

C A M P A I G N F O R  
**ACCOUNTABILITY**

March 5, 2018

**By FAX:** 919-715-1644

State Ethics Commission  
North Carolina  
1324 Mail Service Center  
Raleigh, NC 27699-1324

**Re: Investigation of Speaker of the House Tim Moore**

Dear Members of the Commission:

Campaign for Accountability (“CfA”), a nonprofit government watchdog organization, requests that you investigate whether Tim Moore, Speaker of the North Carolina General Assembly, violated state ethics law by improperly intervening with the North Carolina Department of Environmental Quality (“DEQ”) to secure preferential treatment for his personal financial gain.

On February 6, 2017, CfA submitted an open records request to the North Carolina DEQ<sup>1</sup>, receiving documents in response on April 6, 2017. Based on questions raised by those records, CfA filed a supplemental request and eventually, after some haggling, DEQ produced additional records on September 19, 2017 and, after further discussion, made a final production on December 19, 2017.

Notably, despite all of CfA’s requests, at least one critical document was not produced and, according to DEQ, does not exist. The records that were produced, however, combined with the unaccountably missing record, suggest that Speaker Moore persuaded DEQ not to engage in an enforcement action for violations of state environmental law, allowing him to reap significant financial gain. Therefore, pursuant to §138A-12 of the North Carolina State Government Ethics Act, CfA respectfully requests that the State Ethics Commission investigate Speaker Moore and refer the matter to the Legislative Ethics Committee for further action.

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<sup>1</sup> The Department of Environmental Quality was previously known as the Department of Environment and Natural Resources; the name change took effect on September 18, 2015. To avoid confusion, we refer to the Department of Environmental Quality throughout, even when referring to events prior to the effective date of the name change.

## Background

### *Correspondence Regarding Underground Storage Tanks*

Speaker Moore is the Vice President and part owner of Southeast Land Holdings LLC (“Southeast”).<sup>2</sup> On November 19, 2013, Southeast purchased a property at 1101 E Third Street, Siler City, North Carolina for \$85,000.<sup>3</sup> The property, a former Townsend poultry plant, contained two underground storage tanks (“UST”) that are subject to regulation by DEQ.<sup>4</sup> The tanks held diesel and gasoline fuel.<sup>5</sup>

According to email correspondence obtained by CfA, on August 21, 2014, acting in the normal course of business, DEQ Inspector Rose Pruitt issued a Notice of Violation to Southeast providing that the USTs on the property had not been properly registered and needed to be permanently closed because of their deteriorated condition.<sup>6</sup> Throughout September 2014, DEQ staffers had conversations with Speaker Moore about “filing registration documents, paying tank fees, and closing the USTs.”<sup>7</sup> Speaker Moore also requested a meeting with Underground Storage Tank Section Chief Art Barnhardt and Annette Parker of the Permits and Inspection Branch, and made a request for and received a waiver of late fees.<sup>8</sup>

On September 25, 2014, Mr. Barnhardt sent Speaker Moore an email to provide information the two men apparently had discussed in an earlier phone call. Mr. Barnhardt offered several recommendations as to how Speaker Moore could “work to address the issues surrounding the UST.”<sup>9</sup> He advised Speaker Moore to update his registration, pay all fees, and remove the tanks.<sup>10</sup> He also suggested the speaker request an extension to address the Notice of Violation, noting that extensions are “routinely granted in situations such as these,” but also stating that “the product must be removed from the UST (1 inch or less) prior and documentation of that accomplishment must be sent to Rose [Pruitt].”<sup>11</sup>

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<sup>2</sup> Rep. Tim Moore, 2017 Statement of Economic Interest, filed April 13, 2017; Rep. Tim Moore, 2015 Statement of Economic Interest, filed May 13, 2015, *accessed at* <https://ethics.ncsbe.gov/masterSearch.aspx>; Southeast Land Holdings, LLC, 2016 Annual Report, North Carolina Secretary of State, filed January 9, 2017, *accessed at* [https://www.sosnc.gov/online\\_services/search/by\\_title/Business\\_Registration](https://www.sosnc.gov/online_services/search/by_title/Business_Registration); Email from Ruth Strauss to Art Barnhardt and Linda Culpepper, May 7, 2015 (attached as Exhibit A).

<sup>3</sup> Parcel ID 0061441, Chatham County Property Record Card, February 7, 2018, *available at* <http://giservices.chathamnc.org/gisfiles/Tax%20Cards/akpar0061441.pdf>.

<sup>4</sup> *Id.*; <https://deq.nc.gov/about/divisions/waste-management/ust/faq>; North Carolina DEQ, Registered Underground Storage Tank Database, tblFacilities, Facility ID: 00-0-0000032430, *accessed at* <https://deq.nc.gov/about/divisions/waste-management/ust/databases>.

<sup>5</sup> North Carolina DEQ, Registered Underground Storage Tank Database, tblAllRegUSTs, Facility ID: 00-0-0000032430, *accessed at* <https://deq.nc.gov/about/divisions/waste-management/waste-management-rules-data/underground-storage-tanks-databases>.

<sup>6</sup> Email from Ruth Strauss to Art Barnhardt and Linda Culpepper, *supra* Exhibit A.

<sup>7</sup> *Id.*

<sup>8</sup> *Id.*

<sup>9</sup> Email from Art Barnhardt to Rep. Tim Moore, September 25, 2014 (attached as Exhibit B).

<sup>10</sup> *Id.*

<sup>11</sup> *Id.*

On October 1, 2014, Inspector Pruitt indicated she was prepared to grant the extension for Southeast to schedule tank closures, and Speaker Moore apparently replied stating that Southeast would have the diesel tank pumped out.<sup>12</sup> On October 2, 2014, Inspector Pruitt issued a certified letter granting Southeast a 30-day extension to schedule tank closures by November 2, 2014.<sup>13</sup> In October, Southeast also apparently filed change of ownership papers and paid tank fees.<sup>14</sup>

On April 24, 2015, more than six months later, Inspector Pruitt issued a “Notice of Recommendation for Enforcement” to Southeast.<sup>15</sup> In response, she received a voicemail from Speaker Moore indicating that Southeast wanted an additional extension to find a buyer for the property.<sup>16</sup>

Notably, in the September 2014 email to Speaker Moore listing the steps Speaker Moore needed to take in regard to the USTs on Southeast’s property, Mr. Barnhardt also had explained:

You indicated that perhaps the new owner could possibly continue to use the tanks if the property were to be sold. That does not appear to be a viable option in this case. The tanks are quite old and have served beyond their normal life span. It is doubtful a new owner would want to utilize a system of this age and status.<sup>17</sup>

Nevertheless, as of April 24, DEQ reported that Speaker Moore had not taken any of the required actions, that the USTs needed to be permanently closed as they had lacked “corrosion protection for years,” and that “one of the tanks contained about five inches of product.”<sup>18</sup>

Two weeks after receiving this information, on May 7, 2015, Linda Culpepper, Director of North Carolina Waste Management responded that she needed “clarification” before forwarding the email, and asked “What action did Southeast Land Holdings take between 10/2/2104 and 4/24/15?”<sup>19</sup>

Less than two hours later, Ruth Strauss replied, “In October 2014, Southeast filed change of ownership documents with us and paid tank fees.”<sup>20</sup>

An hour after receiving that information, apparently recognizing the potential political sensitivity of Inspector Pruitt’s actions, Director Culpepper elevated the issue, emailing Matthew T. Dockham, DEQ Director of Legislative and Intergovernmental Affairs, and Brad Knott, Deputy Legislative Liaison, and copying Jay Osborne, DEQ Assistant General Counsel and Tom Reeder, DEQ Assistant Secretary. Director Culpepper explained that Inspector Pruitt would be

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<sup>12</sup> Email from Ruth Strauss to Art Barnhardt and Linda Culpepper, *supra* Exhibit A.

<sup>13</sup> *See* Exhibit A.

<sup>14</sup> *See* Email from Ruth Strauss to Linda Culpepper and Rose Pruitt, May 7, 2015 (attached as Exhibit C).

<sup>15</sup> *See* Exhibit A.

<sup>16</sup> *Id.*

<sup>17</sup> Email from Art Barnhardt to Rep. Tim Moore, *supra*, Exhibit B.

<sup>18</sup> Email from Ruth Strauss to Art Barnhardt and Linda Culpepper, *supra*, Exhibit A.

<sup>19</sup> Email from Linda Culpepper to Ruth Strauss and Rose Pruitt, May 7, 2015 (attached as Exhibit D).

<sup>20</sup> Email from Ruth Strauss to Linda Culpepper and Rose Pruitt, May 7, 2015, *supra*, Exhibit C.

contacting them “about a property Speaker Moore is working with as a VP of Southeast Holdings, LLC.”<sup>21</sup>

Director Culpepper continued:

The site has petroleum tanks that need to be closed given they do not meet current tank standards. It appears that the LLC was hoping to sell the property and initially thought the tanks may be of use to a new owner . . . The LLC seems to have delayed the environmental assessment pending a sale of the property. We are moving forward with action to compel the assessment in a timely manner. A pending sale should not delay an assessment. Please let me know if you have any questions. **Staff are instructed to have one of you involved in any conversation with General Assembly members. They will be contacting you for assistance.**<sup>22</sup> (emphasis added)

Fifteen minutes later, Assistant Secretary Reeder forwarded the email to the DEQ Secretary Donald van der Vaart and Chief Deputy Secretary John Evans with the comment “FYI.”<sup>23</sup>

Later that day, Ms. Strauss advised Mr. Barnhardt and Ms. Culpepper that Inspector Pruitt had contacted Mr. Knott, who was “figuring out how to coordinate a call to Mr. Moore.”<sup>24</sup>

Soon thereafter, Assistant Secretary Reeder sent an email to Ms. Culpepper, Mr. Dockham, Mr. Knott and Mr. Osborne stating, “Linda – DWM should handle this case just like it would any other one with similar circumstances. Thanks.”<sup>25</sup> Ms. Culpepper replied, “Will do.”<sup>26</sup>

In response, Inspector Pruitt said she would convey to Mr. Moore, “UST’s intent to proceed with the enforcement.”<sup>27</sup> About an hour after sending that email, Inspector Pruitt sent an additional email explaining that Mr. Moore had contacted her and that he had said there was a contract pending for the sale of the property, that the prospective owner had agreed to remove the tanks after purchase, and that he would provide proof the tanks had been emptied. She said she had encouraged Mr. Moore to send in verification that the tanks had been emptied so she could “remove that particular violation from the enforcement,” that she had advised Mr. Moore “sale of the property was not considered a proper corrective action,” and that she “would have to move forward with the enforcement recommendation.” Finally, she said she had suggested Mr.

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<sup>21</sup> Email from Linda Culpepper to Matthew T. Dockham and Brad Knott, May 7, 2015 (attached as Exhibit E).

<sup>22</sup> *Id.*

<sup>23</sup> Email from Tom Reeder to Donald Van der Vaart and John Evans, May 7, 2015 (attached as Exhibit F).

<sup>24</sup> Email from Ruth Strauss to Art Barnhardt and Linda Culpepper, May 7, 2015 (attached as Exhibit G).

<sup>25</sup> Email from Tom Reeder to Linda Culpepper, Matthew Dockham and Brad Knott, May 7, 2015 (attached as Exhibit H).

<sup>26</sup> Email from Linda Culpepper to Tom Reeder, May 7, 2015 (included with Exhibit H).

<sup>27</sup> Email from Rose Pruitt to Linda Culpepper, Ruth Strauss and Art Barnhardt, May 7, 2015 (attached as Exhibit I).

Moore submit a formal request for the 90 day extension along with any supporting material, but that an extension would be “unlikely.”<sup>28</sup>

On May 12, Mr. Moore followed up with a short email requesting an extension, apparently attaching documentation showing that the fuel was removed.<sup>29</sup> Despite having earlier pronounced an extension unlikely, on May 14, Ms. Culpepper sent an email to Ms. Strauss, copying Mr. Barnhardt, in which she stated, “Thanks for sending me the points we considered to make the extension.”<sup>30</sup> The same day, Ms. Pruitt thanked Mr. Moore for the documentation and granted an extension until August 15, 2017.<sup>31</sup>

Despite CfA’s concerted efforts to obtain the “points” DEQ considered in the surprising decision to grant the extension, DEQ has been unable or unwilling to provide such a document. The lack of such a document is troubling, particularly given the timing: Speaker Moore made his extension request on May 12. In response to CfA’s initial open records request, DEQ produced no records of communications from later that day or any the following day, May 13. Eventually, after CfA persisted, DEQ produced additional records, but noticeably, not the “points” used to facilitate the extension.

An attorney for DEQ has attempted to explain away the missing record, claiming:

We have been unable to locate any emails regard the “points” referenced above. I spoke to Linda Culpepper and she is not sure an email was ever sent. She stated that it is possible that she may have been thanking her in advance and followed up by talking to her in person.<sup>32</sup>

It seems unlikely that there was no email containing points DEQ relied upon for a sudden about-face in its position. Ms. Culpepper’s email is straightforward: she thanked Ms. Strauss for sending her the “points.” The idea that Ms. Culpepper actually was thanking Ms. Strauss in advance simply makes no sense. Further, even if this dubious explanation is somehow accurate, in light of the extensive email correspondence surrounding this issue right up until the moment DEQ reverses its position to personally financially benefit the Speaker of the House, it seems likely there would have been some written explanation. Yet according to DEQ, there are no records explaining the sudden about-face.

In April 2017, CfA reviewed an online state database that tracks information about USTs. At the time, the database indicated the tanks on Southeast’s property had been permanently

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<sup>28</sup> Email from Rose Pruitt to Tom Reeder, Linda Culpepper, Ruth Strauss and Art Barnhardt, May 7, 2015 (attached as Exhibit J).

<sup>29</sup> Email from Tim Moore to Rose Pruitt, May 12, 2015 (attached as Exhibit K).

<sup>30</sup> Email from Linda Culpepper to Ruth Strauss, May 14, 2015 (attached as Exhibit L).

<sup>31</sup> Email from Rose Pruitt to Tim Moore, May 14, 2015 (attached as Exhibit M).

<sup>32</sup> Letter from Kyle Peterson to Campaign for Accountability Executive Director Daniel E. Stevens, December 19, 2017 (attached as Exhibit N).

closed on August 13, 2015, three months after DEQ approved the extension.<sup>33</sup> As of today's date, however, the same database no longer includes a closure date for the tanks.<sup>34</sup>

More than a year later, on September 22, 2016, Southeast finally sold the property to Mountaire Farms for \$550,000 – a gain of \$465,000.<sup>35</sup> Less than two months later, Southeast filed a claim with DEQ to recoup \$22,400 in cleanup costs associated with the USTs.<sup>36</sup>

### *State and Local Officials Provide Tax Credits to Revitalize Speaker Moore's Property*

Between November 2013 and September 2016 – the period Southeast owned the property with the USTs – two different companies announced they were taking over the Southeast property with the help of state and local funding.

On August 21, 2014, the same day DEQ first notified Southeast about the substandard USTs, the North Carolina Department of Commerce announced a \$750,000 grant from the Rural Infrastructure Authority (“RIA”) for Carolina Premium Foods to take over the Southeast property to refurbish and reopen the poultry plant at the site.<sup>37</sup> The governor, Speaker of the House, and President Pro Tempore of the Senate each appoint five members to the commission.<sup>38</sup>

The Siler City Town Council considered Carolina Premium Foods' proposal at a board meeting on December 15, 2014.<sup>39</sup> The company was essentially a shell company, composed of a few Duke University graduates, and was attempting to leverage the state grant to build a poultry company in Siler City. The company's plans never came together,<sup>40</sup> and the grant was never authorized.<sup>41</sup>

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<sup>33</sup> North Carolina DEQ, Registered Underground Storage Tank Database, tblFacilities, Facility ID: 00-0-0000032430, accessed April 6, 2017.

<sup>34</sup> North Carolina DEQ, Registered Underground Storage Tank Database, tblFacilities, Facility ID: 00-0-0000032430, accessed February 28, 2018, available at <https://deq.nc.gov/about/divisions/waste-management/ust/databases>.

<sup>35</sup> Parcel ID 0061441, Chatham County Property Record Card, February 7, 2018.

<sup>36</sup> North Carolina DEQ, State Cleanup Funds Database, Company: Southeast Land Holdings LLC, accessed at <https://deq.nc.gov/about/divisions/waste-management/ust/databases>.

<sup>37</sup> Press Release, N.C. Rural Infrastructure Authority Approves Fifth Round of Grants, North Carolina Department of Commerce, August 21, 2014, available at [https://www.nccommerce.com/news/press-releases?udt\\_4733\\_param\\_detail=187675](https://www.nccommerce.com/news/press-releases?udt_4733_param_detail=187675).

<sup>38</sup> <https://www.nccommerce.com/about-our-department/boards-commissions/rural-infrastructure-authority>.

<sup>39</sup> Meeting Minutes, Town of Siler City Board of Commissioners, December 14, 2014, available at [http://www.silercity.org/vertical/sites/%7B3856B9B8-1C42-483B-A4CB-C0D6B1FE7142%7D/uploads/12-15-2014\\_Signed\\_Minutes.pdf](http://www.silercity.org/vertical/sites/%7B3856B9B8-1C42-483B-A4CB-C0D6B1FE7142%7D/uploads/12-15-2014_Signed_Minutes.pdf)

<sup>40</sup> Amanda Hoyle, Chicken Processor Looking to fill 500 positions at Siler City Plant, *Triangle Business Journal*, May 5, 2015, available at <https://www.bizjournals.com/triangle/blog/real-estate/2016/05/chicken-processor-looking-to-fill-500-positions.html>.

<sup>41</sup> David Bracken, Mountaire Farms to Take Over Siler City Poultry Plant, *The News & Observer*, May 5, 2016, available at <http://www.newsobserver.com/news/business/article75807177.html>.

A year-and-a-half later, on May 5, 2016, Mountaire Farms announced it had reached a deal to reopen the poultry plant on the Southeast property in Siler City,<sup>42</sup> and purchased the property from Southeast on September 22, 2016 for \$550,000.<sup>43</sup>

On October 17, 2016, the Chatham County Board of Commissioners approved \$1.5 million in tax incentives for Mountaire Farms in exchange for upgrading the Southeast property. The Siler City Town Council also approved \$800,000 in property tax incentives for the company.<sup>44</sup>

On December 19, 2016, outgoing North Carolina Governor McCrory announced a \$1.5 million grant from the state's RIA to Siler City to expand its wastewater service to accommodate the Mountaire Farms poultry plant.<sup>45</sup>

### Legal Violation

North Carolina law prohibits legislators from knowingly using their "public position in an official action or legislative action" that will result in a financial benefit to themselves or any business with which they are associated.<sup>46</sup> In addition, public servants are required to make a "due and diligent effort" to avoid conflicts of interest.<sup>47</sup> The willful failure of a legislator to comply with state ethics rules is grounds for sanctions.<sup>48</sup>

The State Government Ethics Act authorizes the Commission to conduct inquiries of alleged unethical conduct by legislators.<sup>49</sup> In fact, upon receipt of a signed and sworn complaint made by any individual, the Commission "shall conduct an inquiry."<sup>50</sup>

Here, it appears Speaker Moore may have used his official legislative position to advance his personal financial interests. The records CfA obtained from DEQ reveal that Speaker Moore directly intervened with state officials to avoid the issuance of fines for failing to abide by the state's environmental laws. Speaker Moore appears to have managed to delay DEQ from engaging in any enforcement action, giving his company time to secure a buyer for the property, eventually allowing him to sell the property for \$465,000 more than the purchase price, just three years earlier. Further, the property owned by Speaker Moore's company also appears to have

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<sup>42</sup> *Id.*

<sup>43</sup> Parcel ID 0061441, Chatham County Property Record Card, February 7, 2018.

<sup>44</sup> Amanda Hoyle, Manufacturer Approved for Chatham County Incentives, Boosts Jobs Pledge to 714, *Triangle Business Journal* (Raleigh/Durham, North Carolina), October 19, 2016, available at <https://www.bizjournals.com/triangle/news/2016/10/19/mountaire-farms-siler-city-nc-incentives-jobs.html>.

<sup>45</sup> David Ranii and John Murawski, NC Grants \$8.7M to More than 2 Dozen Projects from Distilleries to Poultry Processors, *The News & Observer*, December 19, 2016, available at <http://www.newsobserver.com/news/business/article121811668.html>.

<sup>46</sup> N.C. Gen. Stat. § 138A-31(a).

<sup>47</sup> N.C. Gen. Stat. § 138A-35.

<sup>48</sup> N.C. Gen. Stat. § 138A-45(e).

<sup>49</sup> N.C. Gen. Stat. § 138A-12.

<sup>50</sup> *Id.*

benefitted substantially from state funding and local tax breaks – benefits Speaker Moore may have influenced.

In addition to determining whether Speaker Moore's contacts with DEQ were appropriate and whether DEQ officials accorded Speaker Moore preferential treatment because of his high-level government position, investigation also is warranted to determine whether Speaker Moore took other action to benefit his business. For example, did Speaker Moore intervene with officials at either Carolina Premium Foods or Mountaire Farms to persuade them to buy Southeast? Did he influence either state or local officials to direct state money to benefit Mountaire Farms, incentivizing it to purchase Southeast?

### **Conclusion**

Combined, the fact that a DEQ inspector told Speaker Moore he was unlikely to receive the exception he sought, that the agency abruptly reversed itself and granted the exception, and that a critical email, which would have explained DEQ's about-face is nowhere to be found, suggest that Speaker Moore may have received preferential treatment from DEQ, allowing him to reap a substantial financial benefit.

Public confidence in government is undermined when elected representatives abuse their positions for their own personal financial benefit rather than for the public good – the reason the State Ethics Commission must investigate such allegations. If Speaker Moore used his position in the General Assembly to avoid the regulations and penalties to which other North Carolina landowners are subject, and thereby reaped a \$465,000 profit from the sale of his property, he should be held accountable.

Sincerely,

A handwritten signature in blue ink, appearing to read "Dan E Stevens", with a long horizontal flourish extending to the right.

Daniel E. Stevens  
Executive Director

Encls.

cc: Beth A. Wood  
State Auditor

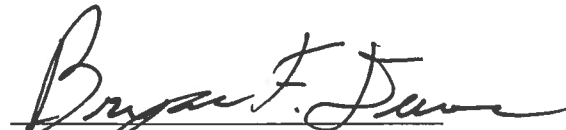
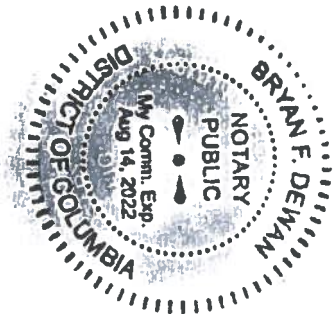


## Verification

Campaign for Accountability and Daniel Stevens hereby verify that the statements made in the attached Complaint are, upon information and belief, true.

  
Daniel Stevens

Sworn to and subscribed before me this 5th day of March 2018.

  
Notary Public

# **EXHIBIT A**

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**From:** Strauss, Ruth  
**Sent:** Thursday, May 07, 2015 7:39 AM  
**To:** Barnhardt, Art; Culpepper, Linda  
**Cc:** Pruitt, Rose  
**Subject:** Tim Moore and Southeast Land Holdings, LLC UST Facility ID # 0-0-32430

Hi;

This is to let you know that earlier this week Rose Pruitt, UST Inspector, received a voicemail from Tim Moore in response to Notice of Recommendation for Enforcement (10-Day Letter) that she issued to Southeast Land Holdings, LLC on April 24, 2015. Tim Moore is Vice President of this LLC. Per federal and state regulations, the UST systems at this site must be permanently closed because they have had no corrosion protection for years. In addition, one of the tanks contained about five inches of product. No documentation has been received to date showing that any of these actions have been initiated. A short chronology is provided below:

8/11/2014 Rose Pruitt conducted a compliance inspection. Was a complaint from a neighbor about fumes in his house (I am still looking into this)?

8/21/14 Rose issued NOV for failure to update the registration for the UST systems and failure to permanently close two substandard UST systems. (Southeast Land Holdings, LLC purchased this site out of bankruptcy).

9/2014 Art, Rose and Annette had conversations with Mr. Moore about filing registration documents, paying tank fees and closing the USTs. E-mail exchange on 9/30/2014. Mr Moore requested a meeting with Art and Annette. Also requested waiver of late penalties (granted).

10/1/2014 Rose indicated in an e-mail that she will grant 30-day extension for Southeast to schedule tank closures. In e-mail exchange, Mr. Moore indicated that Southeast will have the diesel tank pumped out. Rose measured 5 inches of product in it at her inspection.

10/2/2014 - Rose issued certified letter approval an extension until November 2, 2014.

4/24/2015 Rose issued a Notice of Recommendation for Enforcement (10-Day Letter). She received a voicemail from Mr. Moore indicating that Southeast wants an additional extension to find a buyer for the property.

# **EXHIBIT B**

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**From:** Barnhardt, Art  
**Sent:** Thursday, September 25, 2014 4:25 PM  
**To:** Rep. Tim Moore  
**Cc:** Culpepper, Linda; Lindh, Sarah D; Gillespie, Mitch; Robbins, Neal  
**Subject:** Information Request - Siler City

Rep. Moore:

I am providing the information in regard to the Underground Storage Tank System (UST) Notice we discussed over the telephone. Below you will find a several recommended steps that may be of benefit as you work to address the issues surrounding the UST.

First, to address the time sensitivity of the Notice, please send Rose Pruitt (contact information below) an email or letter requesting an extension of time for addressing the Notice of Violation. Extensions are routinely granted in situations such as this, however the product must be removed from the UST (1 inch or less) prior and documentation of that accomplishment also sent to Rose. In the extension request, be specific in how much time you will need to accomplish the following tasks:

- 1- Get UST ownership/registration updated
- 2- Pay all annual fees and late payment penalties before a release is discovered, (\$5,880.00 according to our records) one of the necessary requirements for Trust Fund Coverage. A written request for waiver of late payment penalties can be submitted to Annette Parker with our Permits and Inspection Branch and will most

likely be granted for this type ownership situation. \$2,520.00 of the \$5,880.00 is the current late payment penalty balance.

3- Remove Tanks. Federal Requirements specify tanks that have been without corrosion protection for more than 1 year are not to be used and properly closed. North Carolina has Rules and Guidelines that specify how to comply with these requirements.

You indicated that perhaps the new owner could possibly continue to use the tanks if the property were to be sold. That does not appear to be a viable option in this case. The tanks are quite old and have served beyond their normal life span. It is doubtful a new owner would want to utilize a system of this age and status. However, a new owner would have the same ability as the current owner to accomplish all the above items, if in theory the property change hands as long as all facts remain the same.

Rose Pruitt Email:

[rose.pruitt@ncdenr.gov](mailto:rose.pruitt@ncdenr.gov)

Annette Parker Email:

[annette.parker@ncdenr.gov](mailto:annette.parker@ncdenr.gov)

Mailing Address:

DENR Waste Management – UST Section

1637 Mail Service Center

Raleigh, NC 27699

I hope this helps guide you through the UST regulatory process. Please let me know if you need any additional assistance.

*Art Barnhardt*

Underground Storage Tank Section Chief

NC DENR Division of Waste Management

Phone/Fax: 919-707-8263

Physical Address:

Green Square Office Complex

217 West Jones Street

Raleigh, NC 27603-6100

Mailing Address:

1637 Mail Service Center

Raleigh, NC 27699-1637

NOTICE: E-mail correspondence to and from this address may be subject to the North Carolina Public Records Law and may be disclosed to third parties unless the content

is exempt by statute or other regulation.

# **EXHIBIT C**



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**From:** Strauss, Ruth  
**Sent:** Thursday, May 07, 2015 9:43 AM  
**To:** Culpepper, Linda; Pruitt, Rose  
**Cc:** Barnhardt, Art  
**Subject:** RE: Tim Moore and Southeast Land Holdings, LLC UST Facility ID # 0-0-32430

In October 2014, Southeast filed change of ownership documents with us and paid tank fees.

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# **EXHIBIT D**

**From:** Culpepper, Linda  
**Sent:** Thursday, May 07, 2015 8:09 AM  
**To:** Strauss, Ruth; Pruitt, Rose  
**Cc:** Barnhardt, Art  
**Subject:** RE: Tim Moore and Southeast Land Holdings, LLC UST Facility ID # 0-0-32430

Thank you for the email. I need a clarification before forwarding this. What action did Southeast Land Holdings take between 10/2/2104 and 4/24/15?

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**From:** Strauss, Ruth  
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**To:** Barnhardt, Art; Culpepper, Linda  
**Cc:** Pruitt, Rose  
**Subject:** Tim Moore and Southeast Land Holdings, LLC UST Facility ID # 0-0-32430

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10/2/2014 - Rose issued certified letter approval an extension until November 2, 2014.

4/24/2015 Rose issued a Notice of Recommendation for Enforcement (10-Day Letter). She received a voicemail from Mr. Moore indicating that Southeast wants an additional extension to find a buyer for the property.

# **EXHIBIT E**

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**From:** Culpepper, Linda  
**Sent:** Thursday, May 07, 2015 10:45 AM  
**To:** Dockham, Matthew T; Knott, Brad  
**Cc:** Osborne, Jay L; Reeder, Tom  
**Subject:** RE: Tim Moore and Southeast Land Holdings, LLC UST Facility ID # 0-0-32430

Update – Rose Pruitt will be contacting you about a property Speaker Moore is working with as a VP of Southeast Holdings, LLC.

The site has petroleum tanks that need to be closed given they do not meet current tank standards. It appears that the LLC was hoping to sell the property and initially thought the tanks may be of use to a new owner. Due to the tank conditions, they need to be closed. The LLC paid the back tank fees so the tanks are eligible for the Leaking Underground Storage Tank (LUST) Trust Fund if they have had a release. The LLC seems to have delayed the environmental assessment pending a sale of the property. We are moving forward with action to compel the assessment in a timely manner. A pending sale should not delay an assessment.

Please let me know if you have any questions. Staff are instructed to have one of you involved in any conversation with General Assembly members. They will be contacting you for assistance.

Thank you,  
linda

---

# EXHIBIT F

**From:** [Reeder, Tom](#)  
**To:** [Vandervaat, Donald](#); [Evans, John](#)  
**Subject:** FW: Tim Moore and Southeast Land Holdings, LLC UST Facility ID # 0-0-32430  
**Date:** Thursday, May 07, 2015 11:00:18 AM

---

fyi



Tom Reeder  
Assistant Secretary for Environment  
NC Department of Environment and Natural Resources  
919-707-8619  
[tom.reeder@ncdenr.gov](mailto:tom.reeder@ncdenr.gov)

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**From:** Culpepper, Linda  
**Sent:** Thursday, May 07, 2015 10:45 AM  
**To:** Dockham, Matthew T; Knott, Brad  
**Cc:** Osborne, Jay L; Reeder, Tom  
**Subject:** RE: Tim Moore and Southeast Land Holdings, LLC UST Facility ID # 0-0-32430

Update – Rose Pruitt will be contacting you about a property Speaker Moore is working with as a VP of Southeast Holdings, LLC.  
The site has petroleum tanks that need to be closed given they do not meet current tank standards. It appears that the LLC was hoping to sell the property and initially thought the tanks may be of use to a new owner. Due to the tank conditions, they need to be closed. The LLC paid the back tank fees so the tanks are eligible for the Leaking Underground Storage Tank (LUST) Trust Fund if they have had a release. The LLC seems to have delayed the environmental assessment pending a sale of the property. We are moving forward with action to compel the assessment in a timely manner. A pending sale should not delay an assessment.

Please let me know if you have any questions. Staff are instructed to have one of you involved in any conversation with General Assembly members.  
They will be contacting you for assistance.

Thank you,  
linda

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**From:** Strauss, Ruth  
**Sent:** Thursday, May 07, 2015 9:43 AM  
**To:** Culpepper, Linda; Pruitt, Rose  
**Cc:** Barnhardt, Art  
**Subject:** RE: Tim Moore and Southeast Land Holdings, LLC UST Facility ID # 0-0-32430

In October 2014, Southeast filed change of ownership documents with us and paid tank fees.

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# EXHIBIT G



**From:** [Strauss, Ruth](#)  
**To:** [Barnhardt, Art](#); [Culpepper, Linda](#)  
**Subject:** RE: Tim Moore and Southeast Land Holdings, LLC UST Facility ID # 0-0-32430  
**Date:** Thursday, May 07, 2015 3:11:00 PM

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Rose has not called Mr. Moore back yet. She contacted Brad Knott and he is figuring out how to coordinate a call to Mr. Moore.

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**From:** Strauss, Ruth  
**Sent:** Thursday, May 07, 2015 7:39 AM  
**To:** Barnhardt, Art; Culpepper, Linda  
**Cc:** Pruitt, Rose  
**Subject:** Tim Moore and Southeast Land Holdings, LLC UST Facility ID # 0-0-32430

Hi;

This is to let you know that earlier this week Rose Pruitt, UST Inspector, received a voicemail from Tim Moore in response to Notice of Recommendation for Enforcement (10-Day Letter) that she issued to Southeast Land Holdings, LLC on April 24, 2015. Tim Moore is Vice President of this LLC. Per federal and state regulations, the UST systems at this site must be permanently closed because they have had no corrosion protection for years. In addition, one of the tanks contained about five inches of product. No documentation has been received to date showing that any of these actions have been initiated. A short chronology is provided below:

8/11/2014 Rose Pruitt conducted a compliance inspection. Was a complaint from a neighbor about fumes in his house (I am still looking into this)?

8/21/14 Rose issued NOV for failure to update the registration for the UST systems and failure to permanently close two substandard UST systems. (Southeast Land Holdings, LLC purchased this site out of bankruptcy).

9/2014 Art, Rose and Annette had conversations with Mr. Moore about filing registration documents, paying tank fees and closing the USTs. E-mail exchange on 9/30/2014. Mr Moore requested a meeting with Art and Annette. Also requested waiver of late penalties (granted).

10/1/2014 Rose indicated in an e-mail that she will grant 30-day extension for Southeast to schedule tank closures. In e-mail exchange, Mr. Moore indicated that Southeast will have the diesel tank pumped out. Rose measured 5 inches of product in it at her inspection.

10/2/2014 - Rose issued certified letter approval an extension until November 2, 2014.

4/24/2015 Rose issued a Notice of Recommendation for Enforcement (10-Day Letter). She received a voicemail from Mr. Moore indicating that Southeast wants an additional extension to find a buyer for the property.

# EXHIBIT H

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**From:** Culpepper, Linda  
**Sent:** Thursday, May 07, 2015 3:32 PM  
**To:** Reeder, Tom  
**Subject:** RE: Tim Moore and Southeast Land Holdings, LLC UST Facility ID # 0-0-32430

Will do.

---

**From:** Reeder, Tom  
**Sent:** Thursday, May 07, 2015 3:21 PM  
**To:** Culpepper, Linda; Dockham, Matthew T; Knott, Brad  
**Cc:** Osborne, Jay L  
**Subject:** RE: Tim Moore and Southeast Land Holdings, LLC UST Facility ID # 0-0-32430

Linda – DWM should handle this case just like it would any other one with similar circumstances. Thanks.



Tom Reeder  
Assistant Secretary for Environment

# EXHIBIT I

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**From:** Pruitt, Rose

**Sent:** Thursday, May 07, 2015 4:00 PM

**To:** Culpepper, Linda; Strauss, Ruth; Barnhardt, Art

**Cc:** Knott, Brad; Dockham, Matthew T; Reeder, Tom

**Subject:** RE: Tim Moore and Southeast Land Holdings, LLC UST Facility ID # 0-0-32430

Thanks Linda,

I haven't talked to Mr Moore yet, but returned a message yesterday. I am waiting to hear back from Brad Knott to determine if he or Matt will participate in any future phone call with Mr Moore. Meanwhile if Mr Moore contacts me before that is determined I will convey UST's intent to proceed with the enforcement as selling the property is not considered a corrective action. I will update with any new developments.

Rose Pruitt

NC DENR, Division of Waste Management, UST Section

1637 Mail Service Center

Raleigh, NC 27699-1637

Voice: (336) 852-9088

FAX: (919) 516-0604

[UST Section Website](#)

E-mail correspondence to and from this address may be subject to the North Carolina Public Records Law and may be disclosed to third parties.

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# **EXHIBIT J**

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**From:** Pruitt, Rose  
**Sent:** Thursday, May 07, 2015 5:08 PM  
**To:** Reeder, Tom; Culpepper, Linda; Strauss, Ruth; Barnhardt, Art  
**Cc:** Knott, Brad; Dockham, Matthew T  
**Subject:** RE: Tim Moore and Southeast Land Holdings, LLC UST Facility ID # 0-0-32430

Mr Moore contacted me this afternoon about this facility. He is a partner in Southeast Land Holdings. There is a contract pending for sale of this property that involves international financing and that has delayed closing. He expects to close by the end of June. The prospective owner has agreed to remove the tanks after purchase according to Mr Moore and he requested a 90 day extension. He also agreed to provide proof that the tanks were



now empty of product and in his opinion did not currently present a significant risk. Mr Moore also mentioned that his partner had sought guidance at some point about removing the tanks and been apprised of some potential issues related to high power lines overhead that would complicate their removal.

I encouraged Mr Moore to send in verification that product had been removed from the tanks so that I could remove that particular violation from the enforcement. I also informed Mr Moore that the sale of the property was not considered a proper corrective action as regards the tank removal, and that I would have to move forward with the enforcement recommendation as a routine next step. I also suggested to Mr Moore that he submit a formal request regarding the 90 day extension along with any supporting documents he felt relevant for consideration by Division staff. I agreed to let him know if the extension was approved or not while instructing him that it was unlikely. While he would prefer an extension to an enforcement, he does understand the Divisions stance. I will follow up with any documentation that is submitted by Mr Moore.

Rose Pruitt  
NC DENR, Division of Waste Management, UST Section  
1637 Mail Service Center  
Raleigh, NC 27699-1637  
Voice: (336) 852-9088  
FAX: (919) 516-0604

[UST Section Website](#)

E-mail correspondence to and from this address may be subject to the North Carolina Public Records Law and may be disclosed to third parties.

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**From:** Reeder, Tom  
**Sent:** Thursday, May 07, 2015 4:03 PM  
**To:** Pruitt, Rose; Culpepper, Linda; Strauss, Ruth; Barnhardt, Art  
**Cc:** Knott, Brad; Dockham, Matthew T  
**Subject:** RE: Tim Moore and Southeast Land Holdings, LLC UST Facility ID # 0-0-32430

Rose – Please proceed with this case just as you would with any other in the same circumstances. Matt & Brad will not be participating in any future phone calls. You should just proceed as you normally would. Thank you.



Tom Reeder  
Assistant Secretary for Environment  
NC Department of Environment and Natural Resources  
919-707-8619  
[tom.reeder@ncdenr.gov](mailto:tom.reeder@ncdenr.gov)

---

**From:** Pruitt, Rose  
**Sent:** Thursday, May 07, 2015 4:00 PM  
**To:** Culpepper, Linda; Strauss, Ruth; Barnhardt, Art  
**Cc:** Knott, Brad; Dockham, Matthew T; Reeder, Tom  
**Subject:** RE: Tim Moore and Southeast Land Holdings, LLC UST Facility ID # 0-0-32430

# EXHIBIT K

**From:** Tim Moore  
**To:** [Pruitt, Rose](#)  
**Subject:** from Tim Moore  
**Date:** Tuesday, May 12, 2015 4:07:44 PM  
**Attachments:** [20150508\\_113710\\_00033.pdf](#)

---

Ms. Pruitt:

Attached is the documentation where the fuel was removed from the UST located at 1101 East Third Street, Siler City, NC, facility ID 32430. Also, please accept this email as a request for a ninety day extension to remove the underground tanks. Thank you.

Tim Moore

Tim Moore  
Attorney at Law  
305 East King Street  
Kings Mountain, NC 28086  
704-739-1221  
[www.timmoorelaw.com](http://www.timmoorelaw.com)

# **EXHIBIT L**

**From:** [Culpepper, Linda](#)  
**To:** [Strauss, Ruth](#)  
**Cc:** [Barnhardt, Art](#)  
**Subject:** RE: Southeast Land Holdings LLC, 0-0-32430, former Townsends Chicken Plant in Siler City  
**Date:** Thursday, May 14, 2015 3:30:45 PM

---

Thanks for sending me the points we considered to make the extension.

---

**From:** Strauss, Ruth  
**Sent:** Thursday, May 14, 2015 3:05 PM  
**To:** Culpepper, Linda; Barnhardt, Art  
**Subject:** Southeast Land Holdings LLC, 0-0-32430, former Townsends Chicken Plant in Siler City

FYI.

Mr. Tim Moore requested an extension of 90 days to permanently close the UST systems at the above location. After a discussion with Rose, she approved an extension until August 19, 2015 to permanently close the UST systems and submit a Tank Closure Report or Initial Abatement Action Report, whichever is applicable.

Ruth Strauss, Head  
Permits and Inspection Branch  
NCDENR/UST Section  
1637 Mail Service Center  
Raleigh, NC 27699-1637

[Ruth.Strauss@ncdenr.gov](mailto:Ruth.Strauss@ncdenr.gov)  
Office & Fax: 919-707-8299  
Website: <http://portal.ncdenr.org/web/wm/ust/ustmain>

\*\*\*\*\*  
*E-mail correspondence to and from this address may be subject to the  
North Carolina Public Records Law and may be disclosed to third parties.*  
\*\*\*\*\*

# EXHIBIT M

**From:** [Pruitt, Rose](#)  
**To:** [Tim Moore](#)  
**Cc:** [Strauss, Ruth](#); [Booe, Steve](#)  
**Subject:** RE: from Tim Moore  
**Date:** Thursday, May 14, 2015 3:18:34 PM  
**Attachments:** [0-0-32430 ext approval2 5-14-2015.pdf](#)

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Mr Moore,

Thank you for submitting your documents. I have attached a copy of the Extension Request Approval letter that will be going out to Southeast Land Holdings tomorrow. Please note that the tanks must be removed by August 15, 2015 according to the terms of the extension. Please contact me if I can be of any further assistance.

Rose Pruitt  
NC DENR, Division of Waste Management, UST Section  
1637 Mail Service Center  
Raleigh, NC 27699-1637  
Voice: (336) 852-9088  
FAX: (919) 516-0604

[UST Section Website](#)

E-mail correspondence to and from this address may be subject to the North Carolina Public Records Law and may be disclosed to third parties.

**From:** Tim Moore [mailto:timmoorenc@aol.com]  
**Sent:** Tuesday, May 12, 2015 4:08 PM  
**To:** Pruitt, Rose  
**Subject:** from Tim Moore

Ms. Pruitt:

Attached is the documentation where the fuel was removed from the UST located at 1101 East Third Street, Siler City, NC, facility ID 32430. Also, please accept this email as a request for a ninety day extension to remove the underground tanks. Thank you.

Tim Moore

Tim Moore  
Attorney at Law  
305 East King Street  
Kings Mountain, NC 28086  
704-739-1221  
[www.timmoorelaw.com](http://www.timmoorelaw.com)

# EXHIBIT N





ROY COOPER  
*Governor*

MICHAEL S. REGAN  
*Secretary*

WILLIAM F. LANE  
*General Counsel*

December 19, 2017

Mr. Daniel Stevens  
Campaign for Accountability  
660 Pennsylvania Ave. SE, Suite 303  
Washington, DC 20003  
***Via Electronic Mail***

Subject: NCDEQ Public Records Request Production – Campaign for Accountability

Dear Mr. Stevens:

On behalf of the North Carolina Department of Environmental Quality (NCDEQ), please find attached a PDF containing additional documents responsive to your public records request for certain information related to Southeast Land Holdings. These documents fulfill your public records request dated May 8, 2017.

Individual responses to your additional October 10, 2017 follow-up questions are provided in red as follows:

On May 12, 2015, at 4:08 pm, Tim Moore sent an email to Rose Pruitt, where he stated, "Attached is the documentation where the fuel was removed from the UST located at 1101 East Third Street, Siler, City, NC, facility ID 32430." (page 12) Ms. Pruitt responded, "Thank you for submitting your documents." (page 11). NC DEQ did not release any attachments from this email.

**This email and its attachment are provided on page 19/19 of this production.**

On May 14, 2015, Linda Culpepper sent an email to Ruth Strauss, cc'ing Art Barnhardt, where she stated, "Thanks for sending me the points we considered to make the extension." (page 31). NC DEQ did not release any communications or records regarding "the points we considered to make the extension."

**We have been unable to locate any emails regarding the "points" referenced above. I spoke to Linda Culpepper and she is not sure an email was ever sent. She stated that it is possible she may have been thanking her in advance and followed up by talking to her in person.**



Mr. Daniel Stevens  
December 19, 2017  
Page 2

NC DEQ released an email thread from May 7, 2015. At 9:43 am, Ruth Strauss responded to the thread, where she wrote, "In October 2014, Southeast filed change of ownership documents with us and paid tank fees." (page 99). The email was sent to Linda Culpepper, Rose Pruitt, and Art Barnhardt. Someone then responded to Pruitt, Barnhardt, and Strauss (this information has been redacted, but presumably it was Linda Culpepper). The text of that email is blank. NC DEQ did not release this document to CfA.

The blank email referenced above is a blank draft email that was never sent. No information was redacted in our original production.

Additionally, Speaker Moore sent the department his request for an extension on May 12, 2015. The department did not release any records to CfA from after 4:10 pm on May 12 or any from May 13, a Wednesday. Given that the department approved the extension on the morning of May 14, it appears that DEQ employees likely discussed this issue on May 13.

Responsive documents from May 12th 4:10 PM onward are provided on pages 1-18 of this production.

Reasonable efforts have been made to ensure that no privileged or protected information has been disclosed. However, NCDEQ reserves its right to assert any and all applicable privileges or protections with regard to any such documents which may be, or may have been, inadvertently disclosed. Any disclosure by NCDEQ is not intended to and should not be construed as a waiver with regard to the disclosed document or any related documents or subject matter. If any privileged or confidential documents are included, please immediately inform me and remove those documents from your files.

If you have any further questions, please let me know.

Sincerely,



Kyle Peterson  
*Office of General Counsel*  
*NC Department of Environmental Quality*

Attachment