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1 UNITED STATES DISTRICT COURT
 2 DISTRICT OF MINNESOTA
 3 *****
 4 PAUL STEPNES, et al., No. 08-CV-5296 (ADM/JJK)
 5 Plaintiffs,
 6 v.
 7 PETER RITSCHEL, et al.,
 8 Defendants.
 9 *****
 10
 11
 12 DEPOSITION OF
 13 DEBORAH EVERSON
 14 Taken June 30, 2009
 15 Scheduled for 1:30 p.m.
 16
 17 **COPY**
 18
 19
 20
 21
 22
 23
 24
 25 Reported By: Lori Morrow, RPR, CRR, CLR

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1 Deposition of DEBORAH EVERSON, taken on the
 2 30th day of June, 2009, commencing at 1:30 p.m., at
 3 the offices of PARADIGM REPORTING & CAPTIONING INC.,
 4 1400 Rand Tower, 527 Marquette Avenue, Minneapolis,
 5 Minnesota, before Lori Morrow, Registered
 6 Professional Reporter, Certified LiveNote Reporter,
 7 Certified Realtime Reporter and a Notary Public in
 8 and for the State of Minnesota.
 9
 10 APPEARANCES:
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 13 Moore, and the City of Minneapolis:
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 20
 21 ALSO PRESENT: Paul Stepnes
 22
 23 NOTE: The original transcript will be
 24 delivered to Jill Clark, Esquire, pursuant to the
 25 applicable Rules of Civil Procedure.

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<p>1</p> <p>2</p> <p>3</p> <p>4</p> <p>5</p> <p>6</p> <p>7 Q I want to go through all the names. Could you</p> <p>8 just tell me if you know these individuals that I'm going</p> <p>9 to list? And this part is not confidential anymore. Is</p> <p>10 that okay?</p> <p>11 A Uh-huh.</p> <p>12 Q Okay. Lee Glover?</p> <p>13 A No.</p> <p>14 Q Do you know the company First Construction</p> <p>15 Finance, L.L.C.?</p> <p>16 A No.</p> <p>17 Q Candace Campbell?</p> <p>18 A No.</p> <p>19 Q CDC Associates?</p> <p>20 A No.</p> <p>21 Q Bill Kling, with a K?</p> <p>22 A Bill Kling. I've met Bill Kling. I don't know</p> <p>23 who he is, but.</p> <p>24 Q Sally Kling with a K?</p> <p>25 A No.</p>	<p>1 A No.</p> <p>2 Q Paul Simonson?</p> <p>3 A No.</p> <p>4 Q Megan O'Hara?</p> <p>5 A No.</p> <p>6 Q An individual named Ember?</p> <p>7 A No.</p> <p>8 MR. COOPER: I just object to that last</p> <p>9 question as too vague, individual name. Ember is</p> <p>10 a -- who knows what you're talking about.</p> <p>11 THE WITNESS: No. I still don't know.</p> <p>12 BY MS. LATHROP:</p> <p>13 Q Christopher Mihm?</p> <p>14 A No.</p> <p>15 Q Okay. Peter Girard?</p> <p>16 A He's a political figure, I think.</p> <p>17 Q In what --</p> <p>18 A I don't know him personally, no.</p> <p>19 Q Okay. Jan Girard?</p> <p>20 A No.</p> <p>21 Q David Holland?</p> <p>22 A No.</p> <p>23 Q Terry -- I'm not going to pronounce this</p> <p>24 correctly -- Yzaguirre? It's Y-Z-A-G-U-I-R-R-E.</p> <p>25 A No.</p>
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<p>1 Q You already said you don't know Ali Dunham, I</p> <p>2 believe?</p> <p>3 A No.</p> <p>4 Q Audie Dunham?</p> <p>5 A No.</p> <p>6 Q I think you said you didn't know Sharon</p> <p>7 Provost?</p> <p>8 A No.</p> <p>9 Q Okay. An individual named Terri, T-E-R-R-I,</p> <p>10 Jones.</p> <p>11 A No.</p> <p>12 Q Janine [sic] Seeley-Smith?</p> <p>13 A No.</p> <p>14 Q Ben Taylor?</p> <p>15 A His name sounds familiar, but I don't think I</p> <p>16 know him. No.</p> <p>17 Q Okay. Carolyn Aberman?</p> <p>18 A No.</p> <p>19 Q Jean Golden?</p> <p>20 A No.</p> <p>21 Q Golden & Associates?</p> <p>22 A No.</p> <p>23 Q Carol Bersin?</p> <p>24 A No.</p> <p>25 Q David Halm?</p>	<p>1 Q Ray Neset?</p> <p>2 A No.</p> <p>3 Q Judith Taylor?</p> <p>4 A No.</p> <p>5 Q There was some discussion on the record earlier</p> <p>6 today about the Plaintiff, Mr. Stepnes, making some</p> <p>7 noises during the deposition. Did you feel that he was</p> <p>8 trying to intimidate you by making those noises today?</p> <p>9 A I think he's -- that's just how Paul is. He's</p> <p>10 expressive, and that's, you know, that's -- I expect that</p> <p>11 from him.</p> <p>12 Q When you say "it," do you mean him trying to</p> <p>13 intimidate you?</p> <p>14 A Just, you know, he feels that he's been -- I</p> <p>15 think that he feels he has had injustice done against</p> <p>16 him, and he thinks that I'm here to perpetuate that</p> <p>17 injustice. And so he's acting out in response to that.</p> <p>18 Q Against you?</p> <p>19 A Yes.</p> <p>20 MS. LATHROP: I think those are all my</p> <p>21 questions. Thank you.</p> <p>22 MR. SULLIVAN: All right.</p> <p>23 EXAMINATION</p> <p>24 BY MR. SULLIVAN:</p> <p>25 Q Ms. Everson, I introduced myself to you</p>

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1 earlier. My name is Michael Sullivan. I represent the
 2 local station here WCCO and its reporter Esme Murphy. I
 3 have just a few follow-up questions. I think Sara has
 4 already covered much of the ground that I had intended to
 5 discuss with you.
 6 I just want to be sure I understand fully your
 7 relationship with the Plaintiff, Paul Stepnes. You've
 8 now made clear that you did some architectural work
 9 through your firm Domain Architecture.
 10 **A Yes.**
 11 Q Is that correct? Do you also have a personal
 12 relationship with Mr. Stepnes? And by that, I mean were
 13 you two personal friends before you engaged in a business
 14 relationship?
 15 **A We were not friends before our business**
 16 **relationship. But we were friends during it.**
 17 Q Okay. And how long did your business
 18 relationship with Mr. Stepnes, when did it commence, and
 19 when did it come to a close If, in fact, it has come to a
 20 close?
 21 **A I would say somewhere in 2005 we started**
 22 **talking design. And I haven't spoken to him since, oh,**
 23 **gosh, probably 2007.**
 24 Q And how would you describe your experience of
 25 working with Mr. Stepnes just in general terms?

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1 **A It was a lot of fun. We had a great time**
 2 **working together.**
 3 Q And you indicated that there came a point where
 4 you had an unpaid debt of some sort of about \$40,000?
 5 **A Correct.**
 6 Q Has that debt -- has it since been retired?
 7 Has it been paid off?
 8 **A I think I signed -- well, no. I guess --**
 9 **signing away the lien just released the lien. But I**
 10 **think the debt is still out there. I don't expect to**
 11 **collect it.**
 12 Q Okay. So it's still outstanding?
 13 **A Correct.**
 14 Q But you're not counting on getting those
 15 moneys, I take it?
 16 **A No.**
 17 Q Did ever institute legal proceedings to try to
 18 collect that debt?
 19 **A No.**
 20 Q Ms. Everson, have you had dealings with any of
 21 Mr. Stepnes' companies? In particular, I think you
 22 indicated you had some familiarity with Chester House,
 23 L.L.C.
 24 **A I only know of that because that is his dog's**
 25 **name, Chester. So I think any business that has the**

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1 **Chester in it has to do with one of his companies.**
 2 Q Okay.
 3 **A That's all.**
 4 Q Were your dealings with Mr. Stepnes with him
 5 personally, or did you deal with one of those corporate
 6 entities?
 7 **A I just dealt with Paul directly.**
 8 Q Okay. And did you ever have any dealings of
 9 any sort with the Chester House Foundation that you saw
 10 referenced on the website?
 11 **A No.**
 12 Q Do you have any information whatsoever about
 13 that foundation or its activities?
 14 **A No.**
 15 Q You've told us about how you came to learn of
 16 the contest by reading an article in the Minneapolis Star
 17 Tribune. Did you have any other conversations with any
 18 other individuals about the contest?
 19 **A Sure. We talked about it in the office. Some**
 20 **people were going to go over and try it out.**
 21 Q All right. And was this just general office
 22 conversation with your colleagues?
 23 **A General office chitchat.**
 24 Q Okay. Did you have any -- try to get a little
 25 more specific. Did you have any conversations with

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1 anyone about Mr. Stepnes' alleged plan to donate money
 2 from the house contest to some charity or charities?
 3 **A No. It was unclear to me what sort of the**
 4 **relationships were between the contest and the foundation**
 5 **and the -- just the whole thing.**
 6 Q Okay. That was a question that you had in your
 7 own mind?
 8 **A Correct.**
 9 Q But you didn't discuss that with others?
 10 **A No.**
 11 Q Did you talk with anyone about Mr. Stepnes'
 12 alleged plan to give the house away even though it was
 13 subject to various liens?
 14 **A No.**
 15 Q Did you talk with anyone about Mr. Stepnes'
 16 plan to give the house away even though the home was in
 17 foreclosure?
 18 **A No.**
 19 Q Okay. And just --
 20 MR. COOPER: You mean other than the police
 21 or --
 22 BY MR. SULLIVAN:
 23 Q Precisely. Just in fairness and to make it
 24 clear, I'm not asking you to repeat the testimony that
 25 you gave in response to Ms. Clark's questions about your

<p style="text-align: right;">Page 69</p> <p>1 discussions with Sergeant Ritschel. Is that acceptable?</p> <p>2 A Yes. Yes.</p> <p>3 Q Ms. Everson, if you could look again at the</p> <p>4 exhibit that was marked as Exhibit 10.</p> <p>5 MR. COOPER: Any particular page, counsel?</p> <p>6 BY MR. SULLIVAN:</p> <p>7 Q Yes, indeed. If you'll look again at page</p> <p>8 MPLS00008.</p> <p>9 MS. CLARK: Do we need to go back into</p> <p>10 confidential status?</p> <p>11 BY MR. SULLIVAN:</p> <p>12 Q We do.</p> <p>13 (Next portion is sealed in confidential transcript.)</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>	<p style="text-align: right;">Page 71</p> <p>1</p> <p>2</p> <p>3 (This portion is in confidential transcript.)</p> <p>4</p> <p>5</p> <p>6</p> <p>7</p> <p>8</p> <p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21 Q Okay. We're not involved in Exhibit 10</p> <p>22 anymore, so no longer has to be confidential.</p> <p>23 As I understand from your prior testimony,</p> <p>24 you're familiar with Mr. Stepnes primarily in a business</p> <p>25 context?</p>
<p style="text-align: right;">Page 70</p> <p>1</p> <p>2</p> <p>3 (This portion is in confidential transcript.)</p> <p>4</p> <p>5</p> <p>6</p> <p>7</p> <p>8</p> <p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>	<p style="text-align: right;">Page 72</p> <p>1 A Correct.</p> <p>2 Q Okay. My next question is put to you with that</p> <p>3 context in mind. To your knowledge, what is Paul</p> <p>4 Stepnes' reputation for honesty?</p> <p>5 MR. COOPER: I'm going to object. We're now</p> <p>6 getting into -- you did the foundation nicely, and</p> <p>7 you made it very clear that this is a professional</p> <p>8 area, and, therefore, she's no longer a fact</p> <p>9 witness. This is based on her professional</p> <p>10 knowledge. And I'm going to object to the question</p> <p>11 and instruct her not to answer because it's outside</p> <p>12 the scope of the subpoena for this deposition.</p> <p>13 MR. SULLIVAN: Okay. Just so you know -- I'm</p> <p>14 not going to sit here and argue.</p> <p>15 MR. COOPER: I understand.</p> <p>16 MR. SULLIVAN: We can take this up at a later</p> <p>17 date. But just so you know where I'm coming from,</p> <p>18 it is my position that for any witness to ask about</p> <p>19 a person's knowledge of someone's reputation in the</p> <p>20 community, that that is a quintessential not --</p> <p>21 that's not what I'm seeking. That's not an</p> <p>22 expert --</p> <p>23 MR. COOPER: And if it was phrased that way, I</p> <p>24 wouldn't have objected. But that's why I pointed to</p> <p>25 the foundation you created. The foundation you</p>