

BRIBERY

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for millions of dollars, and to devise a plan on how to funnel campaign contributions to the Commissioner anonymously.”

Palermo was employed as a Vice President by Lindberg at his firm Eli Global, while Gray was working as a consultant on behalf of Lindberg and his companies.

Hayes was implicated in the scheme as the chairman of the NC Republican Party as he facilitated a single large \$230,000 payment from Lindberg through party coffers to the campaign committee of Mike Causey. (The total cited was \$250,000.)

Although North Carolina law permits unlimited donations from individuals to State political parties and their subsidiary units at the county level, the law prohibits contributions by individuals that exceed \$5,200 per election as well as specific efforts to avoid such limits by using a political party as an intermediary or conduit to get around the limit. (The limits were recently raised for 2019 to \$5,400.) The law also prohibits corporations or LLC's from contributing to political parties as well.

U.S. Rep. Mark Walker (R), who represents the NC Sixth Congressional District, is also tangentially connected to the scheme and the indictments.

Walker, a Republican representing Chatham County, has been identified by multiple media sources as “Public Official A”, a figure who is referenced in the indictment as receiving a payment of \$150,000 from Lindberg and communicating with Gray and Palermo about their matter with the North Carolina Department of Insurance (NCDI) and its Commissioner Mike Causey (R). (The Mark Walker Victory Committee received \$150,000 from Lindberg on February 17, 2018, according to Federal Elections Commission “FEC”.)

In addition, the indictment states that Palermo emailed Lindberg and Gray on February 12, 2018 indicating that “Public Official A” a/k/a Congressman Mark Walker, had made two calls on their behalf regarding the matter to “move the ball forward”.

On July 6, 2018 Palermo emailed Lindberg confirming that he had lunched with Public Official A (Walker) and “took the opportunity to talk to him about our issue with the DOI”. Palermo further elaborated that “I think Public Official A (Walker) got the message and will reach out to Commissioner Causey over the weekend. Net is... in Public Official A's (Walker's) words: “The Commissioner (Causey) needs to man-up and do what he agreed to...”

On July 9, 2018 Palermo texted Walker to confirm whether he had spoken to Causey. Walker later called Causey and expressed that Lindberg, Gray and Palermo seemed anxious to find out whether Causey had made the personnel moves at the NCDI that they wanted.

Later on July 9, 2018, Commissioner Causey called Gray to inquire about the call from Walker. Gray assured Causey that he had personally delivered a \$500,000 check to the NC Republican Party and that Lindberg had written checks for \$1,500,000 for the independent expenditure committee. (The committee was the American Growth and Opportunity Committee Inc. and its treasurer was John Palermo. This committee replaced the North Carolina Opportunity Committee, Inc., which spent approximately \$450,000 in 2016 to re-elect Democratic Insurance Commissioner Wayne Goodwin. Goodwin is currently the chairman of the North Carolina Democratic Party.)

According to the *Raleigh News and*

State contributions by indicted GOP donor John D. Gray,* 2017-2018 cycle

TOTAL	RECIPIENT
\$20,600	NC Republican State Senate Candidates
\$15,400	NC Republican State House Candidates
\$10,725	Chatham County Republican Party
\$6,250	Friends of Forestry PAC
\$5,200	Committee to Elect Dan Forest
\$5,200	Heath for North Carolina
\$1,500	Mike Causey Campaign
\$1,000	Petty for Commissioner
\$1,000	Committee to Elect Brian Bock
\$100	NC Republican Party
\$100	Committee to Elect Michael “Mike” D. Andrews Sheriff
\$67,075	Total for 2017-2018 cycle for state contributions

*Gray lists his occupation on reports at various times as an entrepreneur, consultant, land and timber consultant, registered consultant, and small business owner. Gray lives in Chatham County. Gray was the second largest donor to the Chatham County Republican Party after Greg Lindberg and was a business associate of Lindberg and indicted with Greg Lindberg, John Palermo and Robin Hayes

Federal contributions by indicted GOP donor John D. Gray,* 2017-2018 cycle

TOTAL	RECIPIENT
\$5,000	2018 Tillis Senate Candidate Fund
\$4,000	North Carolina Republican Party
\$2,700	Mark Harris for Congress
\$1,250	McSally for Senate Inc
\$1,250	Heller for Senate
\$1,250	Josh Hawley for Senate
\$1,250	Thom Tillis Committee
\$1,000	Roger Allison for Congress
\$1,000	Virginia Foxx for Congress
\$1,000	Walker 4 NC
\$840	Republican National Committee
\$20,540	Total for 2017-2018 cycle for federal contributions

*Gray lists his occupation on reports at various times as an entrepreneur, consultant, land and timber consultant, registered consultant, and small business owner. Gray lives in Chatham County. Gray was the second largest donor to the Chatham County Republican Party after Greg Lindberg and was a business associate of Lindberg and indicted with Greg Lindberg, John Palermo and Robin Hayes

Observer, the campaign spending reports of U.S. Rep. Mark Walker show a \$50,000 payment on December 21, 2018 to the Wilmer Hale law firm for legal services, which is a Washington, D.C., law firm that specializes in white-collar defense and congressional investigations.

Jack Minor, Walker's communication director, told *The N&O* on April 8th that Walker has assisted the federal Department of Justice in its probe. Minor didn't answer questions from the *N&O* on whether the legal payment had anything to do with the investigation of Lindberg et al.

“The \$50,000 is a retainer for legal and compliance services, a highly common practice for congressional campaigns,” Minor said in a text message to the paper.

In previous campaigns Walker spent less than \$4,000 for such serves according to his campaign reports. Experts in the field indicate that the \$50,000 figure is out of the ordinary.

“It's definitely something that would catch my eye on a report,” said Andrew Mayersohn, a researcher for the Center for Responsive Politics, a campaign finance watchdog. “Everybody spends money on lawyers and things like that, but \$50,000 is pretty big for a House member.”

In a statement reported by the *Chatham News + Record*, Minor said the \$150,000 February 2018 contribution “went to the Republican National Committee and did not benefit Walker's campaign.”

“Walker is not and never has been a target of this investigation, and has committed no wrongdoing,” Minor said. “He has assisted the DOJ.”

Gray contributed \$1,000 to the Mike Causey campaign on November 6, 2017 and \$1,000 to

Walker4NC on December 11, 2017. Lindberg contributed a total of \$5,400 to Walker4NC on December 1, 2017; \$44,300 to the Walker Freedom Fund on November 30, 2017; \$33,900 to the Walker Freedom Fund on January 16, 2018; and contributed \$150,000 to The Mark Walker Victory Committee of February 17, 2018 for a total \$228,200 to Walker related funds and \$5,400 directly to his committee.

The Walker Freedom Fund is a joint fund-raising committee. According to “OpenSecrets.org” the fund distributed \$41,842 to Walker4NC in 2018.

Lindberg first showed up on the local radar for the large contributions he was spreading around Raleigh. He gave \$100,000 to the Chatham County Republican Party in April of 2018, while his business associate Palermo was the chair of the local party. (Online records and campaign finance reports indicate that Palermo was hired out of retirement by Eli Global as a Vice President in early 2017 and installed as the Treasurer for some of the independent expenditure groups that Lindberg was funding or proposing to fund as attested in the indictment.)

Lindberg's gift was noticeable since it was by far the largest contribution to a county party in state history. During the last cycle that ended on December 31, 2018, Lindberg, Gray and Palermo were three of the four largest contributors to the local GOP with Lindberg followed by Gray at \$10,725 and Palermo finishing #4 at 6,104.89 (The third largest contributor does not appear to be connected with the troubled business dealings of Greg Lindberg, although he is a neighbor of Lindberg's estranged wife, Tisha Lindberg, in Chatham County.)

Due to their generosity, the Chatham County GOP, which began the cycle on January 1, 2017 with \$11,637.63, ended it on December 31, 2018 with \$76,693.81 in the bank.

The local Chatham County GOP brought in \$216,901.08 during the period with \$116,854.89 or 53.8% of the haul directly linked to donors who have been indicted by the federal grand jury.

The Chatham County Democratic Party “CCDP” noticed the unusually large contribution on the local GOP's reports in 2018 and passed a resolution last October requesting that the Chatham County GOP divest itself of any tainted funds and give said funds to local non-profit organizations. In addition, the CCDP passed a resolution requesting that the State Republican and Democratic parties also divest of any funds linked to Lindberg and/or his companies and send such funds to charitable organizations in North Carolina.

The Chatham County Republican Party held its convention on March 9, 2019. There is no record online or their website that this issue was addressed.

At the Chatham County Democratic Party's Convention on March 30, 2019 the October resolutions were updated and reaffirmed unanimously by convention delegates.

To date, neither the State Republican nor Democratic parties have divested themselves of said tainted funds or made commitments to such action.

The latest campaign reports filed at the State Board of Elections for the Chatham County Republican Party indicate that it spent some of the tainted funds on last fall's campaign in Chatham County and had yet to divest itself of any funds connected to its indicted donors.

When asked about the \$100,000 donation to the local CCGOP, longtime CCDP chair Jan Nichols said, “The Chatham County Democratic Party was surprised to learn of

the extraordinarily large \$100,000 contribution by mega donor Greg Lindberg last year to the Chatham County Republican Party and when we learned about the donation and the grand jury investigation we had concerns about the intent and source of the contribution. Upon learning more, it seemed to our executive committee that the most prudent, albeit difficult course, would be for all recipients of Lindberg contributions to divest. We passed resolutions to that effect urging such actions last October and again at our County Convention in March.”

The local resolution passed at the convention regarding the local Republican party stated:

RESOLVED, That the Chatham County Democratic Party respectfully request that the Chatham County Republican Party immediately remove the \$100,000 from mega-donor Greg Lindberg from its treasury and send the funds to a Chatham County non-profit that benefits affordable housing, education, the arts, or water quality.

While the resolutions regarding the state parties said:

RESOLVED, That the Chatham County Democratic Party respectfully request that the North Carolina Democratic Party (NCDP) develop a plan to send the equivalent funds to non-profit organizations and seek donations to replace the tainted funds; and that North Carolina Republican Party (NCGOP) immediately remove the funds from mega-donor Greg Lindberg and his companies from their treasury and send the funds to non-profit groups based in North Carolina.

With the following statement expected to be added from the floor at the 6th Congressional District Democratic Convention in Pittsboro on April 27th.

Furthermore, Be It Resolved that the North Carolina Democratic Party and the North Carolina Republican Party immediately support bi-partisan legislation at the North Carolina General Assembly that reconstitutes public financing for elections in North Carolina as well as the tax check off program that previously supported political parties in North Carolina.

When asked about divesting funds, Nichols opined: “Non-profit and political organizations are dependent on donations. When you discover that a donation is tainted, it is a difficult, but necessary decision to divest the organization of the money. Most leaders of such organizations would rather have their wisdom teeth pulled than give back much needed capital because the challenge then becomes how to fill the hole left in the organization's budget.”

The Sixth Congressional District Chair for the Democratic Party, Virginia Penley, stated that the divestiture of funds was an opportunity for transparency and public financing. “The rise of dark money and figures like Lindberg are connected to the Citizens United and McCutcheon decisions at the US Supreme Court. Our state parties and legislative leaders should take this mess as an opportunity to clean up the situation and reinstate tax check-off funding of political parties in North Carolina. This should eliminate the need and opportunities for mega donors like Lindberg to distort democracy for all North Carolinians by dumping waves of cash into the coffers of both parties and shadowy independent expenditure groups. It is time for the public to take back the process.”

Chatham County Line reached out via email to the Chatham County Republican Party and its current chairman, Terry Schmidt, for a position on these issues. No response has been forthcoming and none has been posted on its web site.

AZALEAS

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than 10 years ago Duke Energy built a substation uphill (roughly when a hill nearby was demolished for the RTP toll road) and the connecting powerline extended right over the azalea. At first it flourished because of the extra light and several more sprouted, but every few years the right of way was re-cleared. One year I met with an official and was told I could flag the azaleas and clear around them and they would be left alone, but they were razed anyway. Because of the stream, herbicides weren't sprayed, and the azaleas grew back around four times. Then they said it is safe to spray after all, spraying every three to four years, using a solution of 95% water with brands known as Rodeo, Polaris, and Method, the mix depending on whether there is a body of water. As Duke Energy claims, wildflowers can benefit from the open habitat created and spring flowers such as trout lilies miss the herbicide, while buckeye bushes lose their leaves early, and therefore also often escape the

herbicide, absorbed through foliage—but not the pinxterflowers. The first and largest azalea might have been killed after spraying in 2017, while others probably survived. I have yet to find any azaleas there that aren't under the powerline. There used to be very rare, brilliant red firepinks, but I haven't seen any near Alston since it changed so much. In addition, in the neighborhood there is a secretive, City of Durham-supported Social Security printing facility and their security contractors have harassed people for about 10 years. I thought I had a deal with the person in charge, but I ran into them last spring anyway. Further back, I once visited the azalea when there was a Durham Sheriff checkpoint nearby, and stopping resulted in a tense situation.

Strangely enough herbicide is also harming southern Durham's ‘newest’ azaleas, on land owned by the Army Corps of Engineers. I noticed saplings changing color early, and thought it must be summer drought, though it did not seem that dry. Then I realized that herbicide had been sprayed all over, from tall saplings and overhanging limbs down to roadside ferns.

Eventually I tracked the source to the DOT, and was told that they sprayed a solution of Garlon 3A (Triclopyr) and RRSI NIS surfactant, which kills branches it lands on, part of a statewide project to remove visual obstructions. The road there is completely straight, but could use guardrails. The azaleas were damaged, but might flower this month.

The world seems to be awash with poisons, even harming pollinators and contaminating our food. Herbicide saves the DOT and Duke Energy money (last July into August the DOT spent close to \$30 million across NC cutting vegetation, and \$2.75 million on chemicals), just as automating trucking and airliners might be profitable, but with costs. People disrespecting California's “superbloom” is a headline today, but rare flowers here should be left alone.

Michael Pollock lives in southern Durham and founded Northeast Creek Stream Watch (www.northeastcreek.org). He studied biology and anthropology at UNC and has written for publications such as the Carolina Gardener magazine, the News & Observer, and Carrboro Free Press.