the Attorney General's office had already paid (Memo pg. 435, 436).

PPM responded on September 1, 2021, with the following:

"We will be adding \$2.44 a sqft to the 33,000 sqft lease for a 5 year term to cover the \$400,000 overage. The lease rate of \$11.94 per sqft (\$9.50 +\$2.44) for the first 5 years of the lease, at the end of the 5 year term rent will be \$10.00 sqft starting July 2026. We have not drafted the amendment for this portion of the lease agreement how should we do this? The BCI/fire marshal area of about 20,300 sqft occupied the space on the 9th of July, the lottery and consumer protection occupied their space the 23rd of August.

The CAM charges are the following, parking lot repair/maintenance, landscaping, lawn care, exterior/common light poles/fixtures, snow removal, common bathrooms and break room equipment/maintenance.

Yes we have all the invoices/emails Troy wants us to get them to him the end of this month once all the subcontractors have finished and are paid in full CJ."

8/31/2021 8:49:00 AM

Tasha Gerding, CJ Schorsch

Accounting Manager Tasha Gerding asks CJ Schorsch to clarify square footage space (Memo pg. 437). Schorsch responds with calculations which do not match the calculations he emailed DAG Seibel in June. Gerding had previously and specifically asked Seibel in a June email to explain Lottery's 2481 square ft, and CPAT's 2100 square feet charges. The costs were being billed for 8300 square feet. Schorsch explains he measured using the following Bartlett & West print:

"Existing building 20,128
 Breezeway and Addition 12,960
 Total usable space 33,088 sq ft (Not including the common bathrooms and break room areas on the west side of the building)

The breakouts are as follows:
 o BCI 19,315 (with shop space) I don't know exactly what the break out of employees is in the cubicle here is my best guess. The storage rooms are shared I believe.
 o CGIS 2100
 o IT 1850
 o Fire Marshal 1825 (with shop space)
 o Lottery/CPAT 7998 (With common bathrooms and breeze way) They pretty much 1/2 of that space so 3999 sq ft a per division"

9/23/2021

Tasha Gerding, CJ Schorsch

On October 4, 2021, Finance Manager Tasha Gerding sends an email to CJ Schorsch explaining she was continuing to pay invoices. Schorsch requests the October rent. She replies by telling Schorsch the payment for invoices was to get July through September's rent paid.

10/4/2021

Troy Seibel, Steve Harstad, Parkway Property Management

DAG Seibel emails PPM and Steve Harstad of BCI requesting documentation of cost overruns. This is over three months after requesting explanation on invoices from financial staff, and over three months after payment. Emails regarding the cost of snow removal between Randall Miller, the State, and PPM continue. A future contract amendment addresses the CAM costs.

10/11/2021

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1720 Burlington Drive
1720 Burlington Drive project completed.
11/1/2021

Lonnie Grabowska, Troy Seibel, Wayne Stenehjem
In early January of 2022, BCI Director Grabowska emails DAG Seibel regarding "Wayne" and the purchase of an ice machine. Wayne asked Grabowska to search for a cheaper unit. Grabowska relayed to Seibel the cheapest commercial model was \$4500. In a follow up email on February 17, 2022, Grabowska tells Seibel he and Wayne had discussed purchasing an ice machine before Christmas saying they would roll it in to the lease cost. This suggests AG Stenehjem may have been aware of the plan for purchases rolling in to lease costs (Memo pg. 476). Seibel responds to Grabowska on February 17, 2022, by recommending that he move forward on the ice machine if it was in the budget.
1/5/2022 7:46:00 AM

Wayne Stenehjem, Elizabeth Brocker, Troy Seibel
AG Stenehjem actively working from home.
In Elizabeth Brocker's letter, she states a week prior to AG Stenehjem's death, he had been working from home, as she "actively monitored" AG Stenehjem's and DAG Seibel's email accounts regarding "urgent matter". The letter continues, "After Wayne's death, during a discussion with Troy, he directed that Wayne's email account should be deleted. I relayed that instruction to IT".
1/21/2022

Wayne Stenehjem
AG Stenehjem passes away.
1/28/2022

Elizabeth Brocker, North Dakota Attorney General's Office-Information Technology, Heidi Smith
Elizabeth Brocker (AG Stenehjem's Executive Assistant) instructs Attorney General's Office-Information Technology to delete AG Stenehjem's state email account. Brocker sends an email to Heidi Smith (Attorney General's Office-Information Technology-Criminal Justice Information Sharing Director):
Subject: "Monday 1st thing"
"1st thing Monday, could you have Wayne's nd.gov email account shut down and the emails in his in box, in box folders, sent items - deleted. Troy and I went in today and are meeting again tomorrow - I will search for personal emails that Beth might want, and print them off. We want to make sure no one has an opportunity to make an Open Record request for his emails, especially as he kept EVERYTHING. This was approved by Troy. Thank you. Liz".
Heidi Smith replies: "Absolutely. We will let you know when it is completed. Heidi".
1/29/2022 8:51:00 PM

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Elizabeth Brocker, North Dakota Information Technology, Joe Schell
 Joe Schell (Attorney General's Office-Information Technology Manager) forwards to Elizabeth Brocker in the email chain:

Subject: "FW: Monday 1st thing"

"I submitted the request to NDIT to delete his mailbox (email account). I will report back when complete.

After NDIT deletes the mailbox on the server, we should login to Wayne's laptop and remove the email account there as well. I believe Outlook has an offline version that should also be deleted.
 Joe S."

1/31/2022 7:37:00 AM

Elizabeth Brocker, North Dakota Attorney General's Office-Information Technology, Heidi Smith
 Heidi Smith replies to Elizabeth Brocker in the email chain:

Subject: "RE: Monday 1st thing":

"Hi Liz, They are in the computer, working on getting everything moved off onto a drive, so the photos and personal information are not lost. Thank you, Heidi"

1/31/2022 8:35:00 AM

Elizabeth Brocker, North Dakota Attorney General's Office-Information Technology, Heidi Smith
 Elizabeth Brocker replies to Heidi Smith in the email chain:

Subject: "RE: Monday 1st thing":

"Brilliant! Thank you. Liz"

1/31/2022 8:40:00 AM

Wayne Stenehjelm, North Dakota Information Technology
 AG Stenehjelm's state email account deleted by North Dakota Information Technology.

1/31/2022 8:52:00 AM

Elizabeth Brocker, North Dakota Information Technology, Joe Schell
 Joe Schell replies to Elizabeth Brocker in the email chain:

Subject: "RE: Monday 1st thing"

"NDIT deleted the email account. I'm working with Wayne's laptop as we speak. I will return to Jennifer when complete.

1. I copied everything from his "Photos", "My Documents" and "Desktop" to a flash drive.
2. I moved everything from his "Photos", "My Documents" and "Desktop" to the local "Wayne Stenehjelm" account on the laptop.
3. I removed office software packages from his computer.
4. I disabled the drive encryption that we had enabled on the computer.
5. I removed the computer from our network.

There are two accounts on the computer.

1. Wayne Stenehjelm – Password125Password125
2. Administrator – Password125Password125

Joe S"

1/31/2022 12:19:00 PM

Timeline of Events

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Elizabeth Brocker, North Dakota Information Technology, Joe Schell

Elizabeth Brocker replies to Joe Schell in the email chain:

Subject: "RE: Monday 1st thing"

"Thank you so much. Liz"

1/31/2022 1:16:00 PM

Elizabeth Brocker, North Dakota Information Technology, Joe Schell

Elizabeth Brocker replies (again) to Joe Schell in the email chain:

Subject: "RE: Monday 1st thing"

"The family just called. They need some of the photos they believe were on his laptop for the powerpoint at the viewing. A family member will drive down there shortly to get it. I told her to ask for you by name. Liz"

1/31/2022 1:45:00 PM

Elizabeth Brocker, North Dakota Information Technology, Joe Schell

Joe Schell replies to Elizabeth Brocker in the email chain:

Subject: "RE: Monday 1st thing"

"OK. I will be here. Joe S."

1/31/2022 1:46:00 PM

Elizabeth Brocker, North Dakota Information Technology, Joe Schell

Joe Schell replies to Elizabeth Brocker in the email chain:

Subject: "RE: Monday 1st thing"

"She arrived and picked up both the laptop and flash drive. I provided the password. I sat with her for just a couple of minutes and explained how to login to the computer and where she could find the needed items. explained that all of those same items on the flash drive in folders with the same name. Joe S."

1/31/2022 2:14:00 PM

Doug Burgum, Drew Wrigley

On February 8, 2022, eleven days after AG Stenehjem's passing, North Dakota Governor Doug Burgum appoints Drew Wrigley as North Dakota Attorney General (AG Wrigley) to fill the remainder of AG Stenehjem's term.

2/8/2022

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CJ Schorsch, Tasha Gerding
 ○ CJ Schorsch/PPM emails Accounting Manager Tasha Gerding asking for a rent payment.
 3/16/2022

Drew Wrigley, Troy Seibel, Becky Keller, Claire Ness
 ○ AG Wrigley informs DAG Seibel that he is being replaced by Claire Ness as Chief Deputy. DAG Seibel resigns after the meeting. After Seibel resigns, Finance Director Becky Keller informs AG Wrigley of concerns regarding cost over runs and billing in relation to the move to 1720 Burlington Drive. Keller said she was intimidated by Seibel, as he was essentially "her boss". Keller stated directions by DAG Seibel regarding financial issues "were very concerning", so she immediately informed AG Wrigley after DAG Seibel's resignation.
 3/16/2022

Drew Wrigley, Becky Keller, North Dakota Office of the State Auditor, Josh Gallion
 ○ Finance Director Becky Keller informs AG Wrigley of cost overruns in the Attorney General's Office. AG Wrigley examines the matter and requests a meeting with North Dakota Auditor Josh Gallion to advise him of a possible fiscal problem. The Cost overrun was the Attorney General's Office's new location and building lease.
 3/17/2022

Tasha Gerding, CJ Schorsch, Troy Seibel
 ○ Accounting Manager Tasha Gerding responds to CJ Schorsch saying DAG Seibel had directed her to hold off on paying rent (memo pg. 452). Later in the afternoon of March 17, 2022, Schorsch once again emails Gerding stating he could not get a hold of Seibel. Schorsch asks if Gerding would have Seibel call him. Gerding informs Schorsch that Seibel was no longer employed at the Attorney General's office.
 3/17/2022

Drew Wrigley, Josh Gallion
 ○ AG Wrigley informs North Dakota State Auditor (SA) Josh Gallion that his office was examining suspicious cost overruns related to a lease in the Attorney General's Office. AG Wrigley informed SA Gallion for transparency purposes.
 3/18/2022

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Becky Keller, CJ Schorsch, Wayne Stenehjem, Troy Seibel

According to Finance Director Becky Keller's timeline, Keller speaks with CJ Schorsch on April 6, 2022. The timeline states Schorsch informed Keller there were conversations regarding cost overruns where both DAG Seibel and AG Stenehjem were present. Keller's timeline says Schorsch told her in January 2021 both AG Stenehjem and DAG Seibel were advised the Burlington Drive project was close to \$1.5 million dollars over budget, but the project continued.

4/6/2022

Elizabeth Brocker, North Dakota Attorney General's Office-Information Technology, Troy Seibel

Elizabeth Brocker instructs Attorney General's Office-Information Technology to delete DAG Seibel's state email account.

5/23/2022 12:27:00 PM

Drew Wrigley, North Dakota Legislative Audit and Fiscal Review Committee, North Dakota Office of the State Auditor

AG Wrigley informs the Legislative Audit and Fiscal Review Committee at their next scheduled quarterly meeting of approximately \$1.74 million in unexpected costs relating to the AGO relocation at 1720 Burlington Drive. The Legislative Audit and Fiscal Review Committee requested a review of the lease and recently reported costs regarding the relocation of the Attorney General's Office by North Dakota State Auditor's Office. The Auditor's office was given until September 2022 to complete their report.

6/29/2022

Wayne Stenehjem

Open records request for emails from press leads to discovery of deletion of AG Stenehjem's emails.

6/30/2022

Elizabeth Brocker, Troy Seibel

Elizabeth Brocker resigns from her position in the Attorney General's Office. Upon her resignation, Elizabeth Brocker wrote a letter explaining the earlier deletion of DAG Seibel's email account, in which she says "After Troy left, as a matter of routine, IT contacted me regarding removing his email account. I asked for time to go through the emails before anything was deactivated."

The letter goes on to say she went through the emails that were only addressed to Troy. Brocker continues, "ccs relating to pending or upcoming issues, I forwarded them on to other agency staff as appropriate. I then went through the emails by date order, reviewing them to ensure nothing got missed. I printed a few off to check the issue was concluded, and I checked up on a few others, but for the most part, the emails either related to routine office matters or were about the numerous cases being litigated in state or federal court and had other people included in the email chain."

Brocker's letter continued stating the process took some time and IT was asked for an extension. IT contacted the writer again asking if the account could be deactivated. It was confirmed the remaining emails could be deleted. In Brocker's own letter she admits to deleting both accounts. The letter states AG Stenehjem's account was deleted with approval from DAG Seibel, and DAG Seibel's account was deleted by her, with correspondence from IT. Because of the deletions, it is impossible to assess the content of correspondence which may, or may not have had evidentiary value related to the project at 1720 Burlington Drive.

7/15/2022

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Lonnie Grabowska, Dan Cox, Troy Seibel
 BCI Director Lonnie Grabowska emails Dan Cox that he did not recall Seibel ever telling him a new garage would be built. Notices it what they started digging.
 9/16/2022

Barb Seigel, Dan Cox, Frontier Contracting LLC
 North Dakota Secretary of State Barb Seigel emails Dan Cox on 9/16/22 4:50 stating as of that date Frontier LLC did not have a contractors license and they could not find where one had been applied for. Cancelled 12/31/18.
 9/16/2022 4:50:00 PM

Josh Gallion, North Dakota Legislative Audit and Fiscal Review Committee, Drew Wrigley, Montana Department of Justice-Division of Criminal Investigation, Don Guiberson
 North Dakota State Auditor Josh Gallion reports his findings of his review of the cost overruns related to 1720 Burlington Drive to the North Dakota Legislative Audit Financial Review Committee. Gallion's findings prompt LAFRC to request that AG Wrigley locate an outside agency to investigate specifics of the 1720 Burlington project. AG Wrigley contacts the Montana Department of Justice-Division of Criminal Investigation and requests an investigation into the project. An MOU is signed, and Agent Don Guiberson is assigned the investigation. AG Wrigley appoints Agent Guiberson a North Dakota Law Enforcement Agent for the purposes of this investigation.
 9/27/2022

Drew Wrigley, Monte Rogenby, Vogel Law Firm, Stealth Properties LLC.
 AG Wrigley receives an 800-page report from Attorney Monte L. Rogenby, Esq., of Vogel law Firm in response to the North Dakota Auditor's review. Rogenby represents Stealth Properties LLC. The memo contains open-source information not otherwise available, as members of Stealth Properties LLC (through their attorney) declined an invitation to be interviewed. There are several emails in the memo that are not in chronological order and have odd frame lapses.
 10/28/2022

Jason Dockter, Frontier Contracting LLC
 Jason Dockter appears as a guest on a local radio show, "Plain Talk", and reveals the following:
 --Dockter states if the North Dakota Auditor's Office had asked questions prior to their report, cost issues related to CAM charges could have been resolved.
 Note: it appears on page 501-506 of the Vogel memo itself; Dan Cox of the Auditor's office did ask these pertinent questions. Audit Manager Lindsay Slappy was surprised by the information Dockter provided because it was never mentioned or furnished by Dockter, during his Auditor interviews. One of the most surprising revelations for Slappy was when Dockter revealed Stealth would be providing over \$200,000 back to the AG's office. Slappy said the November 2022 radio program was the first time any type of re payment was mentioned. Slappy stated reconciliation of payments, re payments, or refunds were never brought up by Dockter or Schorsch during, or after audit interviews.
 --Dockter argues in the interview the North Dakota Auditor's Office could have reached out to him for questions.
 Note-Agent Guiberson contacted Dockter's attorney to speak with Dockter as questions remained. Agent Guiberson was informed no Stealth Properties LLC owners would agree to an interview.
 --Dockter states Frontier Contracting LLC was doing business under D&S's license, and this could have been the issue in the audit. Dockter states invoices should have been billed as Frontier "doing business" under D&S. Dockter said the billing was a mistake. He also states Frontier had no employees.
 11/2/2022

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John Boyle, Don Guiberson
 Agent Guiberson speaks with North Dakota Director of Facilities Management John Boyle. Boyle states he was approached by the Attorney General's office years prior to the Burlington Drive project. Boyle says the former BCI Director and Attorney General were interested in consolidating locations. BCI's lease was to expire and there were other issues with their current location. Boyle describes an attempt to purchase the 35,000 square foot Salix school. Preliminary plans were to purchase the school for \$400,000 and acquire \$1,000,000 for remodeling. The project did not materialize.

Boyle says half of the 40,000 square foot Burlington Drive building was already occupied and leased by the State Health Department. The owner at this point was "Bismarck Industries." ITD occupied the other half of the building but were planning to relocate. The BCI's current lease was to expire in June of 2021. Boyle says rent for half of the Burlington building was originally quoted at \$950 a month. This would include \$5 for pass-throughs resulting in about \$1450 a month, substantially cheaper than the north side of Bismarck. Boyle states:

"So once the lease was negotiated um there was an email that I sent from myself to representative Dockter that said a you know the lease is too much you're asking too much 'cause I know what you're buying the building for.

I kind of have a rule of thumb that you know really no landlord should make more than like 400 (unintelligible) points above a treasury bond."

12/4/2022

John Boyle, Don Guiberson, Jason Dockter, North Dakota Attorney General's Office
 Continued: Boyle explains Jason Dockter representing his partnership had collaborated with them during the attempt to buy the school. Boyle says there were discussions examining a private public partnership with Dockter's LLC. They discussed Dockter's partnership buying the school, then later selling it to the State of North Dakota with legislative approval. In theory, this would allow time for the legislative process to move forward to appropriate funds, but the transaction did not progress. Boyle explains when the Burlington building project developed, he was once again working with Dockter. Boyle was unaware of how Dockter and the business relationship between the Attorney General's Office developed. This suggests Dockter had previous direct knowledge that the Attorney General's Office was to relocate. The direct knowledge was before a contemplated purchase of the Burlington Drive building occurred.

12/4/2022

John Boyle, Don Guiberson
 Continued: Boyle was familiar with the property at Burlington as ITD had been renting partial space. Based on the real estate market in Bismarck, Boyle proposed capping the state's new construction investment at \$200 a square foot, and \$50 a square foot for remodel. Boyle says ITD leased the space at the time, so he did not think there would be a substantial amount of remodeling. Boyle went on to say:

"So, so I felt very comfortable the rent that they were paying was based on that investment so you know we could have gone back to them and thought no that's not gonna be enough it's gotta be \$300.00 for new and a \$100.00 for remodel but then in that \$950.00 would have just gone up.

So before or after you know it was gonna cost the same...

...so, so what went so of course what happened was COVID came...

the cost of everything went up dramatically so I think if you know if, if there weren't COVID um I think it could have been done for, for what was in the lease but, but the, the so I just remember I was in my office at that table that upstairs..."

12/4/2022

John Boyle, Don Guiberson, Troy Seibel, CJ Schorsch
 Continued: ...and I was having a meeting and Troy Seibel came in with representative Dockter and said hey we got the lease the final lease...we need you to sign it and I said well let me look at it real quick so I just looked at the first page it showed the rent... base rent came in and then I flipped to the back to see that it was still \$250.00...dollars for remodeling and then I signed it and then, then I was done.

Nobody, nobody ever came back to me a CJ called me and said hey do you want to go down and see the space it's all built out they actually BCI's moved in and some of the other divisions are getting ready to move in so I said sure I'll go take a look at it so I meet CJ down there and we go in and we walk in and I mean it had changed dramatically...

...from when IT had it and I said there's no way that you remodeled all this for \$50.00 a square foot he said oh no we went over by like over a million dollars a million some dollars I'm like what I said so are we gonna adjust the rent and he said no they're gonna they paid some this was already after the payment or they agreed to this was in July of 21 before the end of the biennium or the end of biennium occurred...

they already made the big payment they never came to me and asked hey what should we do or anything the attorney general's office so I'm like they paid, and they said yeah, they cut us a check and the remainder we're gonna spread out over four years and we're gonna just increase that base rent their gonna kind of a loan at zero percent interest."

12/4/2022

John Boyle, Don Guiberson, North Dakota Attorney General's Office, Jason Dockter, Troy Seibel
 Continued: In the past, Boyle says departments had asked the Emergency Commission for spending authority, if accepted the legislative budget section would be required for approval. Boyle continued:

"If the Attorney General office would have just done the same thing," he then states by "Attorney General" he means "Troy".

Boyle says Dockter and Seibel "basically interrupted" a meeting he was attending asking for a letter of intent to assist them in obtaining financing for the Burlington project. Boyle said he understood what they were trying to accomplish. Boyle said letters of intent usually are titled in big bold letters "non-binding." He does not recall if the non-binding statement was in the letter. Boyle said:

"And I took a minute to look at it but in hindsight I should have said well do you already own the building".

... 'cause how are we signing a lease with an entity that doesn't even own the building so I that's where I kind of kick myself is why, why we should have made sure they owned the building before we signed the lease."

Boyle described at purchase the building was approximately 40,000 square feet, with approximately 20,000 square feet in use. The building sat on 4 acres and plans were to add approximately 15,000 square feet of new space.

12/4/2022

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John Boyle, Don Guiberson, Jason Dockter

Continued: The following is an excerpt from Boyles interview describing how money is obtained if the State itself buys a property:

JB: ...you know and I know those guys some of them and maybe they would have said well we'll hang on and see what happens in the legislative session to see if you get it um but they probably would have wanted some earnest money or something like that but when they when they had a buyer because again it's, it's not in the best location of town.

DG: Mm-hmm (affirmative).

JB: Not a lot of state employees live down there um that's why it went for so little and um, but I knew it was a great deal and I knew those guys were gonna get a really good deal and that's why they gave us a lower rent too...

DG: Mm-hmm (affirmative).

JB: ...um but yeah it was there's, there's been four times in my twenty years where we should buy a building instead, but a landlord bought it then we ended up leasing it from a private landlord.

DG: So, do you I think it's fair to say they probably have an inside they knew you guys were gonna do this I mean they know that not you guys sorry, but the state was gonna be the renter there when they bought this property.

JB: Oh Jason Dockter?

12/4/2022

John Boyle, Don Guiberson

Continued: DG: Yeah.

JB: Oh yeah definitely.

DG: Yeah.

JB: They would have never bought it if they weren't.

DG: They wouldn't have bought it.

JB: Absolutely not.

DG: Okay.

JB: They wouldn't like they wouldn't have bought it just on spec.

DG: Okay.

JB: In hopes of getting an agency (unintelligible).

DG: Is, is that normal?

JB: No like I say there's only been twice where somebody's said they would build a building for us without us signing a lease first. This one and this IT building. But usually there most, most of the space we lease are not you know they're not in desirable Class A office buildings.

12/4/2022

John Boyle, Don Guiberson, Troy Seibel, CJ Schorsch

Continued: Boyle says he was not privy to the specifics of the build and was unaware of the landlord's financial contribution agreement. Boyle said:

"I think I think if Troy would have just come to me and said John you know I'm in way over my head we need some help with this build out and everything if I could work with his divisions directors and then I think that we could have mitigated a lot of this.

But, but then like I, I also said that you know when these change orders came in well, we would have done it the appropriate way it would have been in writing you know it would have been you know 'cause that's how we do them here.

We would have but even if Troy said no, we're gonna go ahead and do it I can't say no you can't spend your money that way.

You're not gonna get that and who am I to say that to the deputy attorney general of the state you know".

Boyle says he only spoke to Schorsch on one occasion, this was after the relocation to the Burlington building.

12/4/2022

John Boyle, Don Guiberson

Continued: Boyle says the square footage price seemed fair after the original negotiation. He was adamant he would never expect costs to exceed the negotiated square footage price. Boyle was certain costs would not reach the amount of the cap space for changes; he explained this is why he signed off on the project. Boyle was not comfortable with the high rate. Boyle emailed Dockter explaining the lease was too expensive and CAM (common area maintenance) charges were suspect. Boyle agreed COVID would have caused overages but was incredibly surprised the overages were almost 1.8 million dollars. Boyle says he was confused as the project appeared to be "pay first" which was far from customary.

An email shows Boyle's disbelief that a project of this magnitude did not utilize a governmental lead. Boyle said he was alarmed that a "spec book" was not used by the contractor. A spec book is used by a project foreman and contains running cost totals and project changes. Boyle added the Attorney General's office should not have paid for any architect fees. An email from an industry professional shares Boyle's concern regarding the absence of a spec book.

12/4/2022

Becky Keller, Don Guiberson, Troy Seibel, CJ Schorsch

Agent Guiberson speaks with Finance Director Becky Keller at the North Dakota Capital. Keller states in June of 2021 she received a forwarded email from CJ Schorsch stating the AG was responsible for cost overages on Burlington Drive project. Keller said she "almost choked" when the amount was reported as being \$1,742,209. Keller immediately went to DAG Seibel's office and questioned him to obtain an explanation. DAG Seibel provided Keller with assurances that everything was handled. DAG Seibel informed Keller that paying the overages was their contractual and legal obligation. Keller's concern remained, but said DAG Seibel was her supervisor, and she was intimidated by him and the position he held. DAG Seibel emailed Keller remaining departmental biennium funds and inquired about paying the overages with these funds. The Attorney General's Office is referred to as a "decentralized" department with more compound funds allowing more flexibility and fewer spending restrictions than other government funds. Keller stated that during the build, DAG Seibel had once directed her to pay \$150,000 for "bump outs". Keller said this was basically the only involvement she had during the actual project. Keller felt the rest of the office was "left in the dark" as the project progressed. At the project's onset, DAG Seibel did not allow staff attorneys to assist.

12/6/2022

Timeline of Events
 North Dakota Attorney General's Office
 1720 Burlington Drive, Bismarck, ND Project Cost Overruns
 Montana Department of Justice-Division of Criminal Investigation
 Case No. MC221207

Becky Keller, Don Guiberson, Troy Seibel, PPM

Continued: Keller says DAG Seibel was adamant everything went through him. Keller informed DAG Seibel invoices were immediately required to verify costs. Keller said she "hounded Troy" for invoices and was continually told they were with Schorsch. Keller said at this point she was not provided with any invoices from Schorsch or DAG Seibel. DAG Seibel conveyed to Keller covid issues and change orders were responsible for the overages. In the final weeks of the biennium, DAG Seibel directed Keller to utilize the \$1.342 million in remaining biennium funds to pay for the overages accrued by the Burlington Drive project. Keller informed DAG Seibel she would reject paying the overages without invoices. Keller soon received a generic invoice from PPM. Invoice number 252, dated July 22, 2021, is very basic with minimal detail. The invoice reads:

o "Bill to
 NDAG 1720 Burlington Drive
 Bismarck, ND 58504
 D&S LLC
 DBA PPM
 PO Box 7459
 Bismarck, ND 58507
 701-223-6676
 Service Date 7/22/2021
 Description
 Overages per leases at build out and
 addition at 1720 Burlington Drive
 Rate
 1,342,209.70
 Amount
 1,342,209.70
 Total 1,342,209.70"
 12/6/2022

Becky Keller, Don Guiberson, D&S LLC, Troy Seibel

Continued: Keller says the invoice was paid with the remaining 2019-2021 biennium funds, but the invoice from D&S is dated after the fact on July 22, 2021, even as this was the beginning of the 21-23 biennium. Funds used for payment came from the following account line items:

- o Operating, \$470,187
- o Law Enforcement, \$197,900
- o Criminal Justice Information Systems, \$325,876
- o North Dakota Lottery, \$348,247

DAG Seibel informed Keller that \$400,000 of the remaining debt was negotiated into the monthly lease payments. Keller said she was never given any change orders to justify costs.
 12/6/2022

Becky Keller, CJ Schorsch, Stealth Properties LLC, Vogel Law Firm

Over a year and a half after the 1.3-million-dollar payment, Finance Director Becky Keller attends a meeting described to her as a reconciliation of CAM fees. The meeting occurred months after the North Dakota Auditor's review findings were released after the LFARC investigation request. This information was not provided, or available to the Auditors' office during their review. Keller explained that CJ Schorsch approached her after the meeting. Schorsch told Keller Stealth Properties LLC was no longer requiring the state to pay the \$400,000 which was absorbed into the lease payments. Keller was told not to worry about it. Schorsch gave Keller a binder holding the Vogel Law Firm memo and an attached check for \$224,854.93. Schorsch described the check as monies owed to the Attorney General's office after reconciliation. The Attorney General's Office has not cashed the check to avoid the perception an agreement was reached on the final repayment amount. Agent Guiberson asked Keller to provide him with further details of her interaction with Schorsch. (Refer to February 7, 2023.)
 12/29/2022

Becky Keller, Don Guiberson, First International Bank and Trust, Stealth Properties LLC, CJ Schorsch, Tasha Gerding, Laura Balliett

On February 7, 2023, Finance Director Becky Keller sends Agent Guiberson the following email:

"The check, in the amount of \$224,854.93, is a cashier's check drawn on First International Bank and Trust. The remitter is Stealth Properties LLC. The date on the check is December 15, 2022. The check was handed to me by CJ Schorsch on December 29, 2022, at a meeting in the 17th floor conference room at the Capitol. He stated they had been holding the check waiting for us to come to his office to pick it up and that it was for the overpayment we made on the building. I told CJ we would not cash the check because we did not want that to be construed as agreement on our part of the amount owed. We have not deposited the check.

The meeting was regarding a reconciliation of CAM fees paid to actual expenses. Also present at the meeting were Tasha Gerding and Laura Balliett. Let me know if you have additional questions,
 Becky"
 2/7/2023

Bartlett & West, Joe Larrivee, Don Guiberson, Jason Dockter, CJ Schorsch, Troy Siebel, Parkway Property Management John Boyle, Lonnie Grabowska

On February 13, 2023, Agent Guiberson speaks with Joe Larrivee at Bartlett & West Engineering. Larrivee said he originally met with Jason Dockter, CJ Schorsch, and DAG Seibel about the project. Larrivee said it was extremely rare for all three to be together when project discussions took place. Larrivee said CJ Schorsch was their primary contact. Larrivee said all bills and invoices Bartlett & West sent were directed to PPM. The original completed and schematic plan quotes were requested by PPM, but North Dakota Director of Facilities Management John Boyle "did not want to pay that amount". Bartlett & West desired the project, and says a contract was signed on June 29, 2020, but they would only work with PPM and not John Boyle as he made projects difficult. Larrivee wanted contractual wording stipulating they would only deal with PPM. Larrivee said costs quoted to PPM were extremely reasonable by industry standards. Larrivee stated no other division heads would directly contact them with changes, all changes were with PPM approval. According to Larrivee, the original plan included 2,900 square feet of new space and a 20,000 square foot remodel. Larrivee confirmed if measurements included Health and Human Services, the original building would have been approximately 40,000 square feet. Initially, BCI Director Grabowska said the desire was to house all divisions in a 40,000 square foot space. The Health and Human Services lease would consume half of the original space and is not a division under the Attorney General's supervision.

2/13/2023

Timeline of Events
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Bartlett & West, Joe Larrivee, Don Guiberson, Parkway Property Management

Continued: Larrivee claims he has been involved in several projects including state government projects, and this project was oddly much easier. Larrivee's opinion is without being directly involved in design, leasing turnkey businesses after remodel is a mistake. As it appears, design communication was between only Bartlett & West and PPM. There were small projects done related to drainage and health department needs. Larrivee said he believed these were paid separately. Larrivee was unsure of the arrangements as Bartlett & West would have directly billed PPM. Larrivee agreed to provide Agent Guiberson with a copy of the contract and final cost if available. He was later recommended not to supply the documentation. He said the architectural design was \$255K and \$15K for what is called "bidding phase".

2/13/2023

Elizabeth Brocker, Don Guiberson, Bismarck State Attorney's Office

Agent Guiberson contacts Elizabeth Brocker at the Bismarck State Attorney's Office, where she is now employed. Agent Guiberson called her office, identified himself to the individual who initially answered the phone. This individual transferred Guiberson. A female then answered upon transfer. Agent Guiberson asks if he is speaking to Ms. Brocker, and the female hangs up. Guiberson called back, re-identified himself and was then informed Elizabeth Brocker would not take his calls.

2/13/2023

Laura Balliett, Don Guiberson, Troy Seibel, Stealth Properties LLC

Agent Guiberson speaks with Attorney General's Office Staff Attorney Laura Balliett. Balliett recalled DAG Seibel presenting her a "letter of intent".

The letter requested the AG's signature and was penned by a private company named "Stealth." The signature was required to confirm the Attorneys General's intention of leasing the Burlington building. Balliett reviewed the agreement to verify it complied with legal requirements and policy. Balliett "redlined" the letter and returned it to DAG Seibel. "Redlining" describes the process of correcting issues in a document. Balliett attempted to locate the email exchange between she and Seibel but was unsuccessful.

Balliett recalled a conversation with DAG Seibel informing him she was uncomfortable with the contract. Balliett's concern stemmed from the Attorney General's office's previous recommendation to ITD that best practice in lease agreements was to partake in competitive bidding. The recommendation referenced an earlier "build to suit" property by a private builder. Balliett explained to DAG Seibel if they are recommending divisions engage in open bidding, they should follow their own recommendation.

2/16/2023

Laura Balliett, Don Guiberson, Troy Seibel, Claire Ness

Continued: Balliett reviewed the lease which appeared to be a template used for an older Health and Human Services lease. Balliett observed changes in tenant the lease contained the same typographical errors as the old Health and Human Services lease. She believed this confirmed an old, outdated template was used by the property owner. Balliett explained the Attorney General's office historically uses their own specific template for leases and does not know why it wasn't used in this lease. Balliett clarified there is no requirement, but the AG template had always been a standard starting point.

Balliett has no knowledge of any attempt at competitive bidding for the Burlington project. Balliett felt she intentionally was left "out of the loop" after vocalizing her concerns and opinions. Balliett is unaware of any other division attorney aiding in establishing the lease, albeit qualified attorneys were available.

Balliett does not recall any discussions regarding cost overruns prior to DAG Seibel's departure. Agent Guiberson asked if the remaining biennium funds were strictly intended for the Burlington Drive project, and if not, how were the divisions functioning without utilizing these funds? Balliett answered, "good question." An email shows Balliett voiced concerns about the projects costs and suggested approaching the legislature with overruns. After DAG Seibel resigned, newly appointed Deputy AG, Claire Ness asked Balliett to review the lease and aid in a revision.

2/16/2023

Becky Keller, Don Guiberson, Troy Seibel

Agent Guiberson speaks with Finance Director Becky Keller again. Her statements in this interview are consistent with her last.

Keller recalled Seibel informing her there were not enough funds to cover a substantial portion of the overrun. Seibel told Keller \$400,000 was going to be absorbed into the monthly lease payments. She had no knowledge of the financial overruns until Seibel informed her.

Keller recalled Seibel directing her to make payments at the time of service for bumps outs which cost \$150,000, as well as the original \$5000 for the architect. These payments were only instances she recalls paying for at the time the service was rendered.

Keller was not receiving receipts, invoices, or information on the project and assumed Seibel was dealing with those issues. Keller again states DAG Seibel advised her of the cost overruns of \$1.7 million dollars. Keller repeatedly asked, and even demanded invoices from Seibel as the overruns appeared. She did not receive any for months. According to Keller Seibel said, "they will have everything" referring to the contractors.

2/16/2023

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Becky Keller, Don Guiberson, Stealth Properties LLC, CJ Schorsch

Continued: Keller said unutilized biennium funds may be put into special funds, but most require return to the general fund. There are separate requirements for lottery and CPAT. These divisions have restrictions, but expenditures were justified as both divisions were included in the relocation. According to Keller, monies remaining at biennium's end are commonly used for office needs, overrun payments eliminated this funding source.

Keller said she cannot understand Stealth Properties LLC's "bill", or the explanation provided by Stealth Properties LLC (pg. 272 in "memo"). Keller stated Stealth's calculated final cost appears skewed. She said the calculations in the Stealth memo itself are contradictory.

In an email during the Auditors review, Keller stated Schorsch explained his interpretation of the overruns were caused by the following factors:

- Increased materials costs due to supply chain issues
- Increased labor costs due to COVID
- Increasing the garage size to two bays
- Adding security features including bullet proof glass
- Additional wiring and configuration for IT

2/16/2023

Becky Keller, Don Guiberson, Stealth Properties LLC

Continued: Keller explains as of February 16, 2023, Stealth Properties LLC has changed their total project costs several times. According to Keller, conflicting cost reports by Stealth were 4.91 million, then 4.49 million, and then 4.837 million.

Keller stated other lease concerns remain, including CAM costs which they believe are too high. Keller said she thought it was "odd" when Stealth suddenly wanted to return money which to her knowledge had never been previously discussed. Keller said she was never informed of any cost reconciliation plans, or the possibility of financial returns. Keller was unaware of any plans or mention of financial returns until she was advised through the media after investigations into the project were requested.

Keller said she was never made aware of or provided with any itemized labor costs from Frontier. Keller was presented with the generic bill for the 1.7 million prior to biennium's end.

2/16/2023

Marty Hopkins, Carpet Garage, Don Guiberson, Parkway Property Management

Agent Guiberson speaks with Marty Hopkins from Carpet Garage to discuss billing to PPM. The invoices show some are shipped to PPM at 218 S 1st street, 4023 State St #60, and others to PO Box 7459. An invoice of \$1,224.16 from Carpet Garage in October 2020 was billed to PPM at 4023 State Street. A handwritten note on the bill says "1727 Grandview". A Google search shows 1727 Grandview as an apartment Complex. All are billed to PPM.

3/6/2023

Becky Keller, Don Guiberson, Stealth Properties LLC, Tasha Gerding, Laura Balliett, CJ Schorsch, Parkway Property Management

Finance Director Becky Keller responds to Agent Guiberson's request for a current Attorney General ledger. Agent Guiberson requested clarity on the return of funds from Stealth Properties LLC. The "return" of funds occurred months after the request for investigation:

"Don

"Attached is the updated ledger of AG payments and any related invoices. This includes payments made for the remodel prior to move-in, rent and utilities.

On December 29, 2022, a meeting was held at 1:30 pm in the OAG's conference room on the 17th floor of the Capitol. In attendance were myself; Tasha Gerding, Accounting Manager for OAG; Laura Balliet, Assistant Attorney General; and CJ Schorsch, Parkway Property Management. The purpose of the meeting was to review CAM costs and related invoices for the period of October 2022 through December 2022.

3/13/2023

Becky Keller, Don Guiberson, First International Bank and Trust, Stealth Properties LLC, CJ Schorsch, Vogel Law Firm, Legislative Audit and Fiscal Review Committee, Drew Wrigley

Continued: After the CAM cost discussion, CJ handed me a cashier's check in the amount of \$224,854.93, drawn on First International Bank and Trust, remitted by Stealth Properties LLC, and made out to the ND Office of Attorney General. The check was dated December 15, 2022. He stated the check was for the amount we overpaid Stealth Properties on cost overruns for the Burlington Drive building. This amount was identified on page 573 of a Vogel Law Firm response to Senator Jerry Klein, Chairman of the Legislative Audit and Fiscal Review Committee, and ND Attorney General Drew Wrigley.

I told CJ we would not cash the check as we were still reconciling Stealth Property invoices to determine if the calculation for the amount on the check included the \$400,000 overpayment rolled into the lease rate. He responded the \$400,000 was no longer owed and could be removed from the lease rate. We began submitting rent based on the original lease rate beginning with the November 2022 lease payment paid on October 28, 2022.

At the present time, our plan is to hold the check until the investigation is complete."

3/13/2023

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Becky Keller, Stealth Properties LLC, Vogel Law Firm

Continued: Keller compiled and provided a total cost review spreadsheet. Keller utilized Attorney General invoices, bills, and payments comparing information in the Vogel Law Firm memo compiled for Stealth Properties LLC after investigations were initiated. The following calculations were provided by Keller:

- o The costs reported by Vogel, Stealth's law firm show their own discrepancy at \$112,103.22. (Memo Pg 572-573)

- o Keller's findings use the Vogel memo which contradicts itself regarding totals reported to the Attorney General. The Vogel memo reported a total of \$4,911,062.32. Keller calculates \$4,837,457.03. The difference between Stealth Properties LLC's and Keller's calculations is \$73,605.29. The invoices in the Vogel report added up to \$4,949,560.25 showing a difference of \$112,103.22 from Keller's calculation of \$4,837,457.03.

- o The calculation difference of \$73,605.29 in the Vogel memo contradicts its own invoices calculated to \$4,949,560.25. This shows the billing of \$112,103.22 provided to the Attorney General's Office is not supported by their own memo.

- o Keller's review as of March 13, 2023, calculates the current total project cost as \$5,538,209.70. As of March 13, 2023, Vogel reports \$4,993,184.77.

3/13/2023

Becky Keller, Don Guiberson, Stealth Properties, Vogel Law Firm, North Dakota Office of the State Auditor, Jason Dockter

Continued: Keller's review reports Stealth Properties LLC's project cost at \$3,788,600.00 mirroring the Vogel report.

- o As of July 1, 2021, AG had paid \$101,828.71 in overages for rent and CAM charges alone. Per the Vogel report, the number calculates to only \$87,230.00 for a difference of \$14,598.71.

- o Based on Keller's calculations, and considering \$400,000 in addition to lease payments, the total overpayment based on invoices is \$239,453. Keller's calculations state if the December 29, 2022, check for \$224,854.93 provided by Schorsch were cashed, Stealth would still owe the Attorney General's office \$14,598.71.

Keller has never been provided with an original cost estimate or lease agreement from any entity prior to the project. The only information Keller observed was the original floor plan before any project changes. Keller was not privy to any project changes or financials until the cost overruns were brought to her attention. Keller questioned, if money was to be returned, why wasn't it simply deducted from the original payment or the monthly lease amount.

Agent Guiberson was unable to locate any indication Stealth Properties LLC intended repayment prior to the investigation request. To his knowledge, there was no mention of repayment to the Auditors office during their review.

The Auditor's office was first made aware of the repayment plan through a memo provided by Stealth during a talk show interview with Jason Dockter. Interviewers with Auditor's staff state the repayment was not mentioned during their review and meetings with Stealth owners.

3/13/2023

Tasha Gerding, Don Guiberson, Becky Keller, Shannon Vandevender, Troy Seibel, Wayne Stenehjem,

Agent Guiberson speaks with Attorney General's Office Accounting Manager and CPA Tasha Gerding. Gerding has been employed with the state of North Dakota for 24 years. Gerding began working in the Attorney General's office in December of 2020. Gerding states she and Becky Keller began approving invoices in July of 2021. Prior to July 2021, the responsibility belonged to Attorney General's Office Budget Specialist Shannon Vandevender. Division directors were responsible for approving bills, but simple reoccurring bills such as electricity were handled without direct approval. Gerding states Keller is her direct supervisor and she rarely had direct contact with DAG Seibel. She had no contact with AG Stenehjem related to this project. In March or April of 2021, Gerding became aware of financial issues related to the Burlington Drive project. Gerding stated OMD (Operations and Management) asked for information relating to state lease standards. Gerding says she and Keller attempted to get lease information on the Burlington Drive address, but DAG Seibel would blow them off. Gerding said she and Keller continually, and unsuccessfully asked Seibel for the lease. Seibel eventually provided the lease and she and Keller were concerned with its content. The lease said the State of North Dakota would pay the lease, utilities, and CAM costs which exceeded what they were previously paying. The payments along with cost overages were a concern to Gerding as the project was labelled cost saving. Gerding and Keller informed Seibel of their unease related to the lease and were told the problems would be settled in the final lease.

5/10/2023

Tasha Gerding, Don Guiberson, Troy Seibel, Parkway Property Management, John Boyle, Jason Dockter

Continued: Gerding was never instructed to pay a Burlington Drive project invoice prior to Seibel's resignation. The only invoice she recalls being paid was when Seibel instructed Keller to pay a \$150,000 invoice for an HVAC system. Gerding says this was not the usual method of paying for a project. She states the bills were technically the responsibility of PPM. Clauses stating overages in construction found in the lease with PPM are not customary in her experience. Gerding asked John Boyle at Facilities Management about the cost overage clause. She says Boyle was not aware of the overrun clause. Gerding was employed at Facilities Management just prior to her employment at the Attorney General's office. Gerding says she was aware Jason Dockter was involved in state projects as he was in meetings with John Boyle and Seibel in 2020.

5/10/2023

Tasha Gerding, Don Guiberson, Wayne Stenehjem, Troy Seibel, CJ Schorsch

Continued: Agent Guiberson asks Gerding if AG Stenehjem was aware of the cost of overruns. Gerding says she would not be surprised if AG Stenehjem was unaware of the overruns. Gerding comments that AG Stenehjem wanted positive information related to him, not negative information. This was a common statement by several individuals. In Gerding's opinion, AG Stenehjem trusted his employees to handle the "bad" situations. To Gerding's knowledge, AG Stenehjem did not receive financial reports and was not commonly involved with the division's finances.

Gerding assumed after DAG Seibel brushed off their lease concerns because the project was handled. On June 28, 2021, Finance Director Becky Keller, concerned, advised Gerding of the 1.7-million-dollar overrun. DAG Seibel instructed them to locate funding for the overrun. Gerding was shocked at the unexpected amount, especially after they informed their concerns with DAG Seibel. DAG Seibel was continually asked for documentation to justify expenditures but was unresponsive. The funds located in the Attorney General's accounts were unusually high due to retained travel expenses related to COVID. Approximately 1.3 million dollars were in four separate division funds. Gerding was informed the remaining \$400,000 debt would be rolled in to lease payments. According to Gerding, DAG Seibel was told by Keller they needed invoices to justify the costs. Eventually, Keller was given a simple invoice for 1.7 million dollars. The Finance Department questioned whether the invoice could even be paid as it was so late in the biennium. Common practice had been that orders needed to be in their possession prior to July 1 or they would be charged in the next biennium's budget. They still hadn't been provided with invoices as DAG Seibel blamed CJ Schorsch for not getting them to him. The Finance Department did not receive invoices until after Seibel's resignation.

5/10/2023

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Tasha Gerding, Don Guiberson, Troy Seibel, CJ Schorsch, Parkway Property Management, Jason Dockter, North Dakota Office of the State Auditor, Legislative Audit and Fiscal Review Committee

Continued: After DAG Seibel's resignation Keller and Gerding informed AG Wrigley of their concerns. Gerding said right after DAG Seibel resigned in March or April of 2022 they reached out to CJ Schorsch. Schorsch said he had informed DAG Seibel he wasn't going to provide invoices until the project was finished, but this was after they requested payment. These statements simply suggest PPM asked for payment but did not provide invoices for the payment. Keller and Gerding were later told the bills were "estimates", once again after payment was made. Gerding said they were never advised these were estimates, nor were they ever informed of any refunds or repayments. Gerding never saw any invoices until DAG Seibel was gone. Gerding was unaware of any return of funds or "paybacks" until Jason Dockter publicly presented his personal audit report on the radio. This occurred after the North Dakota State Auditor's report to the Legislative Audit and Fiscal Review Committee. No employee of the North Dakota Auditor's Office Agent Guiberson spoke with was told of a possible return of funds during their investigation or meetings with Dockter or Schorsch. Gerding believed PPM had final invoice numbers and the 1.7 million dollars was to cover these expenditures. The Finance Department had no invoices so they could not precisely compare the expenditure and payments. Gerding, a CPA, simply did not know how PPM arrived at the final cost. It was not until sometime later she was informed PPM was now claiming the costs were estimates. Gerding states they would have never paid any invoice if they had been advised these were only estimates.

5/10/2023

Tasha Gerding, Don Guiberson, Parkway Property Management, CJ Schorsch, Jason Dockter

Continued: Gerding said the first invoice received from PPM after being advised of the 1.7-million-dollar overage was a simple email from Seibel with no explanation or itemization. Finance then requested formal documentation and received a simple invoice of \$1.7 million from PPM, once again with no itemization. Gerding said Schorsch later provided them with a spreadsheet showing square footage costs, but it was never communicated as an estimate. Gerding said finance was not informed this was an estimated cost until March of 2022. The first Gerding heard these were estimated costs was a year after the Attorney General's office had made payment, and financial questions began to surface. Gerding said they never could match their dollar amounts to those of invoices and payments. In Dockter's public report, costs were lower than what they paid. The finance department's totals were different, and some invoices were clearly marked as the Health Departments. Gerding described the whole situation as a "big mess", and their accounting never resulted in matching amounts with PPM.

5/10/2023

Tasha Gerding, Don Guiberson, CJ Schorsch, Claire Ness, Parkway Property Management, North Dakota Office of the State Auditor, Legislative Audit and Fiscal Review Committee, Becky Keller, Jason Dockter

Continued: Gerding was only made aware of repayment when she and Keller met with Schorsch regarding CAM costs in December of 2022. Schorsch told them the check had been "sitting there" for a month and a half and no one came to get it. Claire Ness had stated they were told on October 28, 2022, PPM had overpaid. This occurred after the North Dakota State Auditor's report to the Legislative Audit and Review Committee. Keller stated the check was given to her on December 29, 2022, and dated just two weeks prior on Dec 15, 2022. Schorsch informed them the alleged \$400,000 shortfall was moved into the lease and was no longer required, so the previous addendum was not necessary. This was also reported in Dockter's publicly released report. Schorsch gave the check to Keller advising them they overpaid. Gerding says the Attorney General's office stopped paying the higher lease price right when overages were questioned. She continues by saying if the new calculations by PPM were estimates, they would have been closer to \$600,000 in overruns, so PPM "obviously" removed some of the invoices they had originally billed to the AG. Gerding says if they were truly original estimates, they "Really over estimated" in an exaggerated tone. Gerding advises she believed they had to have "kicked out" (removed) invoices. The original AG invoice audit calculated a \$1.5 million cost. PPM later said it was \$1.1 million. This corroborates Gerding's statement that some of the original invoices sent to the AG must have been removed from PPM calculation after the fact.

5/10/2023

Tasha Gerding, Don Guiberson, Parkway Property Management, CJ Schorsch

Continued: To simplify, Agent Guiberson asks Gerding if she believes PPM billed the AG, then Finance eventually received the invoices and came up with an amount less than PPM's bill. PPM then returned the difference between 1.1 and 1.5 million. This all occurred quite some time after questions related to the project cost evolved. Gerding agrees with the simplification.

Gerding goes on to say that in her opinion Schorsch has very bad bookkeeping skills. Even as of May 2023 their business owes \$130,000 for their portion of CAM costs, and \$170,000 for the year ending June 30, 2023. These costs are in addition to what is being investigated in this report.

5/10/2023

Elizabeth Brocker, Don Guiberson, Bismarck State Attorney's Office,

Agent Guiberson visits the Burleigh County State Attorney's Office to speak with Elizabeth Brocker. Agent Guiberson identifies himself to the receptionist and asks to speak with Brocker. The receptionist calls and says Brocker will only talk if Guiberson was "Burleigh County Business". Agent Guiberson asks the receptionist to call Brocker once again. Brocker does not answer. Guiberson asks the receptionist to ask the States Attorney to come speak with him. (Agent Guiberson was attempting, by instruction, to have Brocker tell him in person that she did not want to speak with him so it would be clear she had been given the opportunity.) The receptionist says the State Attorney would not speak to Agent Guiberson because she was preparing for trial. Agent Guiberson asks the receptionist if he may speak with the Deputy State Attorney. The receptionist makes the call and later tells Agent Guiberson that he was to be informed by the States Attorney he would not be let in, as Brocker did not want to speak with him.

5/15/2023

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1720 Burlington Drive, Bismarck, ND Project Cost Overruns
Montana Department of Justice-Division of Criminal Investigation
Case No. MC221207

Elizabeth Brocker, Don Guiberson
Agent Guiberson drives to ██████████, where he believes Elizabeth Brocker resides. Agent Guiberson verifies a truck in the driveway as belonging to the Brocker family. Agent Guiberson waits for some time and does not see Brocker. He leaves and later returns and observes a male and a female placing what appeared to be travel bags in the truck. Agent Guiberson pulls up to the residence as the male and female were walking into the garage. Agent Guiberson yells "Liz" from the passenger side window of his vehicle and identifies himself as law enforcement. Agent Guiberson asks if she was willing to talk to me as she begins to walk further into the garage, to which she yells "I do not wish to talk to you." Agent Guiberson then leaves the area.
5/15/2023

Shannon Vandevender, Don Guiberson, Becky Keller, Troy Seibel, Tasha Gerding, Stealth Properties LLC
On June 1, 2023, Agent Guiberson speaks with Attorney General's Office Budget Specialist Shannon Vandevender. According to Vandevender, she was not involved in detailed aspects of the Burlington Project. She recalls paying two invoices at the very beginning of the project. The payments were \$5000 for the original plans, and \$150,000 for an HVAC related invoice. The HVAC invoice was paid at the time when Finance Director Becky Keller and Vandevender were both dealing with invoices. Keller stated in her interview that DAG Seibel had instructed her to pay the invoices. Vandevender says the invoices would have had the approval of DAG Seibel as he was "at the helm" of the project (approval emails in file). Vandevender became involved in other financial aspects of the Attorney General's Office as Keller and Accounting Manager Gerding began dealing with payments. Vandevender says she recalls only one other conversation regarding the project. She spoke with a frantic Keller at the end of the biennium, possibly on June 29, 2021. Vandevender says Keller told her that DAG Seibel advised her they needed to locate over one million dollars in the current biennium's budget. The biennium would close June 30, 2021. Vandevender said she does not recall any conversation with Seibel or AG Stenejem related to the Burlington Drive project.
Considering the \$224,854.71 check were cashed, and based on cost reconciliation, invoices, and payments, the most reliable documented estimate is Stealth Properties LLC would still hold \$14,589.71 of Attorney General funds.
6/1/2023