

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/20/2006

Source, who is in a position to testify, was advised of the identify of interviewing agents and provided the following information on September 28, 2006:

Source stated he/she helped TOM ANDERSON with his re-election campaign approximately two and one half years ago. Source was heavily involved in the State's Democratic Party, and had worked for ANDERSON's father, Colonel (Col.) TOM ANDERSON Sr., retired from the Alaska State Troopers. Col. ANDERSON started a company named Compus North LLC, which bid on contracts to manage the Sullivan Arena and the Convention Center. The bidding process through the Municipal Assembly was very structured. The bidder would submit sealed bids, and received ratings on various criteria. The source was hired to help facilitate the submission of a bid for the management contracts; however, Col. ANDERSON was not awarded the contract. Source stated the bidding process was "so bulletproof, there's no possible way to appeal. It's very rare."

Source became acquainted with TOM ANDERSON approximately two years ago while working for his father. Source described ANDERSON as a young, moderate Republican. Source is currently registered as an Independent, but was a Democrat most of his life. Source believed there were advantages to working with a moderate Republican like ANDERSON. As a Democrat in Alaska, a state which was very conservative, it was difficult to get the opportunity to speak with many Republican politicians. Source enjoyed working in politics, and chose local politics because he/she viewed it as less partisan than State and Federal politics.

Source arrived in Alaska in 1975, and worked on pipeline at that time. Source was recruited to a position within the Democratic party by WILLY HENSLEY about 20 years ago. At that time, HENSLEY was the Anchorage refuse (waste management) person. HENSLEY asked source to help him with a small political issue. At that time, source realized he/she could use his/her skills in politics as a lobbyist.

Investigation on 09/28/06 at Anchorage
194A-AN-13620 SUB ANDERSON; SUB KOHRING; SUB MARLOW;
File # 270D-AN-14616 SUB A; 194A-AN-14617 Date dictated 10/20/06
by SA Mary Beth Kepner
SA Lori A. Greenwell

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During their acquaintance, ANDERSON spoke with source and stated he wanted to be a lobbyist. After 18 years as a lobbyist, source felt "burned out." Source did not want to just "drop" clients after many years of representation, and felt that he/she could groom ANDERSON as a lobbyist for those clients. Source believed he/she could have a lobbyist firm with ANDERSON, and gradually transition out of the business. During that time, ANDERSON was dating LESIL MCGUIRE. She was the daughter of a "millionaire doctor." Source described ANDERSON as raised by a good family, but not rich. MCGUIRE was used to "the finer things in life," and ANDERSON may have gone in debt to provide her with many things. He helped her with her mortgage, bought her gifts, and paid for trips. All of that was in addition to paying child support bills for his children. He tried to accomplish these financial matters on the salary of a State Legislator. Source said ANDERSON was always "hurting for money," and asked source for help.

Over time source developed a friendship with ANDERSON, and advised him on his relationship, and tried to help ANDERSON with money. At one point in their friendship, ANDERSON told source that he could receive up to \$5,000 from consultants without recording or documenting the transaction to the Alaska Public Offices Commission (APOC).

Source introduced ANDERSON to MARC MARLOW. ANDERSON informed MARLOW that he could receive a contract for \$5,000 and not report the funds. The advantage to that was ANDERSON was a sitting legislator and could do something for an individual while in office. During the meeting, MARLOW asked ANDERSON, "How does that work, you can get \$5,000 and not report all or what you did?" Source did not recall what ANDERSON said specifically, but the belief was that ANDERSON could be "bought" for \$5,000.

PACIFIC PUBLICATIONS was an on-line business concept created by source. The concept was every municipality, city, and incorporated towns across the State of Alaska could place their legislation and political information in one central location. There were no sites like this in Alaska, and it was difficult to research different legislation related to areas of Alaska. ANDERSON was involved with PACIFIC PUBLICATIONS. Source said in hindsight the only thing ANDERSON had to offer to the company was the fact he was a "sitting legislator." ANDERSON was the managing editor and advertiser for the company, although source admits he did very little work for the business and did not provide any work

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product. Source stated ANDERSON is "kind of scattered", not very focused.

ANDERSON recommended that Republican KEN ERICKSON create the web site, which would highlight different stories and have a banner at the bottom with advertisements. ANDERSON also recommended his legislation employee, JOSH APPLEBEE, make lists of all the incorporated towns and cities in Alaska. APPLEBEE was also to locate a "contact person" and telephone number for each contact person to solicit as contributors to the site. ERICKSON and JOSH APPLEBEE were both paid \$1,000 for their work. The belief for ANDERSON's involvement in the company was the idea as a current legislator, ANDERSON could assist companies and individuals advertise and direct the ads toward politicians. MICHAEL CAREY, former editor of the Editorial Page of the Anchorage Daily News (ADN) told source they had to "feed the beast" everyday, which meant put labor and effort into the web site on a daily basis.

At one point, source decided he/she did not want to "feed the beast" daily. Source told ANDERSON he could have the company. Source believed ANDERSON did not want to work, and pretty much "screwed it up" (the company). Source said that FRANK PREWITT gave PACIFIC PUBLICATIONS three cashiers checks for advertising, but PREWITT really wanted ANDERSON's help as a legislator and the checks were a payment to ANDERSON.

Source used the company ATM card for personal expenses of "\$100 here and there." Source admitted to misusing the ATM card, and stated some of the withdrawal amounts from the account were odd numbers. Source believes the odd amounts may have been split with ANDERSON.

Source has an ongoing business relationship with MARC MARLOW, and speaks with MARLOW on average one to three times daily regarding business issues. They have introduced legislation regarding deteriorated property. MARLOW was going to lease property near The Butler Building, and source was going to run a distillery in the area.

Source said MARLOW owes him/her approximately \$40,000 - 60,000 for services. MARLOW was going to build a Marriott Hotel right after the terror attacks of 9-1-1 (September 11, 2001), and all construction in Anchorage was frozen at that time. MARLOW did not have the money to pay source for approximately three - four years of back wages. During that time, there were some "offsets"

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in the debt. One example source provided was MARLOW CONSTRUCTION rewired source's basement and that amount was taken off the debt.

Source introduced MARC MARLOW to TOM ANDERSON. Source said that MARLOW and VIC KOHRING have a friendship and business relationship. Source does not know the extent of the association, but read in the local newspaper that MARLOW hired KOHRING to do some consulting work. After DEMER's news article, source made a passing reference to MARLOW that ANDERSON was in trouble. MARLOW's response was "huh," or similar statement which did not stand out. Source heard that MARLOW paid KOHRING approximately \$38,000, but did not have further details. In a separate conversation with MARLOW, source said, "I think VIC's (KOHRING) in trouble too." There was no response from MARLOW.

Source was not involved in the relationship with MARLOW and KOHRING. However, source has some information regarding MARLOW and KOHRING from source's business relationship with MARLOW. MARLOW sought help from KOHRING, as a legislator, for advice regarding a power plant "in the valley" (Wasilla). Source recently met with MARLOW and KOHRING in a meeting which KOHRING scheduled. MARLOW wanted to build a health facility next to the McKay Building downtown, and the project would cost approximately \$40 million. Source helped MARLOW submit and pass an ordinance to allow re-development zones in the downtown area they were interested in renovating. Anchorage has little refinancing funds to assist in rebuilding urban areas. Other cities in the nation have specific funds for renovation and rebuilding projects, such as Baltimore, Maryland. It's the responsibility of the city to take deteriorated properties and fix them. The city assembly has to specifically state the property is deteriorated, then someone has to do the work to rebuild or reconstruct the property. If the assembly states a health facility is in the city's best interest, a moratorium is required to approve the location, in this instance next to the McKay Building. Once the moratorium is approved, that whole area can be redeveloped and the State of Alaska writes the check.

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ANDERSON assisted MARLOW with the Certificate of Need (CON) for the juvenile residential psychiatric hospital. Alaska State policies dictate a public meeting is held to ascertain the need for medical buildings and facilities. A moratorium was imposed by the Department of Health and Human Services to block CORNELL from leasing a building for 30 years. ANDERSON attempted to enlist the help of Speaker of the House JOHN HARRIS, to put pressure on Governor MURKOWSKI's administration through JOE GILBERTSON or JIM CLARK. HARRIS was non-committal, and told MARLOW the idea sounded fine and the assembly needs to put it on the project list for next year.

Source went to an assembly meeting during the time frame where JOHN HARRIS was running for re-election, date unknown. Source wrote a contribution check for \$250 to HARRIS and placed it in an envelope with HARRIS' name on it. Source provided the contribution to HARRIS. HARRIS joked he would fill in his address and mail the envelope to himself. In hindsight, source said he/she should not have given the contribution to HARRIS at the meeting, but it was a regular contribution of source's money that he/she was going to provide and it was not intended as "influence peddling."

Source believes it was possible MARLOW could have written a check for ANDERSON in the name of ALASKA STRATEGIC Consultants. Source may have deposited the check for ANDERSON, as they were friends and that's something he/she would have done. ANDERSON had a cash flow problem in Juneau and needed money in his bank account. At one point during the transactions between MARLOW and ANDERSON, MARLOW said he required an invoice from ANDERSON. Source believes MARLOW wanted the invoice to appear legitimate and not as if they were "influence peddling." However, source does not know if an invoice was produced.

Source was introduced to FRANK PREWITT through WILLIAM WEIMAR, of ALLVEST. ALLVEST had many halfway house contracts in Anchorage. Source's employed position was to assist with zoning issues regarding the halfway houses. Source believes WEIMAR "did bad business, he was corrupt." Source said WEIMAR had business associations with FRANK PREWITT and BILLY BOB ALLEN. BILLY BOB ALLEN worked for the Fairbanks Borough Association which built halfway houses in Fairbanks. Source said smart people had circumspect dealings with WEIMAR due to the belief he was corrupt.

FRANK PREWITT was employed on a retainer with CORNELL CORRECTIONS. The company funded halfway houses and ensured the

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Department of Corrections had separate funding. Source worked for an "arm" of CORNELL CORRECTIONS, called CORNELL COMPANIES (CORNELL). CORNELL wanted to build a residential psychiatric hospital for troubled youth in Anchorage. There were hundreds of Alaskan children housed in psychiatric programs out of state, and a program titled, "Bring the Kids Home" was initiated to return the 11 to 17 ½ year olds to Alaska. CORNELL wanted the contract. Source was hired by CORNELL to assist with a conditional use permit for the psychiatric center.

CORNELL intended to purchase a building on Laurel Street, but source convinced them to rent a building from MARC MARLOW. CORNELL leased the building, which "made sense to them" and saved money. CORNELL required a CON permit for the building, and the permit had to go through the Municipal Planning and Zoning Commission, then the community council. The meeting was conducted by the State of Alaska, Department of Health and Human Services. FRANK PREWITT asked ANDERSON for help with the meeting. ANDERSON testified at a public hearing for the council regarding the CON. Source believes a transcript of the meeting should exist, as it is public record. During the hearing, ANDERSON said something to the affect, "I'm not representing anyone."

Source believes House Bill 131 was passed. The bill re-authorized the CON which dealt with hospitals and imaging centers. Source said there was "a big fight" between hospitals like Providence and private imaging centers over the bill. CORNELL wanted a moratorium lifted, removing and separating the psychiatric centers from the CON. CORNELL did not want to be in the middle of the "imaging fight" between the hospitals and private centers which source described as a "powerful fight." Source and PREWITT asked JOE GILBERTSON, the person in charge of the CON, to attempt to have the psychiatric center moratorium lifted and separated from the permit. GILBERTSON went to work for Providence after the CON was re-authorized.

Source described WILLIAM WEIMAR of ALLVEST, as a "colorful figure" in local politics. He is also known as a political fund-raiser. Source recounted a "famous story" regarding WEIMAR, where he was so angry at Governor TONY KNOWLES he hung up the telephone on him. WEIMAR had a specific person he wanted as the head of the Department of Corrections. Governor KNOWLES selected someone else. So in a telephone conversation regarding the subject, WEIMAR hung-up. Many people couldn't believe someone

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would hang up on a governor. Source had no further information regarding this event.

Source said JERRY WARD is "buddies" with WEIMAR. WEIMAR is also close to BOB CRONEN, Chief Financial Officer of ALVEST; and KEVIN BRUCE who started ALLVEST with WEIMAR. There were inferences and stories that WEIMAR slept with House Speaker RAMONA BARNES. He was very close to her and her legislative aides. Source had no further information regarding these allegations.

Source was in a VECO meeting with PETE LEATHARD and believes BILL ALLEN may have also been there. The meeting was regarding the private prison project in Anchorage, possibly in 1995 or 1996. VECO was supporting a project to build a private prison in Anchorage. There was a re-zoning issue before the Anchorage Assembly during the mid 1990s. Source said VECO withdrew from the project rather than have it voted down. Source believes the other oil companies put pressure on VECO, and were concerned about building a prison where they resided. Source said it was public knowledge that BILL ALLEN and WEIMAR "roamed the halls in Juneau" (the Capitol Building) to keep the private prison project going after it failed in Anchorage.

Source had a "falling out" with WEIMAR after years of association and business dealings. WEIMAR believed he was instrumental in source's successful career since they worked together when source was beginning his career. Source stated he/she did some "undercover things" for WEIMAR of which he/she was not proud. One example was source acted as a "shill" at public meetings to make WEIMAR look good, someone planted in an audience who asked specific questions to make a candidate look good. Source did not like these activities, and as he/she picked up other clients and additional work, source stopped working for WEIMAR.

Source said WEIMAR was really "pissed off" at source for not working with him anymore. The cessation in their business occurred when WEIMAR was selling ALLVEST to CORNELL. WEIMAR left source's contract off the ALLVEST paperwork and did not tell CORNELL that source worked for him. When the new

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company came in and source still worked for CORNELL, WEIMAR was very angry. He still wanted to have a hand in the business even though he sold it to CORNELL. Source said it was the break he/she needed to no longer be WEIMAR's flunky.

WEIMAR had a strong financial interest with the private prison project, even after he sold ALLVEST. Source did not know the nature of WEIMAR's interest. Source was not sure if it was due to money WEIMAR invested, or if he would profit from the deal. Source said WEIMAR may have had an agreement with someone. Source had no further information regarding WEIMAR's interest in the Prison Project.

Source said WEIMAR used conduits to funnel contributions to local politicians. WEIMAR gave source money to donate to specific campaigns, usually in the amount of \$1,000. This happened perhaps five times and involved candidates source would have provided contributions to on his/her own behalf. Source believes this may have been a way for WEIMAR to influence politicians.

WEIMAR was close to MARK BEGICH and TONY KNOWLES, and raised money for both. Source was certain BEGICH and KNOWLES did not know about WEIMAR's alleged corrupt practices. There were many people who suspected WEIMAR of trying to influence politicians. He had both admirers and detractors due to his business dealings. Source admitted a bias stating he/she did not think BEGICH or KNOWLES would take contributions raised by WEIMAR if they thought he had laundered the money.

BEGICH works in real estate, and had a vending machine business prior to his political appointment. Some of the vending machines were located in WEIMAR's buildings. There was a dispute of some kind between WEIMAR and BEGICH regarding payment WEIMAR believed was owed to him. Source said if a vending machine is in a high traffic area like a bus depot for example, the vendor pays a percentage of the profits to the building owner for having the machine there. WEIMAR thought that he was not receiving enough commission from the machines owned by BEGICH. It was a lose-lose situation in which source did not participate, and had no further information. Source said BEGICH eventually sold his vending business, which was co-owned with his brothers.

Source worked for DAVE HULTQUIST of HULTQUIST HOMES, when he (HULTQUIST) was building a sub-division in a gravel pit in Anchorage. During the building of the sub-division, HULTQUIST

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required water and sewer capabilities brought to the area. Source worked for WHITE RAVEN DEVELOPMENT, a branch of HULTQUIST HOMES, during this project. Neighbors who were not affiliated with the sub-division did not want the additional water or sewer brought to the area. They did not want any additional development. The neighbors went through State Representative NORM ROKEBERG to have the Environmental Protection Agency (EPA) forced to drill "monitoring wells." The neighbors hoped to show that the area could not support the sub-division. Source said HULTQUIST did not understand how a community council could stop his approved building plans. Source told HULTQUIST that TOM ANDERSON was a legislator who could be "very helpful in Juneau" regarding his problem. HULTQUIST hired ANDERSON. Source believes ANDERSON spoke with JIM CLARK, Governor MURKOWSKI's Chief of Staff, about vetoing the appropriation on the monitoring wells. Source said that GREG RUMSEY, construction manager who operates WHITE RAVEN DEVELOPMENT, was always in meetings with source and HULTQUIST.

Source heard rumors TOM ANDERSON was under investigation from BOB ROSES, a candidate for the State House who was running for ANDERSON's seat. He and ANDERSON were friends. During the time it was believed ANDERSON was under investigation, he did not return source's or ROSES' telephone calls. About four months ago (May 2006), ROSES called source and said ANDERSON had been contacted by the FBI. ANDERSON was shown pictures of himself by the FBI, and was told he was under investigation for vote selling and "influence peddling." Source asked ROSES if source was in trouble too, but ROSES did not know. He said ANDERSON wore a "wire" (tape recorder) and talked to "some people," (not further identified). ROSES told source ANDERSON was cooperating with the FBI. ROSES further said ANDERSON complained he was in trouble because he "tried to be helpful," but things did not go as he planned. ANDERSON had to borrow \$100,000 from his father to hire an attorney.

Source telephoned ANDERSON once and left a message on his cellular telephone. The message was to the affect, "When you needed help, I was there. When you needed money, I was there. I don't know what I've done, but we're still friends." After source left the message, JOSH APPLEBEE, ANDERSON'S employee, called source. APPLEBEE said ANDERSON wanted him to talk with source. When source and APPLEBEE met for coffee, source asked if ANDERSON was under investigation but APPLEBEE feigned total ignorance.

In late summer 2006 during the campaign of NORM ROKEBERG vs. LESIL MCGUIRE, source entered a restaurant called The Bradley

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House, 11321 Old Seward Highway, Anchorage, Alaska, where an event was being hosted for MCGUIRE. It was toward the end of the event when source saw MCGUIRE and her husband, TOM ANDERSON. Source spoke with them briefly. ANDERSON told source, "'I don't know if you are one of the people I need to be worried about.'" Source had the impression ANDERSON felt someone provided information regarding his activities to law enforcement, and he wasn't sure if he could trust source. They did not talk further during that meeting.

Sometime after that meeting, journalist LISA DEMER of the Anchorage Daily Newspaper (ADN), interviewed source regarding PACIFIC PUBLICATIONS. When DEMER left, source tried to call ANDERSON to let him know of the interview and DEMER's interest in the company. ANDERSON did not answer his phone, so source called APPLEBEE and informed him of the interview.

Source asked MARLOW and HULTQUIST if they were contacted by DEMER. MARLOW said she called him, and he told her some information. When MARLOW told source what he related to DEMER, source said that the information would make MARLOW "look bad." Source then advised MARLOW on what to say to the journalist, and provide it to DEMER in writing. MARLOW provided a written statement to DEMER and forwarded a copy to source via email. Source said MARLOW basically stated "this is what I hired ANDERSON to do." MARLOW's communication said ANDERSON provided him education regarding the Certificate of Need (CON) process; and information regarding the legislative intent behind House Bill 131. Source said the email was an accurate disclosure of what ANDERSON did for MARLOW, just not "all" of ANDERSON's services were listed.

Source occasionally attends events at the Performing Arts Building. After one event, source ran into ANDERSON and MCGUIRE at a bar, Sub Zero. They bought source a drink, and discussed the next performance, The Man from La Mancha, scheduled for Saturday October 7, 2006. ANDERSON said that was the first album his father gave him, and they would love to see the performance with source. ANDERSON then told source the article from DEMER would be in the paper tomorrow (Sunday September 24, 2006). Source opined that ANDERSON received the message from APPLEBEE, although source did not understand how ANDERSON knew the article was due to be published the next day. Source was interviewed approximately one week prior to the publication date.

Source stated DEMER's news article was thorough. ANDERSON complained bitterly to source that even though he spoke

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with DEMER, he was represented in a "bad light." He complained half the article was about him. ANDERSON said it was not fair he received all the "bad press," as BEN STEVENS uncooperative with reporters and did worse things than him (ANDERSON), and he did not receive such bad press.

On Tuesday (September 26, 2006) source attended an Anchorage City Council meeting. ANDERSON was present as a representative for the Anchorage Home Builders Association. ANDERSON told source, "Listen to me carefully, don't believe everything you hear. You come talk to me. Don't believe everything you hear. You come talk to me." Source only stated, "Ok."

Source confessed some information which was from his/her past. During the late 1970s when source worked with the Alaskan Pipeline, source sold grams and quarters of cocaine. Source has not used or dealt drugs since that time, and was never arrested for that action.

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