2004R01296

UNITED STATES DISTRICT COURT DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Hon. . v. : Crim. No. : RICK "RICKEY" ZITO : 18 U.S.C. §§ 1512 (c)(2), 1623(a) & 2

INDICTMENT

The Grand Jury in and for the District of New Jersey, sitting in Newark, charges that:

<u>COUNT 1</u> (Perjury)

1. At all times relevant to this Indictment:

a. Defendant RICK "RICKEY" ZITO was a Pennsylvania resident who owned and operated AC & Pocono Refrigeration Service, located in Effort, Pennsylvania.

b. From in or about 1998 to in or about July 2004, defendant ZITO was hired to provide plumbing and heating, ventilating, and air conditioning ("HVAC") services for United States Postal Service ("Postal Service") facilities in various New Jersey Post Offices, including Avon, Budd Lake, Chester, Berkley Heights, Denville, Dover, Englishtown, Flanders, Florham, Forked River, Hightstown, Holmdel, Landing, Madison, Marlboro, Morganville, and Newton, as a direct result of arrangements made by employees of the Postal Service.

c. Coschemer 1 was employed in various capacities at the Postal Service, including Postmasters of the Newton and Elizabeth Post Offices, Acting Post Office Operations Manager ("POOM") for the Central New Jersey Customer Service District for the Postal Service and POOM for the Northern New Jersey Customer Service District. In the POOM capacity, Coschemer 1 supervised the operation of over 75 post offices, including post offices in Morris, Sussex, and Warren counties.

d. Coschemer 2 was employed in various Post Offices in Northern New Jersey as a Postmaster with the Postal Service from 1997 to 2006. As a Postmaster, Coschemer 2 was responsible for making decisions and conducting problem analysis and resolution in the areas of budget operations, the planning and scheduling of work, the safety and health of employees, and customer and community relations.

2. In consideration for steering the HVAC work to defendant ZITO and for allowing defendant ZITO to inflate his billings to the Postal Service, defendant ZITO made cash payments to Coschemers 1 and 2, typically in increments of approximately \$100 to \$400 for the majority of the time that services were rendered.

3. Beginning in or about November 2004, a federal Grand Jury in Newark, New Jersey (the "Grand Jury") began investigating the conduct of the Coschemers and others regarding allegations of bribery, corruption, and fraud in United States Postal Service matters, primarily in the Northern New Jersey Customer Service District.

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4. On or about July 19, 2006, defendant ZITO testified before a subsequently empaneled Grand Jury investigating the same conduct. During the testimony, defendant ZITO falsely testified, in substance and in part, that he never gave money and cash to Coschemers 1 and 2. Specifically, on that day, defendant ZITO, appearing as a witness under oath at a proceeding before the Grand Jury, knowingly made the following false declarations in response to questions with respect to a material matter alleged:

(A) Q: Have you ever given [Coschemer 1] any money?A: No.

* * * *

- (B) Q: Did you ever give cash to [Coschemer 2]?
 - A: No. Sorry, I did give some of my CDs to people, but I don't remember who. 'Cause I'm a Christian musician, and just to promote my Christian music. As a matter of fact, my last concert was at Bushkill Park three months ago. So I gave a lot of those away to people. I don't remember who I gave them to. I might have gave him a CD or cassette.

* * * *

- (C) Q: After you get got paid for your jobs at the post office, would you ever give any cash to [Coschemer 1]?
 - A: No.
 - Q: Would you ever give any cash to [Coschemer 2] after you got paid on any of your jobs?
 - A: No.

* * * *

- (D) Q: After you cashed the money orders, would you then give any cash to any postal employees?
 - A: No.
 - Q: Specifically, would you give cash to [Coschemer 1]?
 - A: No.
 - Q: Did you give cash to [Coschemer 2]?
 - A: No.

5. At the time of his testimony before the Grand Jury, defendant ZITO knew that the aforesaid statements were false in that he indeed frequently had given cash to Coschemers 1 and 2.

6. On or about July 19, 2006, in Essex County, in the District of New Jersey, and elsewhere, defendant

RICK "RICKEY" ZITO

while under oath and testifying in a proceeding before a Grand Jury of the United States in the District of New Jersey, knowingly made false material declarations, as detailed in Paragraph 4.

In violation of Title 18, United States Code, Sections 1623(a) and 2.

<u>COUNT 2</u> (Obstruction of Justice)

1. Paragraphs 1 to 5 of Count 1 of this Indictment are realleged as if set forth in full herein.

2. On or about July 19, 2006, in Essex County, in the District of New Jersey and elsewhere, defendant

RICK "RICKEY" ZITO

did knowingly, willfully and corruptly attempt to obstruct, influence and impede an official proceeding, namely, the federal Grand Jury's investigation of bribery, corruption and fraud.

In violation of Title 18, United States Code, Sections 1512(c)(2) and 2.

A TRUE BILL

FOREPERSON

CHRISTOPHER J. CHRISTIE UNITED STATES ATTORNEY