

Mark Brnovich Attorney General

OFFICE OF THE ARIZONA ATTORNEY GENERAL CRIMINAL DIVISION

March 30, 2021

Sally Ann Gonzales 1700 W. Washington Senate Building 1St Floor Phoenix, AZ 85007

RE: Case #2021-1789

Dear Sally Ann Gonzales:

This letter is to acknowledge the receipt of the aforementioned complaint. Based on a review of the information provided to our office, it has been determined that this office will not initiate a criminal investigation in this matter.

The information you have provided has been logged and will remain on file per the record retention laws of Arizona.

Sincerely,

Criminal Investigator Don Carroll

Office of the Attorney General – SIS 2005 N. Central Ave., Phoenix, AZ 85004

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DISTRICT 3

March 15, 2021

TUCSON LEGISLATIVE OFFICE 400 WEST CONGRESS, SUITE 201 TUCSON, ARIZONA 85701

> The Honorable Mark Brnovich Arizona Attorney General 2005 North Central Avenue Phoenix, Arizona 85004

Dear Attorney General Brnovich:

We are writing to request the Attorney General's Office open an investigation into possible procurement violations involving Pima County Community College District ("College") and Trane. We have recently become aware of information that raises alarming concerns about a procurement contract executed between the College and Trane, a manufacturing company.

Trane was awarded the contract for the Comprehensive, Integrated Energy Management Program for Pima College on July 8, 2020. (Proposal No. P20/10015)¹ According to the information we received from a constituent, James Knutson is Director of Integrated Solutions for Trane. Prior to the publication for the Request for Proposal, Mr. Knutson engaged in regular and extensive e-mail communications with particular College employees, including the College Chancellor, Lee Lambert. We are unaware if the constituent also requested a public records request of any text messages, social media messages, or calendar notes.

It appears from the information we discovered on the internet that Mr. Knutson is linked with Chancellor Lee Lambert through the National Coalition of Certification Centers (NC3). Chancellor Lee sits on the board of directors for NC3, which promotes Trane as one of only thirteen industry partners. Furthermore, Mr. Patrick Archambault, Director of Strategic Programs, sits on the board with Chancellor Lee Lambert ² and employs Michael McAlice as a program manager who also works or is associated with Trane as a program manager.³ We are troubled by the close relationship between key parties in this transaction. This circumstance leads us to believe irregularities may have occurred in the awarding of the contract to Trane, in violation of state law.

The emails exchanged by Mr. Knutson and Gregory Wilson, the dean of Applied Technology and chairman of the selection committee that selected Trane as the awardee, demonstrate a close relationship as evidenced by invitations to play golf and a promise by Mr. Knutson, maybe in jest but still inappropriate, of gifting \$40 for sports bets to Mr. Wilson. *See* Exhibit 1. In addition, there is an email from Mr. Knudson to Chancellor Lambert offering to send a team to Chancellor Lambert's residence to fix a defective air conditioning unit. Mr. Knudsen also identifies a College employee, Bill (Bill, is Mr. William Ward, Vice Chancellor of Facilities at Pima) as someone who will "be very resistant and pull out a number of tactics and claims" to presumably prevent Trane from doing a deep dive into the facilities and systems at the College. *Id.* Mr. Knutson proceeds to advise Mr. Wilson the selection committee for

¹The notice of the award to Trane can be found at https://www.pima.edu/administration/contracts-purchasing/rfps-bids-quotes.html.

² The composition of the board of directors for NC3 can be found at https://www.nc3.net/board-of-directors/.

³ The listing for industry partners with NC3 can be found at https://www.nc3.net/industry-partners/.

a number of tactics and claims" to presumably prevent Trane from doing a deep dive into the facilities and systems at the College. *Id.* Mr. Knutson proceeds to advise Mr. Wilson the selection committee for the RFP should not go "through Bill's department for obvious reasons" and should be composed of Mr. Wilson's executive team. *Id.*

Based on our knowledge and understanding of the documents, we formally request that your office initiate a complete and immediate investigation into the facts and circumstances surrounding this serious matter to determine whether any procurement laws, rules or practices were violated and whether any civil or criminal charges are warranted. The information extracted from this small sample of emails, in addition to the information we gathered from the web shine a light on troubling practices and engagements with a company who was a recipient of a contract award prior to and in close proximity to the timeframe in which the RFP for that award was made public.

It is vital that the constituents of Pima County know that the College is not unlawfully spending public money and that the procurement process is transparent, fair and honest. Thank you in advance for your attention to this matter. We look forward to your prompt response.

Sincerely,

Hon. Sally Ann Gonzales Arizona State Senator

UMMU AUMU XI & Hon. Alma Hernandez

Arizona State Representative, District 3

Hon. Daniel Hernandez

Arizona State Representative, District 2