Exhibit 19

Oral Deposition of Richard Varn - August 15, 2007

```
CI-06702
IN THE DISTRICT COUNGINAL
                        NO. 2006-CI-06702
1
   JOHN E. FODDRILL, SR.,
           PLAINTIFF,
3
   VS.
                                BEXAR COUNTY, TEXAS
4
   CITY OF SAN ANTONIO,
5
                                 45TH JUDICIAL DISTRICT
           DEFENDANT.
 6
7
8
                       ORAL DEPOSITION OF
 9
                          RICHARD VARN
10
                         AUGUST 15, 2007
11
                    *********
12
13
14
15
       ORAL DEPOSITION of RICHARD VARN, produced as a
16
   witness at the instance of the Plaintiff, and duly
17
   sworn, was taken in the above-styled and numbered
18
19
   cause on the 15th day of August, 2007, from 3:05 p.m.
   to 4:03 p.m., before Sharon L. McDonald, CSR, RPR, in
20
21
   and for the State of Texas, reported by machine
22
    shorthand, at the offices of the City Attorney,
23
   111 Soledad, 10th Floor, San Antonio, Texas, pursuant
   to the Texas Rules of Civil Procedure and the
24
   provisions stated on the record or attached hereto.
25
```

```
APPEARANCES
1
   FOR THE PLAINTIFF(S):
 3
        MS. MALINDA A. GAUL
        LAW OFFICES OF GAUL AND DUMONT
        111 Soledad, Suite 725
 4
         San Antonio, Texas 78205
 5
   FOR THE DEFENDANT(S):
 6
 7
         MS. DEBORAH L. KLEIN
         OFFICE OF THE CITY ATTORNEY
         LITIGATION DIVISION
 8
         111 Soledad, 10th Floor
         San Antonio, Texas 78205
 9
10
11
   ALSO PRESENT:
12
         John E. Foddrill, Sr.
13
        Richard Varn, the Witness
         Sharon L. McDonald, CSR, RPR
14
15
16
17
18
19
20
21
22
23
24
25
```

1	INDEX	
2	Appearances	
3	RICHARD VARN	
4	Examination by Ms. Gaul 4	
5	Changes and Signature Page 44	
6	Court Reporter's Certificate 46	
7		!
8		
9		·
10		
11	EXHIBITS INDEX	
12	NO. DESCRIPTION PAGE	
13		
14		
15	4 E-mail communication 07/11/06 40	•
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		

RICHARD VARN, 1 having been first duly sworn, testified as follows: 2 EXAMINATION 3 BY MS. GAUL: 4 Please state your name for the record. 5 Richard James Holth, with a T-H at the end, 6 7 Varn, V, as a Victor, A-R-N. And, Mr. Varn, have you ever had your deposition 8 0 taken before? 10 Α Ever in my life? 11 0 Yes. Yes, I have. 12 Α Okay. So you understand the deposition process? 13 Yes, ma'am. 14 Α I'll just ask a few things of you today. First 15 Q of all, could you please give verbal answers to the 16 questions so the court reporter can take that down? 17 Yes, I will. 18 Α And second of all, could you let me finish my 19 question before you answer so that she can take down both 20 what I say and what you say without getting confused. 21 22 Α Okay. And finally, if you don't understand a question 23 that I ask, please just ask me to rephrase it. I want to 24 make sure you understand the question before you answer, 25

```
okay?
 2
       Α
             I will.
 3
             Great. Mr. Varn, currently what is your job
        0
    title?
 5
             I am the interim chief information officer for
       Α
 6
    the City of San Antonio.
 7
             And how long have you been in that position?
        Q
             May 16, 2007.
 8
        Α
 9
             And --
        Q
10
        Α
             It is a six-month contract, which will end
11
    November 16th of 2007.
             Prior to this position, where were you employed?
12
        Q
13
             I am self employed and I'm also a temporary --
14
   part-time employee. My self-employment is my own
15
    company, RJV Consulting, cleverly named after me.
16
    the second is a part-time position with a corporation
17
    that's called e.Republic at which I am a senior fellow.
18
        0
             You have been employed by the City prior to this
19
   period of time; is that right?
20
             I was actually a contractor from February --
21
   March 1, 2005, through July of 2005. It was late
22
    February, early March.
             And what was the difference between that
23
24
   position as a contractor and the position you hold now?
```

It's the same responsibilities, but I am

25

A

currently an employee of the City; whereas, then I was a contractor. I'm a temporary -- is that the right 2 3 category? I'm a temporary employee now. Have those -- have these been the only two times 4 that you've been employed by the City in any capacity? 5 6 Α Yes. What are your job duties as the interim chief 7 information officer? 8 There are two departments that report to me, 9 ITSD and 311, our customer service division. 10 And do your duties now under this six-month 11 contract differ from your duties during that March 2005 12 to July 2005 time period? 13 Yes. The 311 did not report to this position at 14 that time. 15 16 Okay. 0 The reporting is slightly different. I 17 currently report to the deputy city manager, Jelynne 18 Burley. And previously I reported directly to Rolando 19 Bono who was the city manager, acting, and then he was 20 21 appointed. Q Okay. I'm going to direct you to the time 22

Q Okay. I'm going to direct you to the time period of March '05 to July '05 when you previously were a contracted interim CIO. Were you interim at that time, also?

23

24

A I was also named the interim CIO for the City of San Antonio during that time period.

Q So we're going to be looking at the time period of March '05 to July '05 when you were the interim CIO --

A Right.

. 4

Q -- under the contract status?

A Uh-huh.

Q At that particular time, what was your understanding of the functions of the telecommunications department that fell under you?

A My recollection is we had a telecom, a radio and a network group. They were not -- they were not collectively one group. There was a radio group of people that dealt with the emergency and routine communications for public safety. There was a group of people that dealt with the phone switch and with the phones and the traditional telephony, what we call POTS. It stands for plain old telephone service. And then there were -- and PANS is pretty amazing new stuff. And there wasn't any of that.

And then there was the network group that dealt with the local area network and Internet stuff.

And I don't remember the exact reporting lines for who was in charge of what. I just remember it was rather disjointed.

Do you remember during that period of time in 1 2005 how the telecommunications department received their 2 3 funding? Well, generally this department has been fee Α 4 funded from its customers. 5 And what do you mean by "fee funded"? 6 We charge departments a fee in rough 7 proportionality to how much service they consume. 8 Do you find the funding any different now since you've been back May 16th of 2007 than it was in the 2005 10 time period? 11 I don't -- we are changing it, but at current, I 12 don't see any substantive difference in the methods that 13 they use to do their billing that I can detect. 14 What's the proposed changes? 15 To go to a per capita billing methodology, which 16 means that each department will pay a set amount per FTE 17 for all services that are in the base. So it will be 18 around \$3,500 per employee. And then there will be 19 certain things which are variable costs, which will be a 20 small percentage of our budget, and those will be billed 21 directly to the department using them. Cell phones are 22 one of the variable costs as an example. 23 We've had some previous testimony in a 24

deposition about three methods for obtaining funding, and

the person who was deposed referred to it as EGO. They were talking about E-rates, grants and ordinances.

A Uh-huh.

Q Were you familiar with the E-rate system?

A Yeah, a little bit and with -- I mean, grants are -- you know, they come and they go. All governments get grants of some kind. Some of them hand them out. So I was vaguely aware. I knew we were getting some grant money, especially from homeland security and some other groups for doing certain things, but they were not really specifically under IT or necessarily stuff I was asked to focus on.

And then as far as the other one -- what was the first one you said?

Q Ordinances.

A Ordinance.

O Ordinances.

A Well, ordinance, which means the approval of the budget.

Q Exactly.

A And then the other part that was a source of funding is bond funds, which do relate back at some point to an ordinance which authorized the -- either the issuance of the bonds or the vote that would allow the bond to be approved. But I think in the case of a large

block of police funds, it was a publicly-approved bond 2 program. In the 2005 time period, were you involved in 3 any of the budget process? I was involved some. One thing I did was help 5 facilitate the actual prioritization of the entire budget 6 with city council. I did that in July. I was involved with encouraging certain 8 things to be done in our budget process, but didn't manage it because it's really not something you'd walk in 10 the middle of and actually manage very well. And it was 11 done by the department, not necessarily by the CIO. The 12 department had to manage that submission, and much of the 13 processes were well underway and they were fairly 14 automated as to how that budget cut rolled together. 15 16 So there was very little you could change about it at the point I took over as the CIO. 17 In 2005, how did the department go -- each 18 department go about submitting their portion of what was 19 requested in the budget? 20 From the technology standpoint? 21 Yes. Just from what you were over. 22 Q The amount of costs that were attributable to 23 running systems were allocated out as part of a base cost 24 that departments would pay, and then there were specific 25

services that were run for just that department or that they were the only users, so some of those got allocated, I think, to that department.

The methodology, you know, was not good, and that is why we're abandoning it in this budget process because it did not always have the data it needed to be done so that it was accurate or it was complete because the systems that they relied on were all mainframe systems that were not easily managed.

So rather than fixing broken mainframe systems to come up with a better way of accounting for costs, we chose to go to a more cost effective way, which I would have recommended anyway, to go to a per capita allocation.

So there wasn't what you would -accountants would call activity-based costing so that you
had a very detailed record of every single element of
cost and exactly how it was consumed and by whom so that
you could hand someone a very detailed bill of exactly
what they had used on what their share of that cost was.

So in the absence of the City having spent a few million dollars of having developed that, they did -- they did make do with a legacy system which roughly allocated the costs. And so rather than replace that system, we chose to go with a simplified billing

process to both save money and to appropriately incentivize people to use technology because we believe they will not do without FTE's, but they might choose not to use services they could actually benefit from if they had to pay extra for them. So we wanted to give everybody an equal chance to get good technology services, and then if there's certain things that are extras, they can pay extra for that.

Q During the 2005 time period that you were employed by the City, if a department was allocated money under the budget and they ran out of money, what was the process for obtaining more money during the budget year?

A Gosh, I'm not really sure how that worked. I remember hearing things about budget allocation, but I don't really know how a department requested something to be changed about their allocation for money in their budget. I'm aware that some departments can run deficits here and that sometimes they don't know they're running a deficit. And then when they find that out, they have to do something to react to that, but other than that secondhand story about how that works, it's not my thing to do.

I'm learning more about it now, but back then I was not really in charge of that.

Q In 2005, did you have an occasion to interact

with Mr. Foddrill? 2 Α Yes. And how did you first come to meet Mr. Foddrill; 3 do you remember? I think I asked all staff people who wished to 5 Α talk with me and to lay out concerns about anything who 6 wanted to have time with that, to schedule time and come into my office and meet with me about that. It was a 8 closed-door session. So I met with a lot of staff people and filled up a few notebooks with ideas that they 10 recommended for ways we could improve the department, 11 things they had concerns about, changes they felt should 12 be made. I think that might have been the first time. I 13 might have also just been introduced to him. I don't 14 have a specific recollection. 15 MS. GAUL: I'm going to go ahead and have 16 I'm going to continue with the numbers. 17 this marked. MS. KLEIN: That's fine. 18 MS. GAUL: Deposition Exhibit 2. 19 (Exhibit 2 marked.) 20 (BY MS. GAUL) I'm going to go ahead and let you 21 0 look at that and give you some time to look at it. 22 (Reviews document.) Okay. 23 А Do you have any independent recollection of this 24 e-mail exchange as you sit here today? 25

A I haven't read this part yet. Hold on one second. (Reviews document.)

My recollection of this is that Jose Medina had failed as the manager to keep the City current in the process of replacing our contracts. We were a few months away from the contracts coming to their end of life, even after they'd been -- I think a couple had been extended. And the timing cycle for that normally would be at least six months for just one or two of them. To do them all at once and to only have -- I think -- let's see. We only had four months that were left to do five -- four, five, six contracts, was a, you know, disqualifying act for being in management.

And if he were not retiring now, he would -- you know, he's been demoted from the position of managing, as much as he managed before, and if he had not chosen to retire now, he should not be retained in any kind of position of authority over these kinds of things because I felt that he has not managed it well.

So some of this conversation was around me trying to document, Well, what have you prepared to do, and what have you not done? And what does it look like as to what you're proposing that we do to replace some of these contracts?

And it was just looking like we were going

to have to extend, as best we could, through the State

Department of Information resources any contracts we had

by using their contract mechanism so we could bridge

between what our contract said and what we needed until

we could adequately and properly procure the services

that we -- and that process is actually ongoing today.

We're finalizing it now, and we've had the process of how

we're going to do it approved by the city manager and

we've briefed the council on it.

So the problem was -- this exchange of e-mail was related to that concern I have that I couldn't believe that someone had let it go this late at all without having taken a lot more action to be ready to replace contracts that were going to end and they had no plan for what they were going to do.

Q When Mr. Foddrill sent this request to speak with you --

A Uh-huh.

Q -- and I note you respond that you'd be glad to talk to him, is this similar to what you just testified to that if any of the staff people wanted to discuss issues with you, you were willing to do so?

A No. There were actually two -- two things we're talking about rather than one. The first was an offer to any employee if they wanted to have a meeting with me,

and that was done as part of my initial evaluation which I then delivered to the city manager that related to the status of the SAP initiative that was underway at that time.

managed and how it was staffed, what were the best practices that were being followed in other jurisdictions, how did we compare in the practices we were following to what we might think of as best practice as to how we were organized and staffed, and especially our mix of custom-built applications compared to what's called commercial office software or the purchase of services from third parties or from other governments.

So those were some of the specific things I was tasked with looking at. It really came under two headings: The SAP deployment that was going badly for the City at that time, and the general look at trying to establish a chief information officer position and some processes that a permanent CIO would be able to use and it would give them a jump start into moving in and being effective in that leadership position.

So those are the two blocks of work. And I met with people around the SAP stuff and around the departmental things, and then made some recommendations to the City as to what I thought they should do long-term

```
and then immediately to prepare for hiring a full-time
2
   CIO.
3
            Did you ever have any discussions with
   Mr. Foddrill about any of those issues prior to this
4
   e-mail exchange?
5
            You know, I don't remember. I probably did, but
6
   I -- I met with an awful lot of people in the department.
7
   I think I probably had individual meetings with at least
8
   40 departmental employees. And I had a few group
9
   meetings with some as well. And then I also had
10
   individual meetings with people who were then not part of
11
   the -- exactly part of the department. They're part of
12
   the SAP team. And I probably had 15 or 20 of them in my
13
   office. Plus customers, I probably had 40 or 50 customer
14
   meetings. So I probably had over 100 -- easily over 100
15
   meetings, so I don't have a great recollection of each of
16
17
   them.
             I'll take you back to Exhibit 2. When
18
    Mr. Foddrill requested to meet with you, your response
19
    appears to be that you'll be glad to meet with him, just
20
21
    set it up.
             Sure.
22
        Α
                  MS. GAUL: I'll go ahead and mark this as
23
24
    Exhibit 3.
                   (Exhibit 3 marked.)
25
```

```
(BY MS. GAUL) This Exhibit 3 appears to be a
 1
        Q
    request from Mr. Foddrill to meet with you on June 24,
 2
   2005. Do you remember having a meeting with Mr. Foddrill
 3
 4
   on June 24, 2005?
 5
       Α
             I don't have any specific recollection about it,
 6
   no.
7
            Do you remember having a one-on-one meeting with
8
   Mr. Foddrill?
9
            My recollections are more general in this
10
   regard. I do recall meeting and talking with
11
   Mr. Foddrill a few times. Sometimes, you know, when I
   would walk into the telecom area, I might talk with him
12
13
   about things. And I do recall talking with him, but I
   don't remember dates or places or times very well.
14
15
                  I do remember, I think, the evening when I
16
```

was working late and he stopped by to talk. I have some specific recollection about that happening, but as to the contents of the conversation, I just have general recollections about them. So as to specific times and dates, I'm not -- I don't have that kind of memory.

17

18

19

20

21

22

23

24

25

Do you remember -- have any recollection of Mr. Foddrill coming to you with concerns about what he called threats by Mr. Medina against him?

Α I recall accusations of mismanagement by Jose, which, you know, I was certainly open to the idea that

that might be true because I didn't see it being managed 1 very well in that area as far as the quality of how the 2 work was getting done and whether or not it was being 3 done in a rational and organized manner. 5 And I do recall concerns being raised 6 that -- just things were not being done correctly, and 7 things were not being done for good motivations. Not necessarily illegal motivation, maybe petty or just 8 things that were not the right way to run a department. 9 So those -- I do recall those as being 10 things that were said, and saying this is not a well-run 11 12 area and things should be done differently. And there was processes and expenditures that were not being done 13 in a way that was the most effective way to do it. 14 That's what I recall. 15 Now, you've made a couple of comments about 16 17 Mr. Medina and his, I quess, lack of management skills. 18 Had you had other concerns other than those raised by 19 Mr. Foddrill regarding Mr. Medina back in that time period of 2005? 20 21 By others or of my own? Let's start with others. 22 Q Well, Gary Moeller and -- I'm trying to think. 23 To some degree Hugh, Bart Mulcahy -- I think I met with 24

him at that time -- all expressed concerns about how well

the telecom area was being managed from two perspectives. One, whether or not the work was being done as well as it should be -- with the exception of the radio. They felt the radio area was being actually pretty well run. And whether or not we had enough resources in that area to actually do the work well at all.

1.3

So they understood it was resource starved to actually run a modern and advanced network. And to have the equipment dollars they needed to actually do it, and then also concerns about whether they were being effectively led. So I got concerns about that from all three of them.

Q What did you witness or observe about Mr. Medina that raised concerns with you?

A Well, it was more a question of what they hadn't done than what they did. An example would be one day I found the Internet to be incredibly slow in trying to check in and print my boarding pass for a flight to leave. I was commuting -- as I do now, I commuted back and forth from my home in Iowa to here, and I needed to print my boarding pass out. It took 15 minutes to pull up the United web page, which I tried several times thinking it was just a problem with the -- and then I just let it run for a while and timed how long it took.

And when I went and asked him about this,

as to why it took so long, he said, I don't know.

And I said, Well, can you check your network monitoring system and see why the traffic was high volume at that time? Was it a virus? Was it excessive use of a certain library? Was it somebody using media streaming? What was the reason?

And he said, We don't have a tool like that. After a long time of me being quiet and my mouth probably hanging open, I said, Well, why not?

Well, we didn't think we'd ever get one approved or we haven't asked for one or we've never been given resources. It was some kind of answer like that. You just can't run a network without knowing what's going on with it. You know, I would have not filled positions before I would go without some way of knowing what's wrong with my network when it's not working because it's no good to have people if you can't figure out what's wrong with it. At which time, I ordered him to acquire a network monitoring tool immediately and find out -- you know, give me some recommendations on which one he's going to acquire and get moving on it.

So it was more that someone who is in charge of telecommunications and who had a component of networking that they were managing not knowing what's going on with their networking, not really have taken

responsibility for fixing it even though there are always obstacles in city and county and state employment to doing the right thing, you know, that you know you have to do.

He says, Well, I'm not given permission.

I'm not given money. There's usually ways that the essential things still get done by good managers. This may not be incompetence, but it wasn't the kind of leadership I needed in that position.

Q During that time period, 2005, did you make any attempts to demote him from that position or remove him from city employment?

A I really wasn't a city employee, so I didn't quite have the authority to act as if I were. I didn't feel entirely comfortable even though I did act as a manager in a number of capacities. I made recommendations that there be a change in his position, that they actually hire a competent network manager, telecommunications manager, or whatever they decide. I said they should bundle up all -- all communication should be brought into one group and all that should be placed in a group of people that are tied to the hardware area. And the current organizational structure and what I had recommended are very close to the same and will be almost identical here in a couple of months as we build a

1 customer service team. 2 Who did --0 3 So that's all. Α Who did you recommend to regarding Mr. Medina? 4 Who did you recommend that they --5 I don't remember the timing. It was either to 6 7 Gary or it would have been to Hugh. We promoted into that position when Gary left and retired. And Gary is? 10 Gary Moeller. Gary Moeller, no relation to 11 Hugh, retired -- I want to say in like May or June, right 12 in that time frame. And then he was replaced by? 13 By Hugh Miller. And that's by my 14 recommendation. I felt Hugh -- and Gary as well. It was 15 Gary's recommendation that Hugh had the potential to grow 16 17 and to be a good leader in that position, and he had recommended to take him as acting until and unless 18 19 someone decided to do a search for permanent. And he was in that acting role I think 20 until February, March -- January, February of this year, 21 it was finalized that he became department head. 22 23 Do you ever remember having any discussions with

Mr. Miller, Hugh Miller, particularly about terminating

24

25

or demoting Mr. Medina?

1 2 e 3 t 4 d 5 i 6 n 7 f 8 t 9 d 10 w 11 i 12 s 13 i 14 t

15

16

17

18

19

20

21

22

23

24

25

Α Yeah. I mean, I have said he probably should either be fired or demoted, you know, given the state of the affairs and the quality of the services in that department. I mean, it was more -- like I said, more -if you're in charge of telecommunications and you have not planned ahead to replace your contracts, I couldn't find any rationale for that that would give me confidence to keep that person in a leadership position for a department for which I was responsible. Even though I wasn't going to be, I was making a recommendation as if it was something I would have to be responsible for. I said, If this were my department, I would not leave him in that position. And whether it's a demotion or a termination would depend on what the City at that time chose to do because we didn't manage that process.

Q Now, Mr. Medina stayed in that position until recently; isn't that correct?

A I don't -- I don't know how long. I don't have any information as to how long he was in the specific job. I understood that when -- when the reorganization started to happen, that that block of people was actually brought up underneath Kevin Phillips' area. So whether he was in that position or not, I'm not -- I'm not aware of what authority he has. I know that an amount of what is actually done with the network is not done by him at

this point or not led by him. I don't know if he still has a title or what he has.

If he wasn't retiring, he would be getting a change in his job position if I were staying.

Q Do you know when he's retiring?

A Don't know. I think he's submitted a date, but I'm not aware of what it is or he has indicated his desire to do so, but I don't think we've finalized a date with him yet.

Q Well, do you know -- you referred to his position now as a demotion. Do you know who demoted him to that position?

A No. I can't tell you this as a set of facts. I just see it as a set of realities, and so I don't know the technical facts of whether it's a demotion or a change in position. But if there's anything to do with network, I don't need to talk to him anymore. I talk to Kevin or talk to Bart, and they're the people that manage and run the things that are relevant to the network issues that I raise with them such as all the things we're doing with our telecommunications contracts or communications contracts, we're calling them now. And anything we're doing with wireless, anything that we're doing with how we're going to manage that process.

I don't -- I have not spoken with him since

I've been back because I don't perceive him in a position of authority over those things anymore. I don't know if that's still technically true in the organization. It's just practically true.

- Q Did Hugh Miller ever raise any concerns with you at any time in 2005 or recently since you've been back that he felt maybe that you were trying -- you were out to get Mr. Medina and that he didn't feel the same about Mr. Medina as you did?
- 10 A No.

2

3

5

6

8

9

15

16

17

18

19

20

21

22

23

24

25

- 11 Q You testified about SAP.
- 12 A Uh-huh.
- 13 Q And you said in 2005 it was going badly.
- 14 A Uh-huh.
 - Q What is the basis of that comment, that SAP was going badly?
 - A There's a lot of documents that will detail this out and I gave report to council. The integrator,

 Deloitte and Touche, that was hired for this and the vendor that was chosen for licensing of development projects, licensing of some professionals called Hanson, those two systems were malfunctioning in a number of ways in not producing data, not allowing transactions to be done properly.

More importantly, as a shared

responsibility, but maybe more so on Deloitte, the right way to implement an ERP system, which is called ERM here, Enterprise Resource Planning or Enterprise Resource Management is to change your business processes. First, align them with best practices for doing that business process, then to the extent you can, accept the way the ERP system works to deal with that business process and make exceptions only if absolutely have to, especially in SAP, which is hard to configure differently than its out-of-the-box way of doing things, and then make sure people are fully trained and ready to implement that system, your users have fully signed off on how it will work, and then it's rigorously tested, and only after rigorous testing is proven to be effective and working according to specifications do you go to deployment.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

It failed every single one of those points of requirement. Something was broken by each one of those things I just said. And I asked the Deloitte people once I read the contract -- I'll tell you about that in a second. But I asked the Deloitte people, Why didn't you just stop? Since this was your reputation at stake as much as anybody, why didn't you just stop and say unless you folks start doing this right, we're going to leave. They felt it was just their belief they could fix anything.

And so even though they had done things that were wrong and they had told people at the City to do things that would have made things right and the City ignored it, so they both had fault, they kept plowing ahead taking our money.

And so I looked to sue them. And then I read the contract. The contract deemed everything to be acceptable to the City unless it was objected to within a very short number of days. Upon the rejection by the City of any specific deliverable, the only responsibility of the vendor was to continue in a workmanlike fashion to attempt to correct the problem.

There were no penalties. There were no incentives. There were no clauses that would allow us to enforce that any more than just saying, We think you're not acting in a workmanlike fashion, which is hard to prove.

So as a result, it didn't look like we had a decent legal case and most of the contract funds had already been expended. So we had spent about 84 out of \$88 million and not much was working.

- O How is SAP at this time?
- A It's stabilized. It functions. Most of the benefits you get from deploying it correctly are yet to be realized with the exception of our finances and our

```
ability to close the books and do a little better job of
2
   managing the budget knowing where we're spending money.
   The true benefits from an ERP come from the way you
3
   change the way you work, and because of the way it was
4
5
   done, we didn't get as many of those benefits as we
   should have. A specific example would be like
7
   E procurement, electronic procurement. I won't bore you
   with the details, but it should help pay for the entire
8
   project if you do that correctly and it wasn't even
10
   deployed.
                  I've seen -- I've seen probably worse
11
12
   things, but none that was as expensive.
            At the time that you were the interim CIO in
13
   2005, you said that you saw Mr. Foddrill -- at least one
14
15
   evening you can remember seeing him at work.
16
             Uh-huh.
        Α
             Were you aware of the fact that Mr. Foddrill was
17
   working late and taking work home, looking over bills and
18
19
    invoices?
             Other than that he told me that, no. I wouldn't
20
    have been able to have a chance to observe it.
21
             And you were aware that the contracts for that
22
    department were behind and fixing to expire and nothing
23
    had been done as far as those contracts?
24
```

Yes.

Α

1 Were you aware that an audit was done of the 2 contract -- of one of the contracts in that department, 3 the Avaya contract? 4 Α Not that I recall. Is there some detail you 5 have about it that might jog my memory regarding what it 6 said? 7 Probably not. 0 8 Α Okay. More specifics to the contract that you might 9 not be familiar with. But were you aware at the time 10 that you were the interim CIO in 2005 of any audits being 11 done on the contracts in that department? 12 A Only by the city auditor on the SAP contracts. 13 There was a huge number of audits being done on the SAP 14 system by Pat Major, the city auditor at that time, to 15 both make substantive recommendations on better ways to 16 do the project, and to do checks to make sure our 17 financial controls were adequate before modules went 18 live. So we had a substantial number of audits in that 19 area, but I don't recall any telecom audits. I just 2.0 don't have any recollection of them. 21 Does the vendor Avaya even ring a bell to you? 22 Oh, sure. I knew we had Avaya stuff, and I knew 23 that Avaya, along with a lot of other companies, were

struggling to transition to more modern ways of doing

24

business. It was a tough time. There's been a lot of consolidation, as you're aware of, in this industry, and we were concerned that they might be a takeover target, or any number of companies might be acquired or might go out of business, and they were on my list of ones to be concerned about.

Q Were you aware that at one particular time contract manager, Robert Valdez, couldn't even find the Avaya contract before the audits?

A I'm aware that Robert had a hard time finding a lot of contracts, and I tasked him with gathering into one place and then eventually imaging. I don't know if he did, but I asked him to image all the contracts so we would have a complete record of the contracts that we, in fact, had executed. And they were just spread out in people's filing cabinets and some of it was over in purchasing and contract management, and they were — they were in the organization generally, but not accessible was what I got from them.

Q You left the interim CIO position in July of 2005.

A Yeah. I actually came back in July. I can't remember my actual last date. I know I went to Norway sometime in there because my wife's Norwegian and we go to visit her family there. I can't remember. I know I

```
was gone and then came back for that last two or three
 1
   days of work, and that was in July -- sometime toward the
 2
   end of June, beginning of July was when I actually put in
 3
   my last full weekend. I could look. I think the City
 4
 5
   probably has some kind of record of when I was paid for.
 6
             Yes.
 7
             So they would actually have an accurate record
   of when I was here on-site because I would turn in
9
   reports as to what days I was here.
10
            Who became the CIO after you left?
11
            Michael Armstrong. And then that would have
12
   been in August or September, I believe, he came on board.
13
             Were you involved in any way in the hiring of
14
   Mr. Armstrong?
             I was involved in the interview team and in
15
16
   reviewing the resumes that were presented by a company
17
   called Arcus, who was the actual contract holder of this
   activity that subcontracted to me the work I was doing.
18
19
                  So I was actually a subcontractor is
   probably a better way of describing me, and Arcus was the
20
   headhunter firm that was used to hire the city manager
21
22
    and was used to hire the CIO.
23
             Now, Mr. Armstrong, was he hired as an employee
24
    of the City?
```

25

Α

Yes.

1 Q So he was not a contract worker like you were in 2 that position? 3 That's correct. Α And he is no longer in that position. Do you 4 know why he left? 5 6 I believe two things. One, there was a conflict 7 of goals and personality between Mr. Armstrong and the 8 other managers in the city manager's office just in terms 9 of how he liked to do business and how they wanted to 10 have their CIO do business. And the scale of the city 11 being so large and hard to manage as being as large as it 12 is, was not the kind of place he wanted to work. 13 He has told me since -- and I've met with 14 him -- that he would like to work in a medium-sized city that's more in the size of where he came from, like a 15 16 Des Moines or a Mesa, Arizona, or a Lexington, Kentucky, 17 sized city because he feels that they're a lot more 18 manageable and he would be a lot less stressed and happier in a position like that. There was just too much 19 20 to do here. 21 Did you immediately come back to the City upon 22 his leaving or was there a gap in that position? 23 There was -- there was a gap of a few days 24 because my mother passed way. The day I was supposed to

actually travel here, she passed away, so it was about

34 1 four days later. So there were a few days that Jelynne 2 Burley was actually the acting CIO, I think. 3 And is there a process going on right now to 4 fill that position permanently? 5 Α Not yet. 6 You're under a six-month contract --0 7 Α Uh-huh. 8 -- as an employee? Q 9 Uh-huh. Α 10 Is there a possibility that that contract will Q 11 extend? 12 Α There's a possibility that I could become the 13 CIO as a permanent employee of the City rather than being a temporary employee, and I have discussed that 14 possibility with Jelynne. And it was part of my offer 15 when I came here, to see if they would rather have 16 somebody who is not necessarily here all the time 17 physically on-site, but who would provide the oversight 18 19 and governance, strategy, new ideas if you need them, business process change ideas, that would support a good 20 CTO, which is chief technology officer, which is what 21 Hugh is doing now. 22 23

So I had included that possibility when I responded to their wish to have me come back and said that we would discuss -- I would be happy to discuss that

24

with them if they were interested, and it proves that they're interested in at least talking about that.

Q When you left and Mr. Armstrong took over, did you have any discussions with Mr. Armstrong about any concerns raised by Mr. Foddrill?

A I think what I had said to him was two things.

One, that I didn't feel that Jose was a strong manager and that I had recommended that something be changed there. That was incorporated under the changes in the organizational chart I've described to have two main wings, one software and one hardware, and then have a customer service division and then have a group that managed projects and things like that. The context of it was that discussion that he should have other people managing that process.

The second thing was I think I might have mentioned that there had been some concerns raised, but that I really couldn't judge how much of it was someone reading into -- John was reading into things more than what was there or whether there was legitimacy to them because I really couldn't judge it.

He had concerns. You know, he had raised a lot of issues, and I always encourage people to -- you know, if they think something is going on that's wrong to bring it to me and, you know, I will work with them to

pursue it. But I just didn't have the kind of evidence or way of judging the allegations to know whether they were founded or unfounded. So I shared, I think, that with Michael to say there had been some concerns raised in two areas: Around telecom and the other one was around the police system for the computer-aided dispatch and the direct recording of police activities from the squad car.

That system was also a mess. And it was also one of the worst contracts I've ever read and I told them about it, and I said -- those two areas looked like they had enough problems that I couldn't tell if it was incompetence or corruption or inattention. I just couldn't tell.

I just said, It's just not being done well, and I don't know why. And I don't have any proof in any of those three except I just know that if I were in charge of those, I would expect to be handed my walking papers if it ran that badly.

Q Since you've been back, have you been made aware of the findings of an audit that was done in that department about the vendor contracts?

A Is this called a -- I'm trying to think of the name of it. It's the department for the city that manages --

1 I'm not talking about municipal integrity. 2 Α That word. I've been told that one of those investigations was conducted. 3 4 Have you seen that -- results of that 5 investigation? No. I've only been told by Jelynne that there was no specific finding of a problem. You know, with some other words that I don't recall, but the basic 8 recollection I have is that it did not determine there 10 was anything that was actionable. Q But you haven't seen a separate audit that was 11 12 done, an audit report? Can you tell me who did the audit? I might have 13 Α read a report. 14 It would have been done by auditors, so it was a 15 true audit report, not an investigation by municipal 16 17 integrity. Would it have been done by the city auditor or 18 Α by a third-party auditor? 19 It's my understanding by the city auditors. 20 0 Of telecommunications contracts? 21 Α Of the Avaya contract. 22 Q No. I have not seen that. 23 Α Okay. Do you have any information as to why 24 Mr. Foddrill was terminated? 25

1 I don't have any direct knowledge. I only have Α secondhand knowledge. I can tell you what I've been 2 3 told. 4 What have you been told? I have been told that -- a couple of things. 5 Α 6 One was that upon a time period where he had taken a leave or was gone, either on vacation or leave, his work 7 group was able to eliminate a large backlog of work which 8 you would normally expect the opposite to happen. 9 your team leader is gone, you might expect things to get 10 worse, but they got better when he was gone, and that was 11 an indicator to some of the people that certain work that 12 was assigned to him was not getting done and the general 13 14 complaint that I understand was placed against him was that he was not doing the work that was assigned to him 15 16 to do. 17 Have you ever heard of an account in that 18 telecommunications department that was called the 19 variable account? 20 Variable. Α 21 Variable. Q 22 Α No. Were there any other names for it? 23 That's the only one we've had it called so 0 No. 24 for.

25.

Α

Q It's, apparently from the testimony, an account that was set up due to fluctuating, like, long distance bills in the City and fluctuating costs for telephones so that a certain amount is paid for each unit into this fund and then the bills are covered. Almost your per capita situation that you were talking about.

A Other than I have general knowledge that we currently do have variable bills, if there's an account that goes to cover that, I'm not -- I don't know that there's a separate account. I don't have knowledge of that. It would make sense that we have to even out the service because some of these things we charge one rate for even though there's variability in what it costs, so you have some ways in having to level those out.

There are other things that are specifically charged to people that are, in fact, a variable cost, so it might relate to that. Variable costs are things that go up and down, and you're asked to pay your portion more specifically of that exact cost, but if there's an account for that, I just don't know.

- Q Back to what you've been told about why

 Mr. Foddrill was terminated, who told you these things?
 - A Yolanda Maldonado.
 - Q And who is that?
 - A She is the assistant director over software.

```
Kevin Phillips, who is the assistant director over
   hardware, and Hugh Miller, who was the director of the
 2
 3
   ITSD.
 4
       Q Do you know who was responsible for terminating
 5
   Mr. Foddrill?
 6
       A No, I don't.
7
                 MS. GAUL: Can I have you mark this one as
8
   Deposition Exhibit 4?
9
                  (Exhibit 4 marked.)
10
             (BY MS. GAUL) I'm less concerned with what
       Q
   Mr. Foddrill wrote and more concerned with whether you
11
12
   remember receiving an e-mail after you left from
   Mr. Foddrill.
13
14
       A
            Yeah, I remember receiving this e-mail.
15
            Do you remember responding that you would give
   him a call?
16
17
       A Yeah. I mean, this looks familiar when I see
18
   it.
19
            And do you remember ever calling him?
             I don't remember if I did or not.
20
             So do you remember any reason why you would not
21
   have called after sending that e-mail?
22
            Other than -- well, I guess I don't know. Did
23
   he give me a number, a day and evening number? That
24
   might have been one reason. I don't remember if I got
25
```

the number to call him. The other one would have been that I would have handed this responsibility off since I was no longer there. I would have, you know, indicated to Mr. Armstrong that this was an issue that he'd have to deal with. Because I met with him -- because we knew he was being hired in June. I believe he was extended an offer in June of 2005 to become the city's chief information officer.

And then I met with him in Des Moines at my home, and briefed him on department leaders that I had worked with, such as Tom Wendorf, with what their issues were. Inside IT and who I'd work with there. Who I felt he could have trust in and who was doing a good job and who wasn't.

My recommendations that I made on reorganization, so I had an extended discussion with him, so one of the reasons if I didn't talk to him might have been because I handed it off to him to say, You know what? I'm no longer there and there's nothing I can really do about this. So if anything, I would have handed it off to him. That's the only reason I can think of.

Also, some of -- I've read letters from people at a state level, or folks who allocate -- allege a lot of things about government for a long time, you

1 kr
2 it
3 sc
4 ar
5 tr
6 mi
7 sc
8 ar
9 ab
10 kr
11 cc
12 ar

know, and I've investigated many of them. And sometimes it starts to sound like someone gets obsessed about something and there may or may not be something behind it and they get too wrapped up in it and they're having trouble focusing and I began to be concerned that that might be what was happening here. Whether there was something here or not, there was an awful lot of energy and harm being caused through John just worrying so much about this and being so tied up with it. And without knowing whether it was really legitimate, you know, I was concerned that he just might have gotten caught in a loop and just kept focusing on this and not being able to get out of the loop to move on, to continue to be able to work there and be comfortable doing his job.

And I've seen this happen with other employees. They just get so obsessed about something they think is wrong, they have a hard time continuing to work. So I think I might have shared -- I couldn't -- that kind of concern with Michael Armstrong. I just couldn't tell, but it seemed like that might be part of a concern that he should have about this, so that when he dealt with Mr. Foddrill, he should try to figure out in an independent way if he had concerns about what had been happening with stuff.

But John isn't a paid investigator. That

wasn't his job to worry about these things, but he was 1 doing all that stuff and worried about doing it. And it 2 was neither benefiting him, nor was it actually getting 3 4 out the results that were needed to determine whether or 5 not there was a management problem, inattention or something else. So I think that would have been the 7 I don't have any other reasons that I wouldn't have called. No one asked me not to. No one said 9 anything to me at all regarding this, so I don't have any 10 other information to give you about that. 11 MS. GAUL: I have nothing further. 12 the witness. 13 MS. KLEIN: We'll reserve our questions. 14 (Deposition concluded at 4:03 p.m.) 15 16 17 18 19 20 21 22 23 24 25

1								
1				NGES AN		ATURE		
2	WITNESS	NAME:	RICHARD	VARN	DATE:	AUGUST 15,	2007	
3	DACE	T T 17 ==						
4	PAGE	LINE	CHAN		. ,	REASON		
5	24	22	Phillips	to G000	dwins	said wrong	lastname	•
6	_40		<u>Phillips</u>	to Good	lwin	Said wrong Said wrong	last name	,
7								
		<u></u>						
8	—————— <u>—</u>							
9							·	
10								
11								
12							·	
13								
14								
15			·					
16								
17								
		···						
18								
19								
20			,	···				
21								
22								
23							·	
24					·			
25						·		

1	I, RICHARD VARN, have read the foregoing deposition
2	and hereby affix my signature that same is true and
3	correct, except as noted above.
4	
5	Jan Jan
6	RICHARD WARN
7	THE STATE OF TEXAS
8	COUNTY OF BEXAR)
9	Before me, William Wuenzeugs on this day
10	personally appeared RICHARD VARN, known to me (or
11	proved to me under oath or through $\mathcal{I}\mathcal{D}$
12	(description of identity card or other document) to be
13	the person whose name is subscribed to the foregoing
14	instrument and acknowledged to me that they executed
15	the same for the purposes and consideration therein
16	expressed.
17	Given under my hand and seal of office this
18	17th day of September, 2007.
19	
20	WILLIAM H. WUERZBERGER WILLIAM H. WUERZBERGER WILLIAM H. WUERZBERGER
21	STATE OF TEXAS Y Public in and for the of FXAS
22	
23	
24	

1	NO. 2006-CI-06702
2	JOHN E. FODDRILL, SR.,) IN THE DISTRICT COURT PLAINTIFF(S))
3) VS.) BEXAR COUNTY, TEXAS
4	CITY OF SAN ANTONIO,)
5	DEFENDANT(S)) 45TH JUDICIAL DISTRICT
6	REPORTER'S CERTIFICATION
7	
8	ORAL DEPOSITION OF RICHARD VARN
9	AUGUST 15, 2007
10	I, SHARON L. MCDONALD, Certified Shorthand
11	Reporter in and for the State of Texas, hereby certify to the following:
12	
13	That the witness, RICHARD VARN, was duly sworn by the officer and that the transcript of the Oral
14	Deposition is a true record of the testimony given by the witness;
15	
16	That the deposition transcript was submitted on $0.7-0.7$ to the witness or to the attorney
17	for the witness for examination, signature, and return to me by $9.21-07$;
18	
19	That the amount of time used by each party at the deposition is as follows:
20	MS. MALINDA A. GAUL - 00:58 MS. DEBORAH L. KLEIN - 00:00
21	MS. DEBORMI H. REETA OO.OO
22	That pursuant to information given to the deposition officer at the time said testimony was taken,
23	the following includes counsel for all parties of record:
24	MS. MALINDA A. GAUL, Counsel for Plaintiff; MS. DEBORAH L. KLEIN, Counsel for Defendant.
25	MS. DEBORAR L. RIEIN, Counsel for Defendanc.

I further certify that I am neither counsel for, 1 related to, nor employed by any of the parties or attorneys in the action in which this proceeding was 2 taken, and further that I am not financially or otherwise interested in the outcome of the action. 3 4 Further certification requirements pursuant to Rule 203 of TRCP will be certified to after they have 5 occurred. 6 7 Certified to by me this 5th day of September, 2007. 8 9 McDonald, CSR, 10 Texas CSR 5423 Expiration: 12/31/07 11 Depositions Plus 14080 Nacogdoches Road No. 341 12 San Antonio, Texas 78247 (830)303-511113 14 15 16 17 18 19 20 21 22 23 24 25

1	FURTHER CERTIFICATION UNDER RULE 203 TRCP
2	The original deposition was was not returned to the deposition officer on $q - (q - 07)$;
3	
4	If returned, the attached Changes and Signature page contains any changes and the reasons therefor;
5	
6 7	If returned, the original deposition was delivered to MS. MALINDA A. GAUL, Custodial Attorney;
9	That \$ 202.75 is the deposition officer's charges to the Plaintiff for preparing the original deposition transcript and any copies of exhibits;
10	i and copies of omitality
11	That the deposition was delivered in accordance
12	with Rule 203.3, and that a copy of this certificate was served on all parties shown herein and filed with the Clerk.
1	
1.3	i = 1
1.4	Certified to by me this $15 + $ day
	of October, 2007.
1.4	$\bigcap_{i \in I} f_i$
1.4 15	of October, 2007. Sharon L. McDonald, CSR, RPR Texas CSR 5423
1.4 15 16	of October, 2007. Sharon L. McDonald, CSR, RPR Texas CSR 5423 Expiration: 12/31/07 Depositions Plus
1.4 15 16	of October, 2007. Sharon L. McDonald, CSR, RPR Texas CSR 5423 Expiration: 12/31/07 Depositions Plus 14080 Nacogdoches Road No. 341 San Antonio, Texas 78247
1.4 1.5 1.6 1.7 1.8	of October, 2007. Sharon L. McDonald, CSR, RPR Texas CSR 5423 Expiration: 12/31/07 Depositions Plus 14080 Nacogdoches Road No. 341
1.4 1.5 1.6 1.7 1.8	of October, 2007. Sharon L. McDonald, CSR, RPR Texas CSR 5423 Expiration: 12/31/07 Depositions Plus 14080 Nacogdoches Road No. 341 San Antonio, Texas 78247
1.4 15 16 17 18 19 20	of October, 2007. Sharon L. McDonald, CSR, RPR Texas CSR 5423 Expiration: 12/31/07 Depositions Plus 14080 Nacogdoches Road No. 341 San Antonio, Texas 78247
1.4 15 16 17 18 19 20 21	of October, 2007. Sharon L. McDonald, CSR, RPR Texas CSR 5423 Expiration: 12/31/07 Depositions Plus 14080 Nacogdoches Road No. 341 San Antonio, Texas 78247
1.4 15 16 17 18 19 20 21 22	of October, 2007. Sharon L. McDonald, CSR, RPR Texas CSR 5423 Expiration: 12/31/07 Depositions Plus 14080 Nacogdoches Road No. 341 San Antonio, Texas 78247

John Foddrill

From:

Richard Varn

Sent:

Wednesday, June 22, 2005 9:05 PM

To:

John Foddrill

V... Subject:

Re: Status of RFP for Telecommunications Consultant

Not to worry and glad to talk with you. Please set it up with Alan.

----Original Message----

From: John Foddrill <JFoddrill@sanantonio.gov> To: Richard Varn < Richard. Varn@sanantonio.gov>

Sent: Wed Jun 22 20:57:55 2005

Subject: RE: Status of RFP for Telecommunications Consultant

Mr. Varn,

I apologize. I work directly for Mr. Medina. As he makes all the telecommunications decisions, he indicated that he would submit the final draft for approval.

I spoke to you one evening and you told me that I would never get in trouble with the City by telling the truth and doing the right thing. We spoke about my contracts and proposals being held up on someone's desk for weeks and months. I avoided giving you a name at the time. I hope I don't appear disloyal by simply telling the truth now. I don't want to get in any trouble.

If I could be so forward I would ask if I can speak with you for just five minutes. You have made quite an impression in the few months you have been in San Antonio and I would really appreciate your advice and guidance. I realize that you are a very busy man and would not take up your time foolishly.

Thank you.

John Foddrill Telecommunications Manager

From: Richard Varn

Sent: Wed 6/22/2005 6:51 PM

To: Robert Valdez; Jose Medina; John Foddrill; Mike Mitchell; Hugh Miller

Cc: Norbert Dziuk

Subject: Re: Status of RFP for Telecommunications Consultant

God took less time to make a lot more.

Get this done now. If this cannot be completed by close of business tomorrow, I want the person holding it up to call me and tell me why it will not be done.

I am, unlike God, out of patience.

🤲 Richard

----Original Message----From: Robert Valdez <rvaldez@sanantonio.gov>

To: Jose Medina <jmedina@sanantonio.gov>; John Foddrill <JFoddrill@sanantonio.gov>; Mike Mitchell <mmitchell@sanantonio.gov>

CC: Richard Varn <Richard.Varn@sanantonio.gov>; Norbert Dziuk <ndziuk@sanantonio.gov> Sent: Wed Jun 22 18:46:08 2005

Subject: Status of RFP for Telecommunications Consultant

We met last week and I updated the document during the meeting then sent the RfP to you for final review and requested returns.

Not received. Richard and Norbert need an update.

Please forward your comments ASAP. There were a lot of changes and need you to let me know if I conveyed these changes correctly and if anything was missing.

Thanks Robert

----Original Message----

From: Norbert Dziuk

Sent: Tuesday, June 21, 2005 8:36 AM

To: Robert Valdez

Subject: Status of RFP for Telecommunications Consultant

Robert,

What is the latest status of the RFP for the Telecommunications Consultant? What the anticipated release date? Appreciate any information you can provide.

Norbert

John Foddrill

Subject: Location: Meet w/ John Foddrill (Telecommunications Manager) Mr. Varn's Office - 9th Floor Riverview Towers

Start: End:

Fri 6/24/2005 1:30 PM Fri 6/24/2005 2:00 PM

Show Time As:

Tentative

Recurrence:

(none)

Meeting Status:

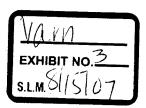
Accepted

Required Attendees:

Richard Varn; John Foddrill

*Need to confirm with Mr. Varn

207-6910



John Foddrill

From:

Richard Varn

Sent:

Monday, July 11, 2005 12:00 PM

To:

John Foddrill

Subject:

Re: Meeting follow-up - John Foddrill

<u>Jarn</u> EXHIBIT NO. <u>4</u> S.L.M. 8/15/07

Send me a number where I can call you during the day and an evening number. I will find a time this week when we can talk.

----Original Message----

From: John Foddrill <JFoddrill@sanantonio.gov>
To: Richard Varn <Richard.Varn@sanantonio.gov>

Sent: Sun Jul 10 21:59:16 2005

Subject: Meeting follow-up - John Foddrill

Mr. Varn,

I wanted to take a minute to thank you for everything you have attempted to do in providing me with assistance and guidance. I realize that you did your best in the short time that you were here. I regret not being able to speak with you but realize that your time is valuable.

Mr. Moeller and I discussed the reorg several times before he retired. He asked me as Telecommunications Manager to consolidate my team with the data FEA group in an effort to provide one point of contact for our users. He asked that I consolidate and train the City's technicians in an effort to provide in-house support for installation and repair assured him that I would use my years of combined voice and I/T experience to switches and directed Mr. Medina to provide me with the funding required. He told me that I could retain and use any money I saved going forward for communication projects. You once I learned of its existence.

When the new organization chart was revealed I was puzzled to see nothing of our discussion outlined. Technicians work for another group but I have been directed to train them. Data FEA works for another group but I have been directed to train them also. The Cellular/pager employees were moved to another group but I still provide the same support as before . I have been directed to write procedures explaining how voice services are supported in an effort to bring others up to speed. When I questioned the sudden aboutface I was told that Mr. Moeller is gone and to forget about anything we discussed.

I waited two weeks in the hope that some good would come of our short meeting. Last week I was suddenly told to cancel the switch upgrade scheduled for August as I would get no funding for Avaya equipment. I have been directed to reuse materials and install used key equipment to support our users. I spent the past year working toward this upgrade that would have provided relief across the entire city. I addressed many years worth of neglect in an effort to provide some focus for the communications group . Suddenly and unexpectedly a year's worth of hard work was tossed away. When I attempted to defend my plans to provide state-of -the-art communications service to our users I was told to "shut up and do as I am told". I was told that you were gone and that I had better get used to

This spring I was honored as "Employee of the Month" after only six months of service with the City. Mr. Moeller himself told Mr. Miller that I should be nominated for higher awards because of my performance. I was asked to participate in some major changes anticipated with the reorganization. I looked forward to a long career with the City.

I agreed with Mr. Moeller when he discussed the problems of working with Cisco such as those experienced by Houston, Dallas and San Jose California. This shouldn't jeopardize my career. I spoke to both Mr. Moeller and yourself about Mr. Medina's behavior. This shouldn't jeopardize my career. I've audited communications invoices and uncovered hundreds of thousands of dollars in potential savings or recoverable overpayments. This shouldn't jeopardize my career. I've cooperated with auditors and recommended cost saving

solutions that should have been implemented years ago. This shouldn't jeopardize my career. Nothing I've done should put my career in jeopardy yet I believe this is exactly what has happened.

I really want to continue working for the City but I'm tired of the threats, lies and lack of support. I don't want to appear unappreciative of your assistance but I'm really tired of all the nonsense. I'm fifty-four years old and have spent thirty-five years working in the communications and I/T support fields. I held numerous titles in the telecommunications arena (craft and management) before transforming myself into an I/T Manager obtaining several certifications along the way from a simple A+ to MCSE. A year ago I accepted the position of Telecommunications Manager but feel as if I am simply a clerk.

If it wouldn't appear too forward I'd like to ask you for some advice. You've worked your way up to several positions of immense responsibility. You must have encountered obstacles along the way that may have been similar to my current predicament. What did you do to overcome and keep on moving? What would you do if you were in my position?

Thank you again for all your support. I'm sorry to see you go.

John Foddrill