

From: Alice Dreger
To: Tom Yeadon
Via email on September 12, 2018
Re: response to your letter of August 30, 2018

Dear Tom,

This is a response to your letter of August 30, 2018. I'll mail a paper copy to your office tomorrow.

You suggest that our January 8, 2018, headline, "East Lansing Settles Fraud Lawsuit Involving City Attorney" is problematic.

East Lansing did settle a fraud lawsuit which involved you; you were a co-defendant in the Qui Tam suit, and the property you co-own was at the heart of the suit.

You suggest that the article "has been carefully crafted with half-truths and significant omissions to convey a message that I have been engaged in fraudulent conduct with regard to the retaining wall, and that such a claim was supported by the United States."

In our report, we quote from the Qui Tam lawsuit allegations, note that the suit was settled, and we provide a link to the settlement, the one that indicates that the government settled without prejudice in your case.

If you wish to specify what you see as "half-truths and significant omissions," we will consider those specifics and respond appropriately.

We do not see where in the articles of February 15, June 20, and July 17, 2018 we "convey the message that I was involved in fraudulent conduct." Please be specific as to where you see this reported (please quote) so that we can consider your request.

Every time we mention the Qui Tam lawsuit and its basis, we report that it was settled by the City of East Lansing. To our knowledge, DOJ has not brought additional civil or criminal action in this matter, but it did retain the right to do so against the co-defendants (including you) in the settlement, as you are aware. If DOJ has now released you in some fashion from any claims that could (have) yet be(en) brought under this matter, we would certainly be interested in that and would report it.

You say that we "continue to assert that I have been engaged in additional criminal conduct by accusing me of accepting kickbacks."

Please specify where you see this by quoting from our reporting. We do not see it.

You say we have "published allegations that I had responsibility for the City's failure to disclose a potential conflict of interest regarding the retaining wall."

You were the City's attorney during the timespan of the project and the settlement and, as you know, HUD found that the City should have disclosed your conflict of interest. HUD also found that the funds were misused and required that they be returned. The City has now made the formal disclosure and amended its policies to avoid these problems in the future.

You say that we "insist in the articles that I violated the Rules of Professional Conduct."

We quote from the Rules and specify what you did in the matter of the easement on your property for the retaining wall.

You say you did not draft the easement for your property and "specifically avoided any conflicts of interest with regard to that matter."

We have reported what we find in the record, which is you functioning as City Attorney in the matter involving a legal agreement between the City and a company you co-owned without disclosure of your co-ownership. We specifically reported that in the HUD application, there was a budget item to pay for "Legal Services for Easements & Contact

Review,” apparently indicating compensation to you for acting as City Attorney on this matter involving your property. We also have reported on your September 13, 2012, cover memo to Council on the easements, delivered as City Attorney to City Council, not disclosing your co-ownership in Woodland Pass Equity Company, telling Council the company is “in good standing with the Ingham County’s Office” [sic], telling Council the easements are “approved as to form and can be accepted by the City upon Council’s authorization. Enclosed are the original Grants of Easement which I have approved.” (Emphases added.)

We would note that you have never disputed our reporting that there was no disclosure made, but we have filed another FOIA request to make sure we did not miss a disclosure by you in this matter.

You write, “Likewise, because the easements were in the form of all other easements the City uses, approving it as to form was also a ministerial act....”

We are trying to find those “all other easements” and would appreciate your help finding them. I wrote to you on September 2 about some of that research but have not heard back from you. In that message, I let you know that we have sought the Burcham Drive retaining wall easements and found they apparently do not exist, based on research through the Ingham County Register of Deeds and East Lansing’s Department of Public Works. We have a FOIA request filed in an attempt to understand what previous CoEL retaining wall easements exist, since the Burcham Drive ones apparently do not, so that we can understand and report what these easements on Abbot Road were based on, but have not yet received a response from the City on that.

If you want to show us what easements the Abbot Road easements were based on, that would help clarify that part of our reporting.

We do now have the email from Ron Lacasse to your office from June 18, 2012, asking that you or your partner Mr. McGinty “look at the attached easement and tell me what to fill in for the areas shown in red. This is the easement for the construction of the sidewalk and retaining wall adjacent to your building.”

We also now have Mr. Lacasse’s email from June 18, 2012, to Mr. McGinty stating, “The only expense that you should have is removing sprinkler heads prior to construction and then reinstalling any part of your system which is disturbed during construction. Someone from your office called to schedule a meeting between us and your sprinkler company, so we should have a better idea what will be impacted once that is set up.”

Let me know if you have any comments on those two emails.

We are also interested in understanding why Mayor Diane Goddeeris and City Clerk Marie Wicks signed the easement involving your property on September 26, 2012, as per the notarization, when City Council didn’t vote to approve the easement until October 16, 2012.

Thanks.

Sincerely,

Alice

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