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UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION

**FILED**  
JUN 01 2005  
JUN 01 2005  
Judge Samuel Der-Yeghiayan  
U.S. District Court

UNITED STATES OF AMERICA            )  
  )  
  ) v.        No. 04 CR 921-7  
  )  
COMMELIE PETERS                        )        Judge Samuel Der-Yeghiayan

PLEA AGREEMENT

This Plea Agreement between the United States Attorney for the Northern District of Illinois, PATRICK J. FITZGERALD, and defendant, COMMELIE PETERS, and her attorney, WILLIAM HOOKS, is made pursuant to Rule 11 of the Federal Rules of Criminal Procedure.

This Plea Agreement is entirely voluntary and represents the entire agreement between the United States Attorney and defendant regarding defendant's criminal liability in case 04 CR 921-7.

This Plea Agreement concerns criminal liability only, and nothing herein shall limit or in any way waive or release any administrative or judicial civil claim, demand or cause of action, whatsoever, of the United States or its agencies. Moreover, this Agreement is limited to the United States Attorney's Office for the Northern District of Illinois and cannot bind any other federal, state or local prosecuting, administrative or regulatory authorities except as expressly set forth in this Agreement.

By this Plea Agreement, PATRICK J. FITZGERALD, United States Attorney for the Northern District of Illinois, and defendant, COMMELIE PETERS, and her attorney, WILLIAM HOOKS, have agreed upon the following:

1. Defendant acknowledges that she has been charged in the superseding indictment (the “indictment”) with: participating in a mail fraud scheme in violation of Title 18, United States Code, Sections 1341, 1346 and 2 (Count Five); bribery in violation of Title 18, United States Code, Section 666(a)(2) (Count Twelve); and perjury in violation of Title 18, United States Code, Section 1623 (Count Seventeen).

2. Defendant has read the charges against her contained in the indictment, and those charges have been fully explained to her by her attorney.

3. Defendant fully understands the nature and elements of the crimes with which she has been charged.

4. Defendant will enter a voluntary plea of guilty to Count Seventeen of the indictment in this case.

5. Defendant will plead guilty because she is in fact guilty of the charge contained in Count Seventeen of the indictment. In pleading guilty, defendant admits the following facts and that those facts establish her guilt beyond a reasonable doubt as to the charged offense, and as to relevant conduct:

Beginning in or about 1991, defendant began working for LR&C Truck Line (“LR&C”). Beginning in or about 1998 and continuing through 2004, defendant was a principal operating agent on behalf of LR&C, assuming that position from her father, co-defendant Leroy Peters, who had held the position since the 1980s. LR&C was registered with the City of Chicago (“the City”) as a Minority Business Enterprise (“MBE”) and, as of 1998, LR&C added Women-owned Business Enterprise (“WBE”) status and was thereafter registered with the City as a MBE/WBE.

LR&C participated in the City's Hired Truck Program ("HTP"). Under the HTP, the City rented trucks and drivers from privately owned truck companies. Once companies were approved to participate in the HTP, they could have trucks called out to work in several City departments, including the Department of Water, the Department of Sewers, the Department of Transportation, and the Department of Streets and Sanitation. Typically, on a monthly basis, participating HTP trucking companies would submit invoices for their monthly work for each City department. Thereafter, the City would process the invoices and typically would remit payments to the particular company via the United States mails.

From at least January 2004, the Special August 2003-2 Grand Jury, in connection with Grand Jury Investigation No. 02 GJ 1348, was conducting an investigation into the HTP, including possible violations of Title 18, United States Code, Sections 666, 1001, 1341, 1346, 1503, 1951, 1962, among other violations of federal law.

By no later than early September 2004, it was material to the Grand Jury Investigation whether or not trucking companies hired by the Department of Water, including LR&C, or representatives of those trucking companies, provided cash payments, campaign contributions or other things of value to City employees, including any Department of Water employees.

On September 23, 2004, defendant appeared before the Special August 2003-2 Grand Jury in connection with Grand Jury Investigation No. 02 GJ 1348. Defendant was placed under oath before testifying, and was advised that her testimony was subject to the penalties of perjury. During her grand jury testimony that day, defendant knowingly made false material declarations by stating, in substance, the following: (A) she personally never gave cash or gifts of any kind to any City

employees relating to the HTP; and (B) no City employee ever asked for money for the employee's "personal" use (as opposed to solicitations for cash campaign contributions).

In truth and fact, as defendant then well knew, on multiple occasions through approximately June 2003, she provided cash payments to co-defendant Flenory Barnes, then a Department of Water employee, with the understanding that the payments were for the personal use of a City employee, namely co-defendant Donald Tomczak. Defendant further understood that said payments permitted LR&C to keep and maintain HTP business opportunities in the Department of Water. Defendant or her father, co-defendant Leroy Peters, paid Barnes on approximately a monthly basis, in amounts ranging from \$1,500-2,500 per month, for LR&C trucks hired for the HTP.

From at least the late 1990s through approximately June 2003, Barnes came to the LR&C facility in Blue Island, Illinois, and picked up an envelope of cash, which cash defendant typically obtained by withdrawing funds from LR&C's bank account. Defendant later told the accountant for LR&C that the withdrawals she used to pay Barnes were for a legitimate business expenses, and LR&C received a deduction for these expenses.

The City paid LR&C for its HTP work on a monthly basis and mailed such payments to LR&C's business address in Blue Island, Illinois. Among the invoices sent to LR&C was one sent by the City to LR&C's business address on or about March 1, 2003. For each year from 1997 through 2003, LR&C averaged over \$550,000 in revenues from HTP work of various City departments.

Defendant acknowledges that the government could prove that her false material declarations before the grand jury resulted in substantial interference with the administration of justice because the government expended substantial resources investigating them.

6. For purposes of calculating the guidelines promulgated by the United States Sentencing Commission pursuant to Title 28, United States Code, Section 994, the parties agree on the following points:

(a) The Guidelines are calculated pursuant to the November 2004 edition of the Guidelines Manual.

(b) The base offense level for the offense of conviction is level 14 pursuant to Guideline Section 2J1.2(a).

(c) The base offense level is increased three levels pursuant to Guideline Section 2J1.2(b)(2) because the offense and relevant conduct related thereto resulted in substantial interference with the administration of justice.

(d) The parties agree that application of Guideline Sections 2J1.2(c)(1) and Guideline 2X3.1 to the underlying offenses, namely mail fraud and bribery, does not result in an offense level greater than level 17.

(e) Defendant has clearly demonstrated a recognition and affirmative acceptance of personal responsibility for her criminal conduct. If the government does not receive additional evidence in conflict with this provision, and if defendant continues to accept responsibility for her actions, within the meaning of Guideline Section 3E1.1, a two-level reduction in the offense level is appropriate.

(f) Defendant has provided timely complete information concerning her own involvement in the offense, and notified the government timely of her intention to enter a plea of guilty, thereby permitting the government to avoid preparing for trial and permitting the Court to

allocate its resources efficiently, within the meaning of Guideline Section 3E1.1(b); an additional one-point reduction in the offense level is therefore appropriate, provided the Court determines the offense level to be 16 or greater prior to the operation of Guideline Section 3E1.1(a).

(g) Based on the facts known to the government, defendant's criminal history points equal zero (0) and defendant's criminal history category is I; and

(h) Defendant and her attorney and the government acknowledge that the above calculations are preliminary in nature and based on facts known to the government as of the time of this Agreement. Defendant understands that the Probation Department will conduct its own investigation and that the Court ultimately determines the facts and law relevant to sentencing, and that the Court's determinations govern the final Sentencing Guidelines calculation. Accordingly, the validity of this Agreement is not contingent upon the probation officer's or the Court's concurrence with the above calculations.

7. Defendant understands that the Sentencing Guidelines are advisory, not mandatory, and that the Court must consult those Guidelines and take them into account when sentencing defendant.

8. Errors in calculations or interpretation of any of the guidelines may be corrected by either party prior to sentencing. The parties may correct these errors or misinterpretations either by stipulation or by a statement to the probation office and/or Court setting forth the disagreement as to the correct guidelines and their application. The validity of this Agreement will not be affected by such corrections, and defendant shall not have a right to withdraw her plea on the basis of such corrections.

9. Defendant understands the count to which she will plead guilty carries a maximum penalty of five years imprisonment and a maximum fine of \$250,000, and a term of supervised release of not more than three years.

10. Defendant understands that in accord with federal law, Title 18, United States Code, Section 3013, upon entry of judgment of conviction, defendant will be assessed \$100, in addition to any other penalty imposed. Defendant agrees to pay the special assessment of \$100 at the time of sentencing with a check or money order made payable to the Clerk of the U.S. District Court.

11. Defendant understands that by pleading guilty she surrenders certain rights, including the following:

(a) If defendant persisted in a plea of not guilty to the charges against her, she would have the right to a public and speedy trial. The trial could be either a jury trial or a trial by the judge sitting without a jury. Defendant has a right to a jury trial. However, in order that the trial be conducted by the judge sitting without a jury, defendant, the government, and the judge all must agree that the trial be conducted by the judge without a jury.

(b) If the trial is a jury trial, the jury would be composed of twelve laypersons selected at random. Defendant and her attorney would have a say in who the jurors would be by removing prospective jurors for cause where actual bias or other disqualification is shown, or without cause by exercising so-called peremptory challenges. The jury would have to consider each charge separately, and agree unanimously before it could return a verdict of either guilty or not guilty on each count. The jury would be instructed that defendant is presumed innocent, and that it could not convict her unless, after hearing all the evidence, it was persuaded of defendant's guilt beyond a reasonable doubt and that it was to consider each count of the indictment separately.

(c) If the trial is held by the judge without a jury, the judge would find the facts and determine, after hearing all the evidence and considering each count separately, whether or not the judge was persuaded of defendant's guilt beyond a reasonable doubt.

(d) At a trial, whether by a jury or a judge, the government would be required to present its witnesses and other evidence against defendant. Defendant would be able to confront those government witnesses and her attorney would be able to cross-examine them. In turn, defendant could present witnesses and other evidence in her own behalf. If the witnesses for defendant would not appear voluntarily, she could require their attendance through the subpoena power of the court.

(e) At a trial, defendant would have a privilege against self-incrimination so that she could decline to testify, and no inference of guilt could be drawn from her refusal to testify. If defendant desired to do so, she could testify in her own behalf.

12. Defendant understands that by pleading guilty she is waiving all the rights set forth in the prior paragraph. Defendant's attorney has explained those rights to her, and the consequences of her waiver of those rights. Defendant further understands she is waiving all appellate issues that might have been available if she had exercised her right to trial.

13. Defendant is also aware that Title 18, United States Code, Section 3742 affords a defendant the right to appeal the sentence imposed. Acknowledging this, the defendant knowingly waives the right to appeal any sentence within the maximum provided in the statute of conviction (or the manner in which that sentence was determined), in exchange for the concessions made by the United States in this Plea Agreement. The defendant also waives her right to challenge her sentence or the manner in which it was determined in any collateral attack, including but not limited to a

motion brought under Title 28, United States Code, Section 2255. The waiver in this paragraph does not apply to a claim of involuntariness, or ineffective assistance of counsel, which relates directly to this waiver or to its negotiation.

14. Nothing in this Agreement shall limit the Internal Revenue Service in its collection of any taxes, interest or penalties from defendant.

15. Defendant understands that the indictment and this Plea Agreement are matters of public record and may be disclosed to any party.

16. Defendant understands that the United States Attorney's Office will fully apprise the District Court and the United States Probation Office of the nature, scope and extent of defendant's conduct regarding the charges against her, and related matters, including all matters in aggravation and mitigation relevant to the issue of sentencing.

17. At the time of sentencing, both parties shall be free to recommend any sentence within the applicable Guideline range.

18. Defendant understands that Title 18, United States Code, Section 3664 and Sections 5E1.1 and 5E1.2 of the Sentencing Guidelines set forth the factors to be weighed in setting a fine and in determining the schedule, if any, according to which any restitution is to be paid in this case. Defendant agrees to provide full and truthful information to the Court and United States Probation Officer regarding all details of her economic circumstances in order to determine the proper fine and restitution schedule according to which the defendant may be ordered to pay. Defendant understands that providing false or incomplete information may be prosecuted as a violation of Title 18, United States Code, Section 1001, or as a contempt of the court.

19. Defendant understands that her compliance with each part of this Plea Agreement extends throughout and beyond the period of her sentence, and failure to abide by any term of the Plea Agreement is a violation of the Agreement. She further understands that in the event she violates this Agreement, the government, at its option, may move to vacate the Plea Agreement, rendering it null and void, and thereafter prosecute defendant not subject to any of the limits set forth in this Agreement, or to resentence defendant. Defendant understands and agrees that in the event that this Plea Agreement is breached by defendant, and the Government elects to void the Plea Agreement and prosecute defendant, any prosecutions that are not time-barred by the applicable statute of limitations on the date of the signing of this Agreement may be commenced against defendant in accordance with this paragraph, notwithstanding the expiration of the statute of limitations between the signing of this agreement and the commencement of such prosecutions.

20. Defendant and her attorney acknowledge that no threats, promises, or representations have been made, nor agreements reached, other than those set forth in this Agreement, to cause defendant to plead guilty.

21. At the time of sentencing, the government will move to dismiss the remaining counts of the superseding indictment and the initial indictment as to defendant Commelie Peters.

22. Defendant agrees this Plea Agreement shall be filed and become a part of the record in this case.

23. Defendant acknowledges that she has read this Agreement and carefully reviewed each provision with her attorney. Defendant further acknowledges that she understands and voluntarily accepts each and every term and condition of this Agreement.

AGREED THIS DATE: 6/1/05

Patrick J. Fitzgerald / P.A.G.  
PATRICK J. FITZGERALD  
United States Attorney

Commelie R. Peters  
COMMELIE PETERS  
Defendant

Patrick F. McGovern  
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