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TWO FORMER CITY TRANSPORTATION DEPARTMENT FOREMEN AND THREE OTHERS INDICTED IN HIRED TRUCK PROBE OF STOLEN CITY ASPHALT

CHICAGO – Two former City of Chicago Department of Transportation (CDOT) asphalt foremen, a truck driver participating in the city’s Hired Truck Program (HTP) and two asphalt paving contractors allegedly engaged in a fraud and bribery scheme involving illegal cash payments to obtain city-owned asphalt for private paving projects, federal officials announced today. The charges stem from the ongoing federal public corruption investigation of the city’s recently-disbanded \$38 million annual program using privately-owned trucks to perform various services citywide. The two former CDOT foremen were not arrested today. One of them, **Patrick Stillo**, was arrested last November and charged in a criminal complaint, while the second, **Robert Laino**, was charged in the two-count indictment, which was unsealed following today’s arrests of the truck driver and both contractors. The indictment also alleges that Laino approved payment to the truck driver’s employer for a full day’s work even though the driver spent part of his time delivering stolen asphalt.

Arrested today were **Donald Warren**, 58, of Robbins, a truck driver employed by a company that participated in the HTP and who was assigned to Laino’s CDOT crew; **Eddie Miller**, 49, of Chicago, and **Willie Brown**, 74, of Chicago, both private paving contractors. Together with Stillo,

50, of Chicago, and Laino, 47, of Chicago, they were each charged with one count of mail fraud. The defendants arrested today are scheduled to have an initial appearance at 3:15 p.m. today before U.S. Magistrate Judge Geraldine Soat Brown in U.S. District Court. Stillo and Laino, who were each charged with one count of bribery in addition to the mail fraud charge, will be arraigned at a later date.

The charges were announced by Patrick J. Fitzgerald, United States Attorney for the Northern District of Illinois, together with Robert D. Grant, Special Agent-in-Charge of the Chicago Office of the Federal Bureau of Investigation; Kenneth T. Laag, Acting Inspector-in-Charge of the U.S. Postal Inspection Service in Chicago; J.D. Nichols, Special Agent-in-Charge of the U.S. Department of Labor, Office of Inspector General in Chicago; and Byram Tichenor, Special Agent-in-Charge of the Internal Revenue Service Criminal Investigation Division in Chicago. The four new defendants in this case bring to 27 the number charged in the investigation of the city program since January 2004.

According to the indictment, between the spring of 2002 and November 2004 all five defendants, together with Individual A, another driver who worked on Stillo and Laino's asphalt crews, cheated the city of money, property and the honest services of the two CDOT foremen. Miller and Brown allegedly made cash payments to Individual A and also to Individual B, another truck driver on Stillo and Laino's crews who without the knowledge to any of the defendants, was cooperating with federal investigators from April to November 2004 when Stillo was arrested. In return, the two unnamed individuals fraudulently obtained city-owned asphalt from Stillo and Laino, diverting it from city projects to private projects being performed by Miller, Brown and other private paving contractors.

Warren, while working for the city in the HTP on Laino's crew, allegedly accepted cash payments to drive his employer's truck to receive asphalt and then deliver it to Miller and Brown's projects, knowing it was obtained through fraud. As part of the scheme, Laino and Warren completed and signed Daily Activity Reports falsely indicating that the truck Warren drove performed a full day's work for the city, when, in fact, Laino and Warren both knew that the truck was used for a portion of the day to deliver city-owned asphalt to private work sites for Miller, Brown and others, according to the indictment. Laino then submitted the false reports, causing the city to pay for work that was not performed, the indictment alleges.

The government is being represented by Assistant U.S. Attorneys Manish Shah, Patrick Collins, Barry Miller, Julie Ruder and Patrick McGovern.

If convicted, bribery carries a maximum penalty of 10 years in prison and a \$250,000 fine, and mail fraud carries a maximum penalty of 20 years in prison and a \$250,000. The Court, however, would determine the appropriate sentence to be imposed.

The public is reminded that an indictment contains only charges and is not evidence of guilt. The defendants are presumed innocent and are entitled to a fair trial at which the government has the burden of proving guilt beyond a reasonable doubt.

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