

STATE OF COLORADO  
OFFICE OF ADMINISTRATIVE COURTS  
633 17th Street, 13th Floor  
Denver, CO 80202

Complainant:  
WILLIAM RAY

Respondent:  
ACTIVE CITIZENS TOGETHER

COURT USE ONLY

Case No:  
OS 2010-0036

DANIEL KENNEDY

December 8, 2010

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APPEARANCES:

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1 circulators as well.  
 2 Q. So you received the petitions?  
 3 A. Uh-huh.  
 4 Q. This would be blank petitions that you  
 5 received?  
 6 A. Correct.  
 7 Q. And then you would distribute the  
 8 petitions --  
 9 A. Correct.  
 10 Q. Also blank?  
 11 A. Yes.  
 12 Q. -- to people who were going to  
 13 circulate?  
 14 A. Right.  
 15 Q. Then you collected completed petitions?  
 16 A. Right.  
 17 Q. And I skipped a step. When you  
 18 distributed petitions, you also provided  
 19 instructions?  
 20 A. Correct.  
 21 Q. And what did those instructions relate  
 22 to?  
 23 A. General rules on how they collect  
 24 signatures. And some of the documents that I have  
 25 here from Douglas Bruce are, you know, rules and

1 things, like why medium-point pens and those sorts  
 2 of things.  
 3 Q. Fair to say what you were providing  
 4 were instructions that Mr. Bruce had drafted?  
 5 A. For the most part, yes.  
 6 Q. And Mr. Bruce was acting on behalf of  
 7 Active Citizens Together; is that correct?  
 8 A. I would assume.  
 9 Q. Did you have a written contract with  
 10 Active Citizens Together?  
 11 A. I did not have a written contract with  
 12 anybody.  
 13 Q. Did you have a verbal understanding  
 14 with Active Citizens Together?  
 15 A. Yes.  
 16 Q. What was the understanding?  
 17 A. That the circulators would get so much  
 18 per signature on two out of the three issues. The  
 19 other one was done as a volunteer. And I was to  
 20 get so much per signature for -- you know, for --  
 21 for my role.  
 22 Q. Sir, Kennedy Enterprises really had a  
 23 management contract?  
 24 A. Exactly.  
 25 Q. You didn't have -- well, how did you

1 get circulators to pass the petitions on to?  
 2 A. Well, I am a little far removed from  
 3 the day-to-day activities anymore.  
 4 Q. Okay.  
 5 A. I have area coordinators, who under  
 6 them have local managers, who have the  
 7 circulators. So I called just a couple guys, they  
 8 called their guys, et cetera, to come and get the  
 9 petitions and get signatures.  
 10 Q. So basically you -- it's -- with no  
 11 negatives associated, there's a pyramid and you're  
 12 at the top of the pyramid and then there are your  
 13 area coordinators, and at the bottom of the  
 14 pyramid are the people that they recruit to  
 15 actually carry the petitions?  
 16 A. There's one more step. There's crew  
 17 managers sometimes between the coordinators and  
 18 the circulators. Not always, but sometimes. Most  
 19 of the time.  
 20 Q. So remind me what you call the two  
 21 intermediate levels?  
 22 A. Coordinators. There's me, there's  
 23 coordinators, then managers, then the circulators.  
 24 Q. What's the difference between  
 25 coordinators and managers?

1 A. Coordinator has a bigger area.  
 2 Q. Okay. By bigger, you mean geographic  
 3 area?  
 4 A. Right.  
 5 Q. So give me a sense of a typical  
 6 geographic area that a coordinator would be  
 7 responsible for?  
 8 A. Usually in Colorado, Denver Metro north  
 9 and then Springs south.  
 10 Q. So there are multi county areas that a  
 11 coordinator would be responsible for?  
 12 A. Right.  
 13 Q. And then a manager presumably is --  
 14 oversees some subset of that larger area?  
 15 A. Yeah, although they can move around,  
 16 but they're more responsible for a group of people  
 17 as opposed to an area.  
 18 Q. So would a manager recruit those  
 19 people?  
 20 A. Right.  
 21 Q. And then they work directly for the  
 22 manager?  
 23 A. Usually, or the coordinator might cut  
 24 the checks directly to them.  
 25 Q. All right.

1 A. But they do report to the manager,  
2 though.  
3 Q. So the manager has oversight. Tell me,  
4 does he control where they go?  
5 A. He could, but usually not. They're all  
6 independent contractors.  
7 Q. Right.  
8 A. They kind of go in if they want, where  
9 they want, and when they want.  
10 Q. Right. And so how many people would  
11 work for a manager?  
12 A. Anywhere from, you know, 3 to 30.  
13 Q. Okay. And so someone would have to  
14 collect the names of the circulators so that  
15 Mr. Bruce on -- and I'll call it ACT so we get  
16 done with this deposition today.  
17 A. Okay.  
18 Q. -- so that ACT can cut those  
19 individuals checks?  
20 A. Right.  
21 Q. So did the manager come up with the  
22 names and the amounts due to each circulator?  
23 A. I believe so.  
24 Q. And then would the manager report to  
25 the coordinator or to you?

1 A. The coordinator.  
2 Q. So then does the coordinator report to  
3 you?  
4 A. On that particular signature drive I  
5 don't recall if they reported to me or to my  
6 assistant, whose -- was in my same office, so --  
7 Q. Okay. So -- but the bottom line is,  
8 there's some central collecting point of this  
9 information and then presumably Mr. Bruce learns  
10 of the names and the amounts of the checks that he  
11 needs to write?  
12 A. Yes.  
13 Q. That was a pretty inarticulated  
14 question on my part.  
15 The name of the circulator, as well as  
16 the amount due that circulator?  
17 A. Right. I got it either way.  
18 Q. And Mr. Bruce said that he wrote checks  
19 on a weekly basis; is that accurate?  
20 A. It was either weekly or biweekly, I  
21 don't recall.  
22 Q. Okay. But he would write periodic  
23 checks to a number of circulators for petition  
24 signatures that he had actually received?  
25 A. Correct.

1 Q. And did -- was there any written  
2 accounting of the number of signatures?  
3 A. There was a report, I'm sure, that was  
4 given once or twice a week, but we did not keep  
5 any of that.  
6 Q. You don't keep that documentation?  
7 A. We may sometimes on other drives, but  
8 because we weren't paying anybody, we didn't  
9 collect 1099's, we didn't have invoices, we  
10 didn't -- you know, it just wasn't -- all I was  
11 concerned with on my end was that I was getting  
12 paid what I was supposed to.  
13 Q. Right. And do you get a percentage of  
14 what gets paid to the circulators; is that how  
15 that works or were you just getting a flat fee?  
16 A. A flat fee.  
17 Q. And was that flat fee based on getting  
18 so many signatures?  
19 A. Right. Flat fee per signature.  
20 Q. And what was that fee?  
21 A. I don't recall, but it was probably --  
22 because then I disbursed that to the managers. I  
23 didn't pay any circulators, but I did pay managers  
24 that didn't circulate, but probably 30- or \$.50.  
25 Q. And did you also pay the coordinators?

1 A. Yes.  
2 Q. So when you -- you might have gotten  
3 30- to \$.50, but Kennedy Enterprises didn't keep  
4 that?  
5 A. Right.  
6 Q. Because that's then divvied up with  
7 your -- are they area managers, is that what you  
8 call them?  
9 A. The coordinators first --  
10 Q. Okay.  
11 A. -- and then the managers.  
12 Q. Okay.  
13 A. But I believe on this I just paid the  
14 coordinators, the two coordinators. I think they  
15 paid their own managers. And each time it's a  
16 little different, but at least that's what I  
17 recall for this one.  
18 Q. Now, I'm interested in this, I am, and  
19 I want to go through these documents. But this is  
20 just so different than what was described to me.  
21 And I not suggesting it's not accurate.  
22 Do you have any reason not to tell me  
23 the truth?  
24 A. Not at all.  
25 Q. That's what I thought, but I just