

**SWORN COMPLAINT FORM**  
(Form May Be Subject to Public Disclosure)

AS REQUIRED BY GOVERNMENT CODE SECTION 83115, please complete the form below to file a sworn complaint with the Fair Political Practices Commission. This form must be completed in its entirety and all pertinent information must be stated on this form, not as an attachment. Mail the complaint to:

Enforcement Division  
Fair Political Practices Commission  
428 J Street, Suite 620  
Sacramento, California 95814

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**Name of Person Making Complaint:**

Last name:   \*\*\*\*\*  
First Name:  \*\*\*\*\*  
Street Address:  
City: Palmdale                   State: CA  
Zip:  
Telephone:

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**\*IMPORTANT NOTICE**

Under the California Public Records Act (Gov. Code Section 6250 and following), this sworn complaint and your identity as the complainant may be subject to public disclosure. Unless the Chief of Enforcement deems otherwise, within three business days of receiving your sworn complaint we will send a copy of it to the persons(s) you allege violated the law.

In some circumstances, the FPPC may claim your identity is confidential, and therefore not subject to disclosure. A court of law could ultimately make the determination of confidentiality. If you wish the FPPC to consider your identity confidential, do not file the complaint before you contact the FPPC (916-322-5660 or toll free at 866-ASK-FPPC) and discuss the complaint with an Enforcement Division Attorney.

Complaint

**Person or Persons who Allegedly Violated the Political Reform Act:** *(If there are multiple parties involved, attach additional pages as necessary.)*

Last Name: Ledford  
First Name: James  
Street Address:  
City: Palmdale   State: CA  
Zip: 93550  
Telephone:   E-mail:

**Provision or Provisions of the Political Reform Act Allegedly Violated:** *(If specific sections are not known, please provide a brief summary of the nature of the allegations(s).)*

Jim Ledford, Mayor of the City of Palmdale, has taken approximately \$180,000 over a three year period, in an ongoing manner at the rate of \$5,000 per month from an individual who has directly benefitted from his actions as Mayor of the City of Palmdale. The source of these funds is both directly from an individual (Susan Miller) whom Ledford has voted to give financial support from the city, as well as indirectly from another individual (Kim Shaw) whom Ledford has repeatedly voted to give a large consulting contract worth well over \$1,000,000 and obtain specific actions from Jim Ledford in his position as Mayor of the City of Palmdale.

In his position as Mayor of the City of Palmdale, Jim Ledford voted to give the Aero Institute a special \$1/year lease, well below market value. He also has voted to give a city contract worth \$750,000 to Shaw & Associates, a private company (See Minutes of City Council Meetings December 6, 2006, November 4, 2009.) Jim Ledford has taken a consultant position with Complex Culture Change Consulting (CCCC.) Shaw and Associates is owned by Kim Shaw. Kim Shaw is also the President of the Aero Institute which employs Aero Institute Executive Director Susan Miller. According to his Form 700 (attachment #1) Susan Miller, through her Complex Culture Change company is now paying Jim Ledford between \$10,000 and \$100,000. According to his deposition in Juan Jauregui v. City of Palmdale (Case No. BC483039), (attachment #2), Jim Ledford states the specific amount is \$60,000 a year for consultant services.

In short, Jim Ledford voted to give a below market lease to Susan Miller and to give millions of dollars to Kim Shaw. In return, Kim Shaw's employee Susan Miller is paying Jim Ledford for vaguely defined consulting work, which by his own admission in the deposition, Attachment #2, has resulted in almost no work product by any measurable means. Additionally, the line between the minimal work at CCCC and his duties as Mayor is unrecognizable. In his own sworn testimony, meetings between himself, Shaw and Miller are detailed covering city topics and consulting topics with no line between them – an illegal mixture of his public and private roles leading to the only conclusion that Jim Ledford has been paid privately to obtain official city action. Even had he abstained from any vote in benefit to his employers, the income as a whole is an incompatible source for an official of the City of Palmdale

**Description, With as Much Particularity as Possible, of Facts Constituting Alleged Violation:**  
*(Attach additional pages as necessary.)*

Since 2003, the Palmdale City Council, with Jim Ledford presiding and voting in favor, has given the Aero Institute a \$1/year lease. Kim Shaw is president of the Aero Institute and employs Susan Miller as the Executive Director. This information was listed on the Aero Institutes website, but was later amended to remove Kim Shaw's name (attachments #4 and #5.)

On December 6, 2006, the Palmdale City Council, with Jim Ledford presiding and voting in favor, granted Shaw & Associates, of which Kim Shaw is an is the owner, a contract worth \$330,000 over two years. On November 4, 2009, the Palmdale City Council, with Jim Ledford presiding and voting in favor, granted Shaw & Associates an additional contract worth over \$430,000 over two years. Since then, Ledford has presided over renewals of Shaw's contract at steadily increasing yearly rate, most recently reported in the 3/25/2012 Antelope Valley Press article as being boosted to \$557,000/year (attachment #6.)

Shaw's contract itself is suspect, as local media and government watchdog groups can find no evidence of any work product or more than a vague description of what she does for such a large sum of public money. It should be noted that Shaw has previously been involved in a conflict of interest scam where she steered public funds to a company owned by a family member as referenced in the Antelope Valley Press article dated 4/22/2012 (attachment #7.) In the attached news article from the Antelope Valley Press dated 7/21/2012 (attachment #8,) the media discovered her invoiced claim of being a liaison to Edwards Air Force Base to be false, with Edwards Air Force Base officials quoted as saying they have

never spoken with her. In other words, when the press asked questions about the vague description of her work duties for such a large sum of money, the answers were not true. We really don't know what, if anything, she is doing to receive such a large amount of public funds.

In July, 2009, Jim Ledford announced that he was taking a consulting job he could not identify. Later, in October, 2009, Jim Ledford came forward to state he was taking payments for consulting work from Complex Culture Change under supervision of owner Susan Miller, the above referenced employee of Kim Shaw. In the news article dated 10/31/2009, Ledford specifically stated that none of the work was tied to anything Kim Shaw was doing or a part of. As was shown in the deposition, Attachment #2, this was untrue and it was and continues to be intermingled with his job as Mayor.

Also in that article in The Antelope Valley Press, City Attorney Matthew Ditzhazy said there was no conflict in Jim Ledford accepting money from a company he's voted to give below market leases, in addition to \$300,000 in public funds, merely because his contract claims it was unconnected to anything related to his position as Mayor. Again, as was shown in the deposition, Attachment #2, this was untrue and it was and continues to be intermingled with his job as Mayor.

A few months after accepting the position, Ledford requested and received city funding to attend a conference on airport operation in Hawaii, claiming it was to work on projects related to the Palmdale airport. He received public criticism that it could mix his public and private roles but has continued to attend the conference every year since then. (See attachment #9, Antelope Valley Press article dated 01/08/2010.)

On February 7, 2013, Jim Ledford was deposed under oath in the matter of Juan Jauregui v. City of Palmdale (Case No. BC483039,) the previously referenced Attachment #2. In that deposition, Ledford was asked about the entirety of his consulting work. That deposition is also attached. Ledford confirms that he is a 1099 independent contractor earning \$5,000 a month from Complex Culture Change Consulting. He describes his duties as "primarily research." He describes his work throughout the time of his consultancy from July 2009 through February of 2013. Summarized below.

October 2009-February 2011 – (pages 86-91) "BRINGING S.T.E.M.-RELATED EDUCATIONAL MATERIAL FOCUS IN A LIBRARY." S.T.E.M meaning Science, Technology, Engineering and Math. Further he describes the work as "THEY PAID ME TO DEVELOP A CONCEPT THAT WOULD AID LIBRARIANS, PATRONS, PARENTS TO UTILIZE TO A GREATER EXTENT RESOURCES THAT MAY BE AT A LIBRARY OR IT MAY BRING RESOURCES TO A LIBRARY." Upon being asked whether he is qualified in library sciences or STEM, he responds "I'M NOT SURE I HAVE TO BE QUALIFIED TO DO THIS," and "I HAVE PRETTY GOOD COMMON SENSE AND I CAN TELL THAT THIS IS AN AREA OF FOCUS FOR MANY COMMUNITIES IN AMERICA." His self-described work product in this area was contributing to a rough draft report, of which he never saw the final draft and did not know if any of his contributions were used. His contribution was giving his handwritten notes to Susan Miller. Ledford developed his notes were developed in two one-hour meetings with county library staff in Los Angeles and Kern Counties. In short – the entire first year plus of his contract, which he was paid more than \$60,000 for consisted of handwritten notes from two one-hour meetings.

February 2011-February 2012 (pages 81-86) "I ANALYZED A VISITOR CENTER UP IN AMES. WE ANALYZED THE POSSIBILITY OF CREATING A SUSTAINABLE VISITOR CENTER. WE WERE LOOKING AT SOME PRIVATIZATION. HOW TO BRING OTHER EVENTS, MORE OF A BROAD SPECTRUM OF EVENTS TO THE VISITOR CENTER TO INCREASE THE TRAFFIC AWARENESS." This involved one visit to Ames. The only work product submitted was a "20 page list of my observations and some conclusions." He states it was not a final document, and that he did not draft or ever see a final report beyond this summary. The City of Palmdale is also working on the development of a visitor and convention center. Given the strong financial ties between Susan Miller, Kim Shaw and Jim Ledford, it should be investigated whether even this small amount of work in Ames was truly about paying Jim Ledford personally to advance the Palmdale Visitor and Convention Center.

February 2012-August 2012 – (pages 78-82) “I’VE ANALYZED THE CITY OF PORTLAND ON THEIR OFFERINGS TO THE GENERAL PUBLIC OF EDUCATIONAL-RELATED CLASSES OR EXCURSIONS FROM MUSEUMS TO NON-PROFITS TO THE WHOLE SPECTRUM.” He states he did not produce a written report, but submitted “notes” to Susan Miller and visited Portland once. He also indicates he was paid for portions of this period of time when no work whatsoever was done due to his poor health. Beginning on Page 94, Ledford describes that much of his visit to Portland included “the National Space Grant Foundation” conference. No further description of the conference is provided, however this doesn’t seem to have anything to do with assisting the City of Portland. This indicates work being done in conjunction with the Aero Institute of which Kim Shaw is president and Susan Miller the employee, which would mean he is being paid by private individuals for his work as Mayor benefitting Shaw and Miller.

August 2012-February 2013 – (Pages 76-78) Researched educational conferences. Work product submitted: Hand-written notes of ideas garnered from websites he referenced. No formal submissions.

When asked whether Kim Shaw participated with Complex Culture Change Consulting issues, Ledford became evasive but admitted that she attended meetings with Ledford and Susan Miller “ABOUT THESE VERY SUBJECT MATERIALS I’VE TALKED ABOUT,” (referencing the projects listed above.) He further expounded the meetings were about “S.T.E.M. RELATED EDUCATION,” and it “RESULTED IN OUR DEVELOPING AN AEROSPACE ACADEMY WITH THE PALMDALE SCHOOL BOARD.” (Pages 92-93 of Deposition, Attachment #2.) Referring back to Attachment 5, the news article in which the City Attorney stated Ledford’s consulting income and position was legal as long as it didn’t involve the City of Palmdale, and Ledford’s assertion that he would not be working for or with Kim Shaw, we can see not only that Ledford was lying, but that he admits to crossing legal line laid out by City Attorney Matthew Ditzhazy.

In July of 2011, the City of Palmdale and the Palmdale School District joined to develop the Palmdale Aerospace Academy. In the attached Antelope Valley Press articles dated July 17, July 20<sup>th</sup>, November 15<sup>th</sup> and November 17<sup>th</sup> of 2011 (attachments #10, #11, #12 and #13, respectively,) the following information is conveyed. The Aerospace Academy is a STEM education focused charter school partnership between the City, the School District and the Aero Institute. The City itself holds the Charter. Every single thing Ledford was paid to do was developed as a city project involving the very people paying him, and who he has voted to give public funds. In November, Ledford was even named Chairman of the Board.

In short, in the entire period of Ledford’s consultancy, in exchange for at least \$180,000, he attended two one-hour meetings and provided his notes from those meetings, he visited Ames for two days and provided a 20 page list of observations with some conclusions. Studied non-profits and visited Portland for a space grant conference and provided handwritten notes and websites. In addition to meager work-product, it was all related to developing a project for Kim Shaw and Susan Miller’s Aero Institute that needed the City of Palmdale to apply for a charter with the Palmdale School Board. All of Ledford’s consult fees were aimed at delivering official action from the City of Palmdale. Further investigation by appropriate authorities including the FPPC is needed to determine the extent of the financial ties involving Kim Shaw, Susan Miller, Jim Ledford and any others.

Jim Ledford has a history of hiding information from the FPPC. He has been warned and fined in the past by the FPPC for failing to properly disclose campaign finance data. In 2006, he was issued a warning in connection to his 2006 failed bid for State Assembly, (attachment #14.) In 2007, he was fined for failing to report contributions to his past city council campaigns, (attachment #15.) In both of these instances, the unreported contributions were politically controversial, indicated they were purposefully hidden for political benefit.

In the 2006 campaign, one of the contributions that was illegally hidden and not reported was from the International Brotherhood of Electrical Workers Unions, Local 47. At the same time they made that contribution, Ledford put a municipal ordinance on the council’s consent calendar at the request of the union that barred non-union workers from city projects. This later led to some controversy of its own over pay-to-play politics and conflict of interest when the so-called “Electrical Safety Policy” was repealed.

(Attachment #16, Antelope Valley Press, 08/12/2007.) This establishes a history of tying financial relationships with his official action.

***(Please attach copies of any available documentation regarding the violation, for example, checks, campaign materials, etc., if applicable to the complaint.)***

**Attachments:**

1. Jim Ledford's Form 700 for 2009 listing income from Complex Culture Change Consulting.
2. Jim Ledford deposition from Jauregui v. City of Palmdale (Case No. BC483039).
3. List of Officers from the Aero Institute's web page listing Susan Miller and Kim Shaw as the top officers dated April 19, 2012.
4. List of Officers from the Aero Institute's web after Kim Shaw was removed following media inquiries. Current as of May 21, 2013.
5. 10/31/2009 Antelope Valley Press article "Ledford lands an aerospace consultant job" describing the connections between Miller, Shaw and Ledford, preferential treatment of the Aero Institute, the City Attorney's assertion that the consulting job is legal as long as it doesn't involve Palmdale projects, and Ledford's assertion that none of his work will involve the City of Palmdale or Kim Shaw.
6. 3/25/2012 Antelope Valley Press article "Palmdale's \$3.9 million woman" detailing Kim Shaw's boost to \$557,000/year and various benefits with little work record. Also outline's the scheme to illegally funnel \$3.9 million in redevelopment funds to her, also list of projects Kim Shaw supposedly worked on, some of which have been reported as false, the remainder should be investigated.
7. 4/22/2012 Antelope Valley Press article "Shaw probes prompted agency shutdown" detailing Kim Shaw's history with conflict of interest suspicion, leading to her termination.
8. 7/21/2012 Antelope Valley Press article "High-paid consultant's role in limbo" detailing Kim Shaw's billing for work that was not done.
9. 01/08/2010 Antelope Valley Press article "Mayor's Hawaii trip draws opposition" detailing the first of Ledford's questionable trips at taxpayer expense to Hawaii.
10. 7/16/2011 Antelope Valley Press article "School district to look at Aerospace Academy petition" on Palmdale School District examination of the Palmdale Aerospace Academy.
11. 7/20/2011 Antelope Valley Press article "Aerospace Academy cleared for takeoff" – describes Palmdale School District approving the City of Palmdale's charter school application.
12. 11/15/2011 Antelope Valley Press article "Mayor on board for aerospace academy" detailing that Jim Ledford will chair the Aerospace Academy's board.
13. 11/17/2011 Antelope Valley Press article "School district approves lease for future aerospace academy"
14. 9/15/2007 – FPPC Letter from Jeanette Turvill confirming Ledford was issued a warning, File #060345
15. 8/14/2007 Antelope Valley Press article "Ledford faces fine of \$3,500"
16. 8/12/2007 Antelope Valley Press article "City said to favor union shops"
17. 4/26/2012 Antelope Valley Press article "State officials challenge city on tax set-asides" detailing the City's attempt to illegally steer \$3.9 million in redevelopment funds directly to Kim Shaw.
18. 8/18/2012 Antelope Valley Press article "City consultant now paid from general fund" provided as background information on how the City of Palmdale sought every avenue to continue paying Kim Shaw large sums of money.

**Name and Addresses of Potential Witnesses, if Known:** *(Please attach additional page(s) if necessary.)*

Last Name: Miller  
First Name: Susan  
Street Address:  
City: Palmdale State: CA  
Zip: 93551  
Telephone:  
Fax:  
E-mail:

Last Name: Miller  
First Name: Chuck  
Street Address:  
City: Palmdale State: CA  
Zip: 93551  
Telephone:  
Fax:  
E-mail:

Last Name: Shaw  
First Name: Kim  
Street Address:  
City: Palmdale State: CA  
Zip: 93551  
Telephone:  
Fax: E-mail:

Last Name: Williams  
First Name: Steve  
Title: Former City Manager  
Street Address: Palmdale City Hall, 38300 Sierra Hwy  
City: Palmdale State: CA  
Zip: 93550  
Telephone: (661) 267-5100  
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E-mail: swilliams@cityofpalmdale.org

Last Name: Ditzhazy  
First Name: Matthew  
Title: City Attorney  
Street Address: Palmdale City Hall, 38300 Sierra Hwy  
City: Palmdale State: CA  
Zip: 93550  
Telephone: (661) 267-5100  
Fax:  
E-mail: mditzhazy@cityofpalmdale.org

**Additional Information:** *If you have any additional information that may be useful to the FPPC in any possible future investigations into this matter, please attach as necessary.*

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

**Date:** \_\_\_\_\_

**Signed:** \_\_\_\_\_

**Print Name:**