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INTERVIEW OF:

DOUG DANIELS

DATE TAKEN: FEBRUARY 11, 2014

TIME: 1:33 P.M. - 3:30 P.M.

PLACE: KANEY & OLIVARI, P.L.
55 SETON TRAIL
ORMOND BEACH, FLORIDA 32176

1 APPEARANCES:

2 JONATHAN KANEY, ESQUIRE

Kaney & Olivari, P.L.

3 55 Seton Trail

Ormond Beach, Florida 32176

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1 THEREUPON,

2 DOUG DANIELS,

3 was called as a witness and, having first been

4 duly sworn, testified as follows:

5 BY MR. KANEY:

6 Q. Okay. Mr. Daniels, I'm going to call you Doug.

7 A. Okay.

8 Q. This -- we're here for an interview in the
9 investigation by the county council, which I'm doing for
10 them, into what we call the Waverly matter. This is an
11 interview in an investigation, not a deposition, and we're
12 not in court, so anything hearsay is not a problem. If it's
13 credible to you, and it's responsive to the question, just
14 go ahead.

15 A. Okay.

16 Q. You're -- what is your occupation now?

17 A. I'm a lawyer.

18 Q. In Daytona Beach?

19 A. In Daytona Beach. For how many years now? Let's
20 see.

21 Q. How many?

22 A. Oh, God. Must be, what, the early '80s, mid '80s?

23 Q. Yeah. Long time.

24 A. We both had dark hair.

25 Q. Yeah.

1 When were you -- are you a member of the Volusia
2 County Council?

3 A. I am.

4 Q. And when were you elected to that job?

5 A. In November of last year.

6 Q. November of 2012?

7 A. 2013. And then, you know, assumed office in
8 January of 2014.

9 Q. Are you familiar with what we -- what we refer to
10 as the Waverly matter?

11 A. I am.

12 Q. What does that signify to you?

13 A. Waverly is a company that had the bus bench
14 contract with Volusia County, and also with some cities
15 around here. And the principals of Waverly were -- have
16 been arrested for mortgage fraud in a federal court case.
17 The -- and back during the elections, the Waverly people
18 were trying to influence elections by giving certain
19 selected candidates the bus benches and yard signs and other
20 free advertising. During the period of the bus bench
21 contract, I think starting in 2006 or '07, the County was
22 supposed to be issuing an RFP to give somebody else -- to
23 let out the contract and give somebody else a chance to bid
24 on it, but never seemed to be able to do that from, say,
25 2006 or '07 all the way until today's date.

1 Q. When you say "Waverly people," who do you refer
2 to?

3 A. Jimmy Sotolongo and Ramara Garrett.

4 Q. The -- the matter of the RFP, do you understand or
5 know why it's been delayed?

6 A. I do not. I don't know. It seems unusual they'd
7 be delayed for that length of time.

8 Q. During that time, who has held the contract?

9 A. Waverly.

10 Q. Are you familiar with the term in-kind
11 contribution as a political contribution?

12 A. I am.

13 Q. What does that mean?

14 A. That means somebody provides some sort of good or
15 service to your campaign instead of giving you a check,
16 instead of giving you money.

17 Q. Are you familiar with the in-kind contributions of
18 bus bench signs by Waverly?

19 A. I found out about those when they were reported in
20 the newspaper. Back during the campaign, I didn't know that
21 they were reportedly making in-kind contributions, but the
22 newspaper reported that, indeed, there were in-kind
23 contributions from Waverly employees showing up on
24 candidate's campaign reports.

25 Q. Did you -- did you -- once you heard -- learned of

1 the in-kind contributions, did you look into that?

2 A. I did. And the main reason why I was very
3 interested in the in-kind contribution issue was I was
4 listed in the newspaper as having received an in-kind
5 contribution.

6 Q. Well, what was that?

7 A. It was beer, actually. I had -- I was having a
8 fundraiser at Marina Grande, and the week before, Josh
9 Wagner had a fundraiser there. And Ramara Garrett gave me a
10 call and said that they had left beer and wine at Marina
11 Grande, and that if I wanted to use it in my fundraiser I
12 could, just put it down as an in-kind contribution and that
13 would be fine, so that's what I did.

14 Q. And you credited that to Ramara Garrett?

15 A. I did.

16 Q. How much was that?

17 A. I put it down for 250. Two hundred fifty dollars.
18 I think it was about that in beer and wine. It's hard to
19 say, exactly.

20 Q. Have you -- do you have an opinion, or an idea, as
21 to how the Waverly employees came to be making political
22 contributions in-kind?

23 A. I do not. I have no idea how that would have
24 occurred. It would seem that most of them were low-wage
25 employees and not involved in politics, at least according

1 to the state attorney reports I read. And it would be --
2 and from those reports it seems like they were -- the ones
3 who made actual contributions, their arms had been twisted.
4 And others listed as making contributions had not made any
5 contribution at all.

6 Q. Do you know whether the candidates who were listed
7 as recipients of those contributions were aware of that?

8 A. It would be hard to say that they were not. It
9 would be very unusual for a minimum wage employee,
10 particularly somebody you don't know, particularly somebody
11 not interested in politics, to give you a campaign
12 contribution for 500 dollars unless something went on. You
13 would have to figure immediately either the contribution was
14 not actually made, or that the employer gave them the 500
15 dollars to contribute to your campaign. And either way,
16 that would not be a legitimate contribution.

17 Q. Have you heard -- has anybody told you, remember,
18 hearsay is okay in this hearing, that the candidates were
19 aware of and a party to these false reports and
20 contributions?

21 A. Let me first say that back during the campaign in
22 2013 when we were all running, the -- everyone who was
23 running pretty well knew that Waverly was giving out free
24 advertising. It was a -- very much an unkept secret. And
25 for those of us who were not accepting bus bench advertising

1 to have known, and those who received it to have known, and
2 those who received it to not have known, just strange
3 credulity. But the one person that I did hear say that one
4 of the -- one of the recipients of the advertising admitted
5 that he knew it was wrong was Pat Northey when she was
6 talking about Andrew Kelly.

7 Q. Pat told you that Andy had admitted to her --

8 A. Right.

9 Q. -- that he knew that was wrong?

10 A. Right. It was in the course of recommending to
11 Pat that she go get some bus bench advertising.

12 Q. Andy was recommending that?

13 A. To Pat.

14 Q. Right?

15 A. Right.

16 Q. Did -- did any of your candidates receive in-kind
17 contributions from Waverly -- I mean your opponents?

18 A. I don't know. I was running against -- see, I had
19 four of them. I don't think that, what was his name, Joe
20 Young, I doubt, had in-kind contributions. He was sort of
21 a, you know, conservative Tea Party kind of candidate. Then
22 I had Damien Richards, he was running, but I don't think he
23 received anything from them. With the runoff, it was
24 Shannon McLeish. And Josh told me one time when he was --
25 when he was angry with me that they had supported Shannon.

1 I don't know what that means. There probably would not have
2 been any in-kind contribution that would have shown up on
3 Shannon's report, I wouldn't think, because I think the
4 large measure of the free advertising candidates got was not
5 covered by in-kind contributions, it was just free.

6 Q. Do you remember if -- if Shannon McLeish had signs
7 on the bus benches?

8 A. She did not have bus benches. If she got anything
9 at all, it would have been yard signs. One of the things
10 they were doing was printing up yard signs and giving them
11 out, and she had a lot of yard signs there at the end.
12 And -- which, you know, I could not see where they were
13 covered in her campaign expenditure report. It could have
14 been that, or it could have been something else. I started
15 looking when Josh told me that they had supported Shannon,
16 trying to see if I could find some evidence of it, and
17 that's the only thing I could come up with it could possibly
18 be.

19 Q. When Josh said "they," I assume he said "we" --

20 A. We.

21 Q. -- when he was talking to you?

22 A. He just said that he was angry one day and he just
23 said that, I'm glad that we supported your opponent. And it
24 was one of those things that -- he was happy that they had
25 helped her so much and that -- he kind of got the impression

1 that -- that he thought that they were close to winning that
2 thing and, you know, wished they had. That was the gist of
3 the comment.

4 Q. Were they close?

5 A. It was -- it was reasonably close. Shannon did
6 extremely well for not raising very much money. She really
7 did. I don't remember the percentages right now, but I do
8 remember that the election night, I just went home and went
9 to bed. Angela was staying up looking at the returns. But
10 I said, I won or lost, we'll know tomorrow morning.

11 Q. You can't change it by watching?

12 A. I can't change it now. There's nothing I can do.
13 I'm going to go to bed.

14 (Off the record discussion was held, after
15 which the following proceedings were had:)

16 BY MR. KANEY:

17 Q. When Josh said "we," who did you -- if you did
18 understand what he meant, who did you understand that to be?

19 A. I understood it to be Josh, and Ramara Garrett,
20 and Jimmy Sotolongo.

21 Q. What did you base that on?

22 A. The -- back during the 2013 campaign, the unkept
23 secret was that -- you know, you could get the bus benches
24 for free, or very nearly free, and that the gatekeeper to
25 that was Josh. So everyone knew he had a close relationship

1 with Waverly, and that he was the one to see to get the bus
2 benches for free, or greatly reduced cost.

3 Q. How did you gain that understanding?

4 A. You know, it was such background noise in the
5 campaign that I can't remember anybody ever telling me that
6 that was the case, but I'm sure someone did. I would have
7 heard it for the first time somewhere. But it came a bit
8 out of the 2012 race. The 2000 -- I guess 2011 was when the
9 campaign was actually run, where Joyce Cusack was running
10 against Margie Padgett.

11 The people who follow campaign contributions and
12 look at them religiously and figure out what people are
13 spending on what, had determined, during that campaign, that
14 Joyce had a lot of free advertising, a lot of advertising
15 that just wasn't accounted for. The bus benches weren't
16 accounted for, headquarters weren't accounted for. And the
17 story was back then that that was Waverly giving free things
18 to -- to Joyce. And it just sort of carried over into the
19 2013 election, that it just became -- and it was -- it was
20 one of those things that everyone knew. I'm sure I would
21 have had conversations with a number of people about it,
22 Mike Scadero (phonetic), Charlie Lydecker, Pat Patterson,
23 Pat Northey, and I am sure others.

24 Q. Do you have any idea why Ramara Garrett, Jimmy
25 Sotolongo and Josh would have joined forces to support

1 county council candidates?

2 A. I don't know. It seemed to be important to him
3 for some reason, because they spent a fair amount of money
4 on it. If you -- if you were to add in the advertising that
5 was free, and not covered by fake in-kind contributions,
6 then it would be a fair amount of money they spent on the
7 county council race. And I have since learned, from talking
8 to the investigator who broke the Waverly mortgage fraud
9 case, that some things -- some issues at the County were
10 very important to them, like being able to take over the
11 HAAA board, Halifax Advertising Authority.

12 Q. Who was that investigator?

13 A. Mike Hullett.

14 Q. Did he explain why he thought the HAAA board was
15 important to him?

16 A. No, he just said that it was. That the whole
17 reason behind going to the wall for Joyce in 2011 was to --
18 to get her elected. She would have a number of appointments
19 to the HAAA board, and she would be able to appoint Ted
20 Doran to the HAAA board. And having Ted Doran on there --
21 having control, having Ted Doran on there was very important
22 to Jimmy Sotolongo for some reason.

23 Q. Well, was Ted ultimately appointed to the board?

24 A. He was.

25 Q. Did -- did he take any actions that indicated to

1 you that Mr. Hullett's theory was correct?

2 A. In -- he did a couple things. Well, one was he
3 wound up terminating Janet Kersey, who was the executive
4 director, I guess, of the advertising authority. And
5 developed a plan for the advertising authority to take over
6 the Ocean Center.

7 Q. To take over the operation of the Ocean Center?

8 A. Operation and sales.

9 Q. Do you have any idea why they would want to do
10 that, Jimmy, Ramara and Josh and Joyce?

11 A. Jimmy and Ramara, and maybe Josh, I don't know,
12 were in the concert business at the time, and perhaps they
13 saw that as a venue they could use. But that I don't know,
14 and Hullett did not know.

15 Q. Janet Kersey was fired?

16 A. Janet Kersey was fired.

17 Q. What became of Ted's plan to take over the Ocean
18 Center?

19 A. Ted's -- the plan to take over the Ocean Center
20 would have, I believe, succeeded had the election in 2013
21 not intervened. I was elected, Pat Patterson was elected,
22 and Deborah Dennings was elected. And the three of us,
23 combined with Pat Northey, I think, in effect, stopped that
24 from going forward.

25 Q. Why were you opposed to that?

1 A. The executive director of the advertising
2 authority had shown himself to be incapable. He was -- word
3 had it that he was not a very good manager. He could not
4 manage people very well. That he did not know anything
5 about advertising. That he did not know anything about
6 group sales. He had no experience running a facility like
7 the Ocean Center. He would have been completely unsuitable
8 to take over that facility. He would have been a disaster,
9 actually.

10 Q. Is he still employed at the HAAA board?

11 A. No, he was terminated.

12 Q. What was his name?

13 A. Jeff Hentz.

14 Q. Are you -- are you familiar with the process
15 that's ongoing attempting to issue an RFP for the bus bench
16 business?

17 A. I know that they're working on it, but I don't
18 know what they're doing.

19 Q. Do you recall the issue of Josh Wagner's e-mail to
20 Ken Fischer?

21 A. I do.

22 Q. What was that about?

23 A. Josh had sent an e-mail to Ken Fischer suggesting
24 some changes in the RFP, changes that were, by and large,
25 subsequently made.

1 Q. What was the nature of the changes he wanted?

2 A. I think it was to reduce the percentage of ads
3 that had to go to public service. Things like that. It
4 was -- you know, things that he -- I don't recall exactly
5 what they were, but I do remember thinking when I saw them
6 that they were the kind of things you would want if you were
7 going to respond to the RFP, not the kind of thing that --
8 that the county would want. It would be the kind of thing
9 that the respondent would want.

10 Q. These changes were made in the RFP?

11 A. They were. Most of them were made.

12 Q. But the RFP has not been issued?

13 A. Not been issued yet.

14 Q. Do you know why?

15 A. I don't. The County has been saying lately that
16 it hasn't been issued because of changes in the Americans
17 for Disabilities Act. They -- there were some new
18 regulations that were promulgated about a year ago or so.
19 And so from that time forward, it may have had an effect,
20 but should not have had an effect before that, certainly.
21 And, indeed, those new regulations aren't -- the changes in
22 there, to me, look like they would not be unexpected given
23 the -- the requirements already of the ADA. They were
24 mainly going to where bus benches should be located, and
25 what sort of approach should be in place for bus benches.

1 In other words, you couldn't just have one in a grassy spot
2 beside the road. It had to be a paved surface leading up to
3 it, and a place for wheelchairs to -- to locate. A big
4 enough pad for wheelchairs to sit there next to the bus
5 bench. Basically, setting it up so that they would be
6 wheelchair accessible. But the changes were not
7 revolutionary. They were more evolutionary.

8 Q. Is Waverly still operating under the contract?

9 A. We terminated the Waverly contract. They have, I
10 understand, removed some of their bus benches, but by and
11 enlarge, they seem to still be out there.

12 Q. If the contract was terminated, how could they
13 still be there?

14 A. I suppose they have not gotten around to moving
15 them yet. What I would have hoped the county would have
16 done would be taking the position that the county owned the
17 bus benches, and they could not be removed. It would be one
18 of those things that would save the county quite a lot of
19 money.

20 Q. The county has not taken that position?

21 A. They have not.

22 Q. Do you know why?

23 A. I don't.

24 Q. Do you know if Josh has had a role in that --

25 A. I don't.

1 Q. -- decision?

2 Do you recall where Joyce Cusack's campaign
3 headquarters was during the --

4 A. You know, I don't -- I never saw it myself, but I
5 understand it was out on International Speedway. It was an
6 old car lot out on International Speedway.

7 Q. Do you have any idea what the fair rental value of
8 that property would be?

9 A. I don't.

10 Q. Do you think it might be 250 dollars a month?

11 A. No. No.

12 Q. Let the record show he's chuckling at that.

13 Are you aware that's what was reported?

14 A. No. No, I wasn't aware of what was reported.

15 Q. I think that's what she did.

16 I might jump around here a little bit, so pardon
17 me.

18 A. Oh, that's okay.

19 Q. Do you know a man, or know of a man named Mike
20 Kiepert?

21 A. I know of him. I believe he was in -- worked for
22 Waverly, and now has a website business with Tabanere.

23 Q. Who is Tabanere?

24 A. He's got a website in which he reports, you know,
25 news or opinion on the -- geared for the west side of

1 Volusia County, particularly, I think, the southwest side.

2 Q. Do you know what his role was when he worked for
3 Waverly?

4 A. I don't.

5 Q. Who is Charlie Lydecker?

6 A. Charlie Lydecker works for Brown and Brown
7 Insurance, and he was a supporter of mine during the
8 campaign.

9 Q. Have you discussed what we're calling the Waverly
10 affair, matter, with Charlie?

11 A. I have.

12 Q. Has he imparted any information to you about that?

13 A. He did. The first time we talked about it was
14 during the campaign. I was over in his office, and he was
15 saying that the -- I think the phrase was that the bus
16 benches were dirty, and he was warning me not to take them
17 if offered, that it would be a problem. And I told Charlie
18 that I had -- that I already knew that, you know, that
19 was -- again, that was just background information, and that
20 I would not be getting bus benches. And I didn't. And
21 since then, we've talked about it several times.

22 Charlie had -- now, I guess -- Charlie had -- no,
23 it was Mike Scadero who had that. I'm sorry. He's -- Mike
24 had a fax from Jimmy Sotolongo to Brown, the person who ran
25 the day-to-day affairs at Waverly, saying something like,

1 give Ted Doran so many bus benches and put -- I believe it
2 said put most of them or all of them off book. Something to
3 that effect. And the reason why I mentioned that in
4 connection with Charlie is Charlie told me he knew Mike had
5 it, and I got it from Mike.

6 Q. Do you know if that fax was ever mentioned
7 publicly?

8 A. I've never seen it mentioned publicly.

9 Q. Mike Scadero was your campaign manager?

10 A. He was.

11 Q. Did he ever tell you that he had showed that fax
12 to anybody at the News-Journal, any reporters?

13 A. Yes. I don't know which reporter he showed it to,
14 but he said that he had done that.

15 Q. Did he tell you what the upshot of that was, what
16 came of that?

17 A. He said that Jimmy Sotolongo said it was a
18 forgery, and they didn't do anything with it.

19 Q. Was the Waverly people, that is Jimmy, Ramara,
20 Josh, were they supporting Ted Doran?

21 A. They were.

22 Q. How did they evidence that support?

23 A. Well, the -- Ted was one of the ones who had the
24 bus benches, and from what I gathered from the fax and what
25 I heard at the time about the campaign, was that -- that Ted

1 was getting either the bus benches free, or very close to
2 free. The oddity about Ted and his campaign is that he --
3 while he received the bus benches and received a -- I
4 believe a substantial discount on them, there was no attempt
5 to hide it with fake in-kind campaign contributions. It was
6 just as the fax indicated it would be, I guess, just handled
7 off book.

8 Q. Do you know or know of a man named Jeff Allebach?

9 A. I know of him.

10 Q. What do you know of him?

11 A. I know that he was running in 2013 also, and that
12 he was one of the recipients of the bus benches.

13 Q. Did he receive them as in-kind, or report them as
14 in-kind?

15 A. I believe so, but I'm not real familiar with, you
16 know, how he reported -- how he reported things. I just
17 knew he had them.

18 Q. Where was he running?

19 A. He was the one running against Northey, wasn't he?
20 I believe he was.

21 Q. I'm sure she'll remember him.

22 A. She'll remember. She'll definitely remember. It
23 was either Northey or Patterson, and -- but I don't
24 really -- you know, I hate to say it, but I don't really
25 remember which. I think it was Northey.

1 Q. Without overly predicating the question, are you
2 aware that campaign finance reports are under oath?

3 A. Yes.

4 Q. And that the candidate is required to file the
5 reports?

6 A. Yes.

7 Q. Is it -- would -- what is your view of the
8 obligation of the candidate to make sure, or to take care,
9 use due diligence to see that the report is accurate?

10 A. It is a serious obligation. It's the one thing
11 that you really should do when you're running is know where
12 you're money's coming from, and report it and report it
13 accurately. Your expenditures also.

14 Q. Would it be -- would it be within that duty for a
15 candidate to accept the word of a political activist,
16 someone active in the campaign, as to who financed in-kind
17 contributions?

18 A. It would be very odd for a company to tell you
19 they we going to give you advertising, but don't worry about
20 anything, we're going to have it covered by in-kind
21 contributions from our employees. If you don't know their
22 employees, and their employees are not politically active
23 and they have no reason to support you, it seems to me that
24 you know, almost to a moral certainty, that either the
25 company is twisting the arm of those employees to give you a

1 check, or that they are giving the employee the money to
2 give you a check, or, since it's all done in-house, that
3 probably no money is changing hands and it's just a name to
4 put down on your campaign report to cover the expenditure.

5 Q. Now, I asked that question as a hypothetical, but,
6 in fact, you answered it in terms of an actual scenario.
7 Are you describing the practices of Waverly in these past
8 campaigns?

9 A. Yes.

10 Q. Have you heard any candidates who received those
11 in-kind contributions acknowledge that that was the process?

12 A. No, I haven't.

13 Q. Have you heard any credible secondhand information
14 that any candidate has acknowledged that the in-kind
15 contributions were handled in that way?

16 A. No, I haven't. I haven't. The thing was, though,
17 back during the campaign, the understanding we all had was
18 that the Waverly bus benches were illegal campaign
19 contributions. And, you know, it was discussed all the
20 time. And exactly the mechanism by which they were viewed,
21 we did not know exactly -- you know, we did not know that
22 they were going to be coming up with in-kind contributions
23 to try to cover at least a portion of it. We had assumed
24 that it was going the way of Joyce's campaign in, you know,
25 the time before where the amount that Joyce received was

1 obviously not reflected in her campaign reports, and that
2 that's the way it would be. That it would just be free and
3 that they would not even try to come up with something to --
4 to cover it.

5 Q. When you --

6 A. When we found out that there were in-kind
7 contributions, it was kind of a revelation, I think, to
8 us -- to us all. But that was after the campaign was over.
9 And if I had known that in-kind contributions were part of
10 the -- the overall program, I would not have accepted an
11 in-kind contribution from Ms. Garrett, because it -- you
12 know, initially the newspaper reports threw me in with
13 everyone else.

14 Q. Now, you just made some statements and you
15 referred to "we," we understood when you found out --

16 A. Right.

17 Q. Who are you including in that?

18 A. The other candidates running in 2013, and I would
19 say Pat Northey, Pat Patterson certainly. The -- and I
20 talked about it to -- with Mike Scadero, Charlie Lydecker,
21 Clay Henderson and others. It would have just been the
22 common understanding that people had who were actively
23 involved in the campaign, in the political campaign sector.

24 Q. Do you remember any of these people referring to a
25 source of that information?

1 A. No. The original source of the information,
2 though, was -- I can't remember who it was. It might have
3 been Mike Scadero, but it was someone like Mike who digs
4 into campaign reports and ferrets out the information and
5 just loves doing it. You know, came up with the -- the
6 notion, and was telling me about Joyce's campaign, about all
7 of the things she received that did not show up on her
8 campaign report. And that is just where it started. It
9 might have been Mike. It might even have been Margie
10 Padgett. Maybe she's the one who told me, because we're in
11 the same building, and so we see each other occasionally.

12 But it just was, you know, just background
13 information. It's just the way it was. It was just sort of
14 accepted as gospel in the -- and it's not the sort of thing
15 you talk about during a campaign, because if you're running
16 against somebody who has got that kind of contribution, if
17 you bring it out, then it doesn't really help you terribly.
18 Nobody really feels sorry for a candidate running for
19 office. It's sort of like saying, they're being mean to me,
20 and nobody feels sorry for you for that. And if it's not
21 your campaign, if it's somebody else's campaign, then you
22 don't want to get involved in that either, because, you
23 know, you've got your own campaign to run. You don't want
24 to be bothered with somebody else's.

25 Q. You're referring there to the reasons not to make

1 a public issue of it?

2 A. Right.

3 Q. But the private conversations that you have --

4 A. Private conversations were, you know, continuing,
5 yes.

6 Q. Yes. Are you familiar with the term "puffery"?

7 A. Yes.

8 Q. Where do you hear that?

9 A. You hear that in sales. If somebody is installing
10 the virtues of whatever product they're selling, but they're
11 not truly misrepresenting, they're just, you know, just --
12 maybe straying up to the borderline, then that's puffery.

13 Q. Do you know James Brown?

14 A. I don't know him, but I read his interview in the
15 paper.

16 Q. So you read the interview where he claimed that he
17 had overstated the number of bus benches provided as in-kind
18 contributions provided to various candidates?

19 A. I did.

20 Q. Do you believe that is true?

21 A. When you rode around Volusia County back during
22 that campaign, every bus bench available had a candidate's
23 face on it. And the -- and everybody who runs for office --
24 anybody who runs for office would have gone around and
25 checked the bus benches to see what locations that they had.

1 It's very important to a candidate running for office to
2 know where their signs are, where their name is out there,
3 where people will be able to see it. And I am certain that
4 anybody who had bus bench advertising knew where every bus
5 bench with their face on it was. You would want to know
6 that, because it would effect where you would want to
7 concentrate on trying to get out your yard signs. If you
8 didn't have bus benches, you would need to augment that with
9 yard signs, or maybe with the larger two-by-four signs so
10 that your name would be on that particular thoroughfare. If
11 it was covered by bus benches, you would be less concerned
12 about it. But you always want to know where your signs are.
13 Where anything with your face is, you want to know where
14 that is, because it effects everything else you do.

15 It would be hard for -- in that case, it would be
16 hard for Mr. Brown, or anybody else, to dupe a candidate on
17 that, because the candidate would go out and look, is the
18 way of candidates.

19 Q. Of course you know Andy Kelly?

20 A. Yes.

21 Q. Would he be the kind of candidate you would expect
22 to be vigilant about his campaign signs?

23 A. Oh, absolutely.

24 Q. Is he an experienced candidate?

25 A. He's an experienced candidate. And Andy is

1 competitive, and he would want to win. He would want to
2 know where his signs were.

3 Q. Would you think of the word "naive" when you think
4 of Andy as a politician?

5 A. No, I don't think so.

6 Q. When did you -- you know -- you know Jimmy
7 Sotolongo?

8 A. I never met him.

9 Q. But you know of him?

10 A. I know of him.

11 Q. When did you first learn of him?

12 A. I met Ramara Garrett probably in, I would say,
13 2009 or '10. And I knew she had a boyfriend, and that's
14 when I would have learned of him, because they were together
15 at the time.

16 Q. When did you first become aware that he had a
17 criminal record before 2009?

18 A. In the newspaper. When the newspaper broke the
19 Waverly story. I guess last March, I believe it was.

20 Q. Have you had any discussions with anyone regarding
21 the county manager's personal finances, his home mortgage?

22 A. I have.

23 Q. What's the nature of that discussion?

24 A. I talked to Mike Hullett about that. And Mike
25 said that -- told me that one of his sources inside Waverly

1 had told him that the manager's mortgage was paid by
2 Waverly.

3 Q. Do you know anything more about that, that
4 question?

5 A. I don't.

6 Q. Do you know Manny Borneo?

7 A. I've met him once or twice, but it would be a
8 stretch to say that I know him. I know of him, certainly.

9 Q. Do you know if there is a relationship between him
10 and the Waverly people we talked about?

11 A. I am told, yes. That he was very tight with --
12 for a while with Jimmy Sotolongo and Ramara Garrett, and
13 that Jimmy and Ramara were the ones behind the Floridian
14 View magazine that he was prominent in, and that they also
15 featured prominently in the background of the American Music
16 Festival. My knowledge in that regard comes from, again,
17 the investigator who broke the Waverly fraud case, Mike
18 Hullett.

19 MR. KANEY: Off the record real quick.

20 (Off the record discussion was held, after
21 which the following proceedings were had:)

22 BY MR. KANEY:

23 Q. Of course you know Josh Wagner, a fellow member of
24 the council.

25 A. Yes.

1 Q. And he seems to be, would you agree, involved in a
2 lot of issues before the council?

3 A. Indeed he is.

4 Q. He is serving the last of his two-year terms,
5 right? He'll be termed out after this term?

6 A. I believe so, yes.

7 Q. Do you have any idea what his political agenda is
8 after this?

9 A. I don't any more. There was a time when he really
10 wanted to run for the legislature. I don't know if he still
11 harbors that ambition or not.

12 Q. Josh has a relationship with Jimmy and Ramara in
13 various ways. What do you know of those connections between
14 them?

15 A. Again, it comes from conversations with Mike
16 Hullett. But according to Mike, Josh and Jimmy were like
17 brothers. They were very close. Jimmy was -- Josh was at
18 their office, you know, several times a week. They had a
19 very tight personal relationship and they had a business
20 relationship. That they were in several businesses
21 together. What exactly those businesses are, I don't know,
22 but they were doing some projects together.

23 Q. Were they involved in the effort to get the lease
24 on the pier?

25 A. Yes. Jimmy was kind of a silent partner in that

1 Ramara was more out front, I think, in that venture. But,
2 you know, Jimmy was involved in that.

3 Q. In the press coverage, it appeared that one of the
4 big sticking points in Josh and Jimmy's, Ramara's effort to
5 get that lease was on financial disclosures?

6 A. Right.

7 Q. Do you have any idea why that was such a big
8 problem for them?

9 A. Jimmy knew that the private investigators were
10 investigating him. The two private investigators,
11 Mr. Hullett -- and the name of the other gentleman will come
12 to me in a minute, but there were two of them. And they
13 were conducting the investigation. And they -- when they
14 started, they went by to see Jimmy and told him that they
15 were investigating. And after that, you know -- and Jimmy
16 didn't much care. He thought that -- that he would not get
17 caught, that it would not really be a problem. It wasn't
18 really a source of worry to him.

19 But what he did do is he went from spending a lot
20 of money, and obviously having a lot of money, to creating a
21 show that he did not have money. That he started being slow
22 in paying people. He started talking about how -- telling
23 people he just didn't have the money to pay them right now.
24 Just creating this record that money was hard to come by.
25 And I would guess that if you are trying to create that

1 illusion that you don't have any money, when, indeed, you
2 have quite a lot, that you would not want to have any kind
3 of financial disclosure because you wouldn't want to tell
4 people where it was. And you certainly wouldn't want to
5 have to explain later to the FBI or someone else where he
6 got it.

7 Q. Was Josh involved in the American Music Festival?

8 A. He was involved to some degree. And, again, part
9 of this is resting on Mike Hullett. Mike Hullett says that
10 he was involved with Ramara and Jimmy and Manny in running
11 the American Music Festival. That really certainly Ramara
12 and Jimmy were the ones actually in charge and Manny was the
13 frontman. Exactly what Josh's role would be, I don't think
14 Mike would know.

15 There was one incident, though. Josh tried to --
16 Josh got Glenn Ritchey and Jim Dinneen, and went over to see
17 Don Poor, the manager of the Ocean Center, and tried to get
18 him to agree to allow Manny to handle the money for ticket
19 sales for the Usher concert. Don insisted that those ticket
20 sales be handled by Ticketmaster so he could account for the
21 money, know where the money was, and make sure that the
22 Ocean Center got paid what it should be paid. That is the
23 overt involvement of Josh in that, the one that I know
24 about, the overt instance.

25 Q. And Don Poor did not agree to it?

1 A. He did not agree to it. They kept Ticketmaster,
2 and the Ocean Center got paid what was intended. One of the
3 few people in the entire fiasco who did. Few organizations.

4 Q. Not including the college?

5 A. Yeah, not including the college.

6 Q. You've thought a great deal about the Waverly
7 matter, and you've said that you believe that there was
8 wrongdoing in the campaign finance arena.

9 A. Right.

10 Q. Have you -- have you developed any thoughts about
11 what the council should do to reform the process to help
12 ensure that didn't happen again?

13 A. Well, one thing that we should do is, of course,
14 change the purchasing ordinance. We need to make sure that
15 there is some sort of wall between where we spend money and
16 the influence of any individual council person. As far as
17 the election process goes, I'm not sure exactly what type of
18 reform this would involve, but once the county -- the county
19 became -- was told that election fraud was going on and
20 council members were not -- the public was not told, and it
21 was not made public by -- by the county, I would think that
22 the county, if it has that sort of information, should
23 certainly release it in the future. That it should not be
24 kept private. If it were something that had been made
25 public in the 2013 elections, then, you know, things may

1 well have turned out differently. It's the -- and it's the
2 sort of thing you just can't let go on, you know. It had
3 started, I understand, as far back as 2008 with Andy Kelly's
4 first run -- well, Kelly's run against Dwight Lewis, and it
5 got bigger in the next election with Joyce's election, and
6 it was off the charts in 2013. And you just can't have
7 that, you know.

8 Q. What you're referring to here is this bus bench?

9 A. Bus bench advertising and --

10 Q. Right. Right.

11 A. And the level which they're going to elect
12 specific candidates. If you don't call attention to it, if
13 you don't stop it, then it just gets worse and worse. It
14 keeps growing and it gets worse and worse.

15 Q. Now, you say the county was told about election
16 fraud?

17 A. Right.

18 Q. Elaborate on that. Who told whom?

19 A. Well, actually, somebody from Waverly, apparently,
20 went in and told Ann McFall that they were being forced to
21 give campaign contributions, in-kind campaign contributions,
22 or their name had been put down for contributions they had
23 not given. I don't remember exactly which way the story
24 went. And Ann told Dan Eckert, the county attorney. It
25 would seem that once it becomes -- and I would have a hard

1 time believing that people on the county staff did not know
2 about all of this at the time it was going on, because,
3 truly, everybody knew. Anybody who was involved in
4 politics, and if you're involve in a -- if you're a member
5 of the county staff, you're involved in politics. You're
6 interested in who's going to get elected and how the
7 campaigns are going. People, particularly at the higher
8 level, follow those quite closely. That it's just -- it's
9 strange credulity to believe that they didn't know when
10 everybody else knew, when a business person, say, Charlie
11 Lydecker knew. And I would be willing to bet that any other
12 business person in Volusia County who supports candidates to
13 a significant degree would have known also. Anybody who
14 follows politics probably would have known.

15 And it just -- I don't see any way they could not
16 have known, and took no measures to -- to stop it. And,
17 indeed, did not terminate the Waverly contract until
18 bringing it before the council was pretty well demanded by
19 Pat Northey, and the contract was terminated by the -- by
20 the county council. My impression, up until the meeting,
21 was that the staff had just as soon leave the contract in
22 place.

23 Q. The council had a vote to terminate the contract?

24 A. Right.

25 Q. Was that unanimous?

1 A. It was not. Josh, I believe, was the sole
2 distending vote.

3 Q. I believe that you have expressed, in public,
4 concern about how Dan Eckert handled that?

5 A. Yes, I have. And it's -- it's -- it still baffles
6 me the way he handled the entire thing.

7 Q. Go ahead.

8 A. What I was going to say was not only he did he not
9 tell the county council, his client, his employer, the one
10 that actually employs him, who can hire and fire the county
11 attorney, he did not tell his employer what was going on,
12 which seems to be a -- to me just a breach of faith.
13 Because if you're a lawyer, you always tell your client
14 information that you have that may effect them.

15 The other thing was that he tried to block the
16 investigation with a memo that was disingenuous at best, and
17 then gave an opinion that the matter could not have been
18 discussed because it either was or could have been reported
19 to the ethics commission, and then a cone of silence would
20 descend around it, which just isn't true. And I would
21 assume Dan knows that's not true.

22 Q. The cone of silence refers to the impression, I
23 guess, of Dan that an issue before the ethics commission
24 cannot be discussed --

25 A. At all. That was the -- the word that we got from

1 Dan. You know, it is certainly true that if you file a
2 complaint with the ethics commission, the complaint is not
3 subject to a public records request, and that proceedings of
4 the ethics commission are not open to the public, but it
5 does not stop anybody who knows anything about the
6 complaint, or the facts related to the complaint, from
7 shouting from the rooftops. There's nothing that stops
8 that.

9 Q. Does that apply also to an investigation by the
10 state attorney?

11 A. That applies to an investigation by the state
12 attorney, also.

13 Q. So you would not agree that the state attorney
14 could have any authority to tell a person that he conversed
15 with about an investigation, that he could not put a cone of
16 silence around that?

17 A. No, absolutely not. The fact is, the -- a state
18 attorney who -- who tried to stop a witness from talking to
19 a defense attorney would probably be up on disciplinary
20 charges very quickly.

21 Q. Are you aware of whether, in the current state
22 attorney investigation, those instructions have been given
23 to the witnesses?

24 A. From what I understand, they have.

25 Q. Is there any part of the United States

1 Constitution that's relevant to this discussion?

2 A. The First Amendment, prior restraint. You know,
3 you cannot -- you cannot impose a prior restraint without a
4 very good reason, and this just isn't.

5 Q. Yeah. Have you had any contact with the state
6 attorney's office here regarding the Waverly matter?

7 A. I have not.

8 Q. Do you have any knowledge of how that
9 investigation is or is not proceeding?

10 A. I understand from the FBI that it is going now,
11 that they are investigating now. My personal view would be
12 that it started because your investigation started, because
13 I knew that it was not going anywhere before we appointed
14 you, our inspector general.

15 Q. Have any of the people, your sources of
16 information, which you've got several, discussed with you
17 any -- any issue, any question of the relationship between
18 R.J. Larizza and Josh Wagner?

19 A. I had heard that they were -- they had developed a
20 friendship and played in a band together, but I have -- I
21 don't know if that was true. I only heard it once, and that
22 I just don't know.

23 (WHEREUPON, the interview was concluded.)

24

25

CERTIFICATE OF REPORTER OATH

STATE OF FLORIDA)

COUNTY OF VOLUSIA)

I, Shannon Green, Registered Professional
Reporter, the undersigned authority certify that
Doug Daniels named herein personally appeared before
me and was duly sworn on the 11th day of February,
2014.

WITNESS my hand and official seal this
16th day of February, 2014.

Shannon Green
Registered Professional Reporter
Notary Public - State of Florida
My Commission No. EE852120
My Commission Expires 1-8-2017

1 CERTIFICATE OF REPORTER

2
3 STATE OF FLORIDA)4 COUNTY OF VOLUSIA)
5

6 I, Shannon Green, Registered Professional
7 Reporter, certify that I was authorized to and did
8 stenographically report the foregoing proceedings;
9 that a review of the transcript was requested, and
10 that the transcript is a true and complete record of
11 my stenographic notes.

12 I FURTHER CERTIFY that I am not a
13 relative, employee, attorney or counsel of any of
14 the parties, nor am I a relative or employee of any
15 of the parties' attorney or counsel connected with
16 the action, nor am I financially interested in this
17 action.

18 Dated this 16th day of February, 2014.
19
20
21

22 _____
23 Shannon Green
24 Registered Professional Reporter
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ERRATA SHEET

INTERVIEW OF: DOUG DANIELS

ERRATA

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Under penalties of perjury, I declare that I have
read the foregoing document and that the facts
in it are true.
