

# News from TPJ

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## Ethics Complaint Alleges Austin-Area Toll Directors Conceal Business Interests

### Ethics Commission Urged to Investigate Recent Disclosures of CTRMA Chair Wilkerson, Vice Chair Mills and Director Heimsath.

Texans for Public Justice filed formal complaints today alleging that three directors of the agency building toll roads throughout Central Texas violated the state law that requires them to publicly disclose personal business interests.

The Texas Government Code requires the seven directors of the Central Texas Regional Mobility Authority (CTRMA) to file annual personal financial statements with the Texas Ethics Commission. Texas Secretary of State business filings and local property records suggest that CTRMA Chair Ray Wilkerson, Vice Chair James Mills and Director [Charles Heimsath](#) may have failed to disclose certain business interests in their most recent disclosures covering 2013 and 2014.

Today's Texas Ethics Commission complaints cite a total of 15 business entities that appear to be closely connected to Wilkerson, Mills or Heimsath. Yet those directors do not report these entities in the sections of their recent disclosures that cover a "beneficial interest" in a business (part 7B) or businesses in which they have executive or directorial roles (part 12).

If confirmed, some of the disclosure violations would conceal substantial interests in areas surrounding existing or proposed CTRMA tollways. Chair Wilkerson is closely tied to five undisclosed business entities that own five properties with assessed values totaling \$17.5 million, according to the [Travis Central Appraisal District](#). Wilkerson's recent disclosures do not name these entities nor disclose the properties.

### Wilkerson-Tied Property Companies Not Mentioned in His Recent Personal Financial Disclosures

Company	Travis Co. Property Owned	County 2015 Assessment
8015 Shoal Creek, Ltd	8015 Shoal Creek	\$7,206,588
RK Investments No. One – Plaza North, LLC	12319 N. Mo-Pac	\$1,549,194
WM Investments No. One – 100 East Main, Ltd.	8045 Mesa Dr.	\$965,063
WM Investments No. Two – Richcreek Plaza, Ltd.	7425 Burnet	\$2,270,847
WM Investments No. Four – Spectrum, Ltd.	8440 Burnet	\$5,473,215
	<b>TOTAL</b>	<b>\$17,464,907</b>

Consider “W/M Investments No. Two – Richcreek Plaza, Ltd.,” for example. Travis County records list this limited partnership as the current owner of a \$2.3 million property at 7425 Burnet. State business filings list Ray Wilkerson as the registered agent for this limited partnership, which uses the same business address as Wilkerson’s real estate empire: 8015 Shoal Creek. Yet Wilkerson’s disclosures do not mention this limited partnership nor this property.

“CTRMA directors must take the ethical high road when it comes to disclosing personal interests in Central Texas properties,” said Texans for Public Justice Research Director Andrew Wheat. “Because available data suggest that some board members may have detoured around this legal obligation, we’re urging the Ethics Commission to ensure that there are no hidden agendas.”

Wilkerson did disclose interests in KLV Development, LLC, which is the general partner that controls the Richcreek Plaza limited partnership. To connect KLV to Richcreek Plaza and 7426 Burnet, however, citizens would need to triangulate between Wilkerson’s disclosures, state business records *and* county property records. Fortunately, state disclosure laws do not demand such extensive sleuthing. The state’s personal financial statements clearly direct public officials to report “all beneficial interests in real property held,” “all beneficial interests in business entities held,” and “all boards of directors” and “all executive positions” held in a range of business entities including “limited partnerships.” Officials who file incomplete personal financial statements are subject to civil penalties not to exceed \$10,000.

CTRMA is controversial because its politically insulated board is dominated by [real-estate interests](#) that vote as a bloc with little debate or dissent. CTRMA has been making news recently for its project [delays](#) and soaring cost [overruns](#). Williamson County appointed three CTRMA directors, including Mills. Travis County appointed three other directors, including [Heimsath](#). Ex-Governor Rick Perry appointed Chairman Wilkerson, who now serves at the pleasure of Gov. Greg Abbott. In the wake of state contracting scandals, Abbott has tried to make ethics a centerpiece of his administration.

Links to the Ethics Commission complaints:

[Wilkerson complaint.](#)

[Mills complaint.](#)

[Heimsath complaint.](#)

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