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Candidate denies conflict of interest

by **Jonathan Ellis**

A Republican candidate for county commissioner flatly denies accusations that he used his position as a director for the Regional Transportation District to benefit his former employer.

Wally Pulliam, who is running to replace Commissioner Michelle Lawrence in Jefferson County's District 1, was appointed to RTD's board by Jeffco's county commissioners in 1999. Voters re-elected him to RTD in the 2002 election.

Pulliam announced last year that he would attempt to replace Lawrence, who is term limited, in the November 2004 election.

But in recent weeks reports have circulated in Republican circles that Pulliam had a conflict of interest while voting on certain issues as an RTD director.

While serving with RTD, Pulliam was also employed by Jehn & Associates Inc., an Arvada engineering company. The company's president, Joe Jehn, also owns several properties in Olde Town Arvada near a proposed light-rail line that Pulliam supported as an RTD director.

Those properties, say officials, would increase in value if a light-rail line and station service Arvada.

In an interview last week, Pulliam dismissed the conflict-of-interest accusations as "silly."

"I have no direct interest in anything up there. None whatsoever," he said.

Jehn, who also serves as a commissioner for the Colorado Department of Transportation, also rejected any notion that Pulliam's position with Jehn & Associates influenced his decisions as an RTD director.

"One doesn't have anything to do with the other," he said.

The Courier spent three weeks investigating the accusations and did not find evidence that Pulliam used his position to benefit Jehn. The newspaper did learn the following:

-- Pulliam was appointed to the RTD board in 1999 shortly after taking a job with Jehn & Associates. He left the company in August after deciding to run for county commissioner, but he still drives a car registered to Jehn & Associates.

Pulliam said the 2000 Ford Explorer is part of his severance package with the company. For his part, Jehn said he has not paid off the vehicle because of favorable interest rates.

-- Pulliam voted to support the FasTracks plan, which includes a light-rail line and station in Olde Town Arvada. Voters will decide whether to support a tax increase to fund FasTracks this November.

-- While Pulliam served on the RTD board, Jehn's companies bought property in Arvada near the proposed rail line, which is known as the Gold Line.

According to record checks with the Colorado Secretary of State and the Jeffco Assessor, Jehn is the registered agent for the Cornerstone at Olde Town Development Co., president of Grande View Redevelopment Co. and a director with Forward Arvada Building Corp. Through those companies, Jehn owns, or has an interest in at least seven properties in Olde Town Arvada. Some of those properties were bought before Pulliam served on the RTD board.

-- Pulliam did not recuse himself from voting on FasTracks. In November he voted with 13 other directors to refer the FasTracks plan to the Denver Regional Council of Governments.

On the last issue, Pulliam said he did not recuse himself because he had no knowledge of Jehn's holdings in Arvada.

Pulliam worked as a marketing director for Jehn's engineering company and had no affiliation with Jehn's development companies, he said.

"I know he had a storefront that he rented, but I don't know of any other properties," Pulliam said.

Jehn also insisted that Pulliam was not involved in his development companies.

"That's completely separate. There's no correlation," he said.

Gold Line and gold

By supporting the Gold Line, Pulliam contends he was only voting for the plan favored by residents in Arvada and Wheat Ridge. He also points out that the Gold Line existed long before he joined RTD's board.

"I represented my constituents. The Gold Line has been on that plan since RTD was created," he said.

RTD spokesman Scott Reed said the Gold Line was included in the 1997 Guide the Ride election, which voters rejected. He called it a "stretch" to link Pulliam with a conflict of interest.

"Wally did not put the Gold Line on the map. That's been there for some time," Reed said.

Pete Maysmith, executive director of Colorado Common Cause, a government watchdog group, believes that Pulliam did not break the law or act unethically as long as he didn't know about Jehn's development interests.

"It's not a cut-and-dry case given that there is some separation from the corporate entities," Maysmith said.

Yet one thing is certain. Officials believe that if voters approve FasTracks, property owners near light-rail stations will benefit.

RTD's general manager, Cal Marsella, told county commissioners last week that FasTracks would be a boon for development.

"You're going to see increases in property values near the stations, very significantly," Marsella said.

Arvada City Manager Craig Kocian said officials view light-rail stations as "economic focal points" for development and redevelopment.

"I think the city's position is that wherever light rail goes and wherever stations are built, it's going to have a dramatic impact," he said.

Kocian called Jehn one of the major players in Olde Town Arvada's redevelopment.

For his part, Jehn makes no apology for buying land in Arvada. He first opened shop there in the mid-80s, and he's been active in redeveloping what was arguably a moribund downtown.

"I've been actively involved in the Olde Town area. I put my money where my mouth is," Jehn said. "I bought property just like any other investor could have or should have."

"If somebody wants to make a big deal about that, I guess let them," he added.