



FEDERAL NOTES

NERONHA'S NOTE

Friends and Colleagues,

I hope that this edition of our newsletter finds you well!

As we close out the year and enjoy the holiday season, I can't help but think ahead to the New Year and the challenges and opportunities ahead.



U.S. Attorney Peter F. Neronha

Recently, Attorney General Peter Kilmartin hosted the first meeting of the Rhode Island Human Trafficking Task Force at his Office in Providence. The Attorney General and I, along with our federal, state and local law enforcement partners, recognize that human trafficking is an increasing problem in our small state. The sad truth is that the disadvantaged among us often fall victim to those in the commercial sex trade, or are forced to work under unfair or even dangerous conditions. Many victims of these crimes are afraid to come forward, in some instances because they face immigration consequences if they do. Tragically, some human trafficking victims are children. As the Task Force comes on line in 2013, we hope that our combined local, state and federal efforts will have a real impact. Look for intelligence sharing, training, and impactful state and federal prosecutions in the year ahead!

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CORRUPTION— FORMER MAYOR GUILTY IN BRIBE SCHEME

Central Falls Mayor Charles D. Moreau steered city work to a friend and political supporter, Michael G.

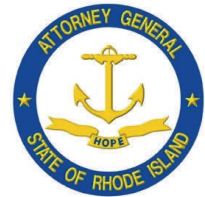
Bouthillette, who, in return, performed renovations and repairs to two homes that Moreau owned.



An investigation by the Rhode Island State Police, the U.S. Attorney's Office and the R.I. Attorney General's

Office turned up details of the scheme.

Moreau directed that vacant homes in Central Falls be boarded up and that the work be done by Bouthillette. He evaded state bidding requirements by declaring each project to be an emergency. Bouthillette received his payment from a lien placed on the property. Between 2007 and 2009, the city paid Bouthillette more than a million dollars for boarding up 167 homes.



Bouthillette paid for part of a furnace for Moreau's home in Central Falls, and performed uncompensated renovations and flood remediation work on a Lincoln residence owned by Moreau

Both men pleaded guilty to bribery involving federal funds and are awaiting sentencing.

"I cannot thank enough Colonel Steven O'Donnell, and the Rhode Island State Police detectives who worked so hard on this case, U.S. Attorney Peter F. Neronha said. "In particular, I commend the work of Detective Kenneth Bounaiuto and Forensic Analyst Lori Teller." *Assistant U.S. Attorney Terrence P. Donnelly; Assistant RI Attorney General J. Patrick Youngs.*

NERONHA'S NOTE (CONTINUED FROM PAGE 1)

Another area of focus in 2013 is our state's, and indeed our country's, ongoing "pill problem." The sad truth is that prescription drugs and marijuana, not heroin and cocaine, are the most frequently abused drugs, particularly among young people. Building on the good work already done by Attorney General Kilmartin, the DEA, the Rhode Island State Police, and local police departments across the state, I hope that we can jointly host a "pill summit" in 2013 to bring attention to this growing problem and discuss ways to effectively combat it.

Finally, I hope to continue our joint efforts in the areas of crime prevention and prisoner re-entry. All of us recognize that we cannot prosecute our way out of the violent crime problem. We must continue to focus some of our efforts and resources on how to keep our residents, particularly our children, off the criminal path.

I wish all of you a healthy and happy holiday season. And then on to 2013!



Peter

CRIMINAL DOCKET SHEET

Guilty pleas in investment abuse involving terminally ill patients

Joseph Caramadre was the principal owner of **Estate Planning Services**. He and his codefendant, **Raymour Radhakrishnan**, devised a scheme to unlawfully use the identities of terminally ill patients to defraud insurance companies and bond issuers. Through an advertisement placed by Caramadre in a local Catholic newspaper and also by direct solicitation of patients at medical care facilities, Caramadre offered \$2,000 - \$5,000 payments from a "compassionate organization"

to assist the terminally ill with expenses. Claiming in many instances that it was necessary to complete the "compassionate" paperwork, Radhakrishnan would obtain identity information from the patients and their family members, and have them sign the signature page of unexplained forms. Caramadre used the patients' identity information to purchase annuities and "death-put" bonds in the patients' names. The funds used to purchase the annuities and bonds were provided by investors. Upon a patient's death, Caramadre would collect the proceeds of the bond or annuity and distribute the proceeds to the investors. The heirs and surviving family members of the patients did not receive any portion of the proceeds. Caramadre and Radhakrishnan were charged in a 66-count indictment with identity theft, fraud, money laundering and witness tampering. As the trial entered its second week, both defendants entered guilty pleas to wire fraud and conspiracy to commit mail fraud, wire fraud, identity fraud and aggravated identity theft. They await sentencing. *Assistant U.S. Attorneys Lee H. Vilker and John P. McAdams.*



CRIMINAL DOCKET SHEET

Acting New England crime boss sentenced for racketeering, extortion conspiracy

The former, long-time New England LCN boss, Luigi Manocchio, stepped down in 2009 and Anthony L. Dinunzio of Boston subsequently became acting boss. As boss, Dinunzio received a share of monthly protection money that owners of



adult entertainment businesses in Rhode Island paid in cash to Rhode Island mobsters. The racketeering conspiracy netted between \$2,000 and \$6,000 a month. Dinunzio pleaded guilty to a racketeering enterprise conspiracy (RICO) and a federal judge sentenced him to 78 months in prison. Eight other NELCN leaders, underbosses, members and associates have also pleaded guilty



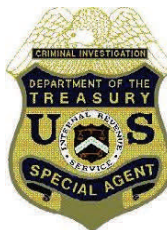
to participating in the scheme. Seven have been sentenced to federal prison terms: Manocchio— 66 months, Edward Lato — 108 months, Alfred “Chippy” Scivola — 46 months, Richard Bonafiglia and Albino Folcarelli — 84 months, Raymond “Scarface” Jenkins — 37 months, and Thomas Iafrate — 37 months. Theodore Cardillo was sentenced to home confinement and probation for his role in the scheme. *Assistant U.S. Attorney William J. Ferland; Trial Attorney Sam Nazzaro, Organized Crime and Gang Section.*



10-year sentence for woman who set fire to her house for insurance money



Louisa Knight set fire to her Warwick house by placing uncovered paint cans on the living room floor. After removing personal items from the home and sending her daughter and a friend to a nearby park, she set the fire. She had a friend then drive her to a hardware store and planned to tell investigators that they’d gone to buy paint brushes when the fire began as a result of candles that her daughter had left burning. Two firefighters were injured while extinguishing the fire. Knight collected on her insurance. She pleaded guilty to mail fraud and using fire to commit mail fraud. A federal judge sentenced her to 10 years in prison and ordered her to repay an insurance company \$44,000. *Assistant U.S. Attorney William J. Ferland.*



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CRIMINAL DOCKET SHEET

Met School employee admits embezzling federal funds

Yashira Marrero, an administrative assistant for the 21st Century program at the Met School in Providence, embezzled \$27,400 from the program between 2007 and 2009 by creating fictitious vendor invoices, forging endorsement signatures on payment checks, and depositing the checks into her own bank account. She also used a 21st Century travel credit card for personal expenses, including trips to see her boyfriend. The Rhode Island Department of Education discovered the schemes during an audit. Marrero pleaded guilty to embezzling federal funds. She awaits sentencing.



Assistant U.S. Attorney Terence P. Donnelly.

Guilty plea and sentence in child porn distribution

Thomas Wells possessed and distributed child pornography over a “peer-to-peer” network commonly used to trade child pornography. A Postal Inspector and agents for the Internet Crimes Against Children Task Force (ICAC) developed evidence that child pornography was being traded from Wells’ residence. He was arrested during a roundup led by the Rhode Island State Police that resulted in the arrest of 14 individuals suspected of possessing or trafficking in child pornography. He pleaded guilty in U.S. District Court to one count each of possessing and distributing child pornography. A federal judge sentenced him to 60 months in federal prison and 10 years supervised release. *Assistant U.S. Attorney Terence P. Donnelly.*



Former high school coach pleads guilty to child pornography charges

A father reported to Richmond Police that he had found sexually graphic text messages on his son’s cell phone from **Glenn Matteson**, an assistant soccer coach on his son’s Charho soccer team. Richmond Police, using the boy’s phone, exchanged text messages with Matteson, and then arrested him the day Matteson thought he was to meet the boy for a soccer game. A search of Matteson’s computer equipment revealed sexually explicit text messages, nearly 900 still images and 73 videos depicting child pornography. Matteson pleaded guilty to possessing and distributing child pornography. He awaits sentencing. *Assistant U.S. Attorney John P. McAdams.*



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CRIMINAL DOCKET SHEET

Providence felon pleads guilty to Hobbs Act robberies, firearms offenses

Alphonso Johnson robbed a convenience store clerk of several hundred dollars in cash. Two days later, Johnson struck a restaurant owner with a pistol, and took her purse containing restaurant receipts. Arriving at the scene of the restaurant robbery, Providence Police officers canvassed the neighborhood and found Johnson hiding between two parked cars. He pleaded guilty to Hobbs Act robberies and firearms offenses and is detained, awaiting sentencing *Assistant U.S. Attorney Richard W. Rose*.



Eleven- year sentence for Hobbs Act robbery in Middletown

Middletown Police responded to an emergency call that two women had been confronted at gunpoint by a man wearing a ski mask who demanded money. Moments later, the responding officers received another call about an armed robbery at a nearby hotel. The description of the robber matched that of the person who had accosted the women. Officers saw a man fitting that description in the hotel parking lot. **Craig Rich** fled but was found hiding behind a bush. Officers recovered a .38 caliber handgun and a black ski mask nearby, and found a wad of cash in Rich's pocket. He pleaded guilty to a Hobbs Act robbery charge, being a felon in possession of a firearm, and using a firearm to commit a robbery. A federal judge sentenced him to 130 months in prison. *Assistant U.S. Attorney Gerard B. Sullivan*.



Career offender is sentenced for Hobbs Act robbery of a restaurant employee

Frederick Burdick accosted at gunpoint a North Kingstown restaurant employee as she was about to deposit business proceeds in a bank night deposit box. Burdick approached the employee's vehicle as it drove up to the night box, forced the car window open at gunpoint and struck the driver several times, trying to steal a bank deposit bag containing the receipts. He fled, taking with him the victim's car keys and cell phone. Police traced fingerprints left on the car window to Burdick and arrested him two weeks after the robbery. Burdick pleaded guilty to Hobbs Act robbery and a federal judge sentenced him to 151 months in prison. *Assistant U.S. Attorney Gerard B. Sullivan*.



What is Hobbs Act Robbery?

Under the Hobbs Act, a robbery that has an effect on interstate commerce may be prosecuted federally. The law was enacted in 1946 and is codified at 18 U.S.C. § 1951. The statute's popular name is derived from the sponsor of the legislation, U.S. Representative Sam Hobbs of Alabama.

FEDERAL DRUG AND GUN CASES

“Persistent problem” is sentenced for drug trafficking

Bristol Police considered **Manuel Chaves** a “persistent problem” in the community. He had been arrested more than a dozen times and been convicted in state court of several felony drug and assault charges. Sergeant Steven G. St. Pierre, in a letter to the U.S. District Court, noted that Chaves had repeatedly returned from previous arrests to engage again in drug distribution. A neighbor complained to police that Chaves had “terrorized this neighborhood for almost 20 years.” Sergeant St. Pierre wrote that Chaves had brought a criminal element into the community, obtaining drugs from Fall River, New Bedford and Providence, and using a ring of subordinates to help him deal drugs in Bristol.



In February, Bristol Police executed a search warrant at Chaves’ residence and seized 54 grams of cocaine, oxycodone and a variety of other pills. After Chaves pleaded guilty to cocaine trafficking, the government asked that he be sentenced as a career offender to 120 months in prison.

Sgt. St. Pierre wrote that a sentence holding Chaves accountable would help Bristol Police “deter future criminal activity from Manuel Chaves and provide the community with a period of respite from his actions.” A federal judge sentenced Chaves to 72 months in federal prison. *Assistant U.S. Attorney Sandra R. Hebert.*

Coventry man admits trafficking in firearms and cocaine

Michael Collins met with an undercover ATF agent on several occasions and sold him a total of 18 firearms and a significant amount of ammunition. The weapons included handguns, rifles and shotguns. He also sold the agent cocaine and prescription pills. He pleaded guilty to illegal firearms sales and distributing cocaine. He awaits sentencing. *Assistant U.S. Attorney Richard W. Rose.*



Federal jury convicts career offender of drug trafficking

Rolando Rojas sold crack cocaine on three occasions to an undercover ATF agent. The sales, which agents electronically recorded, totaled about 34 grams. A jury convicted him on three counts of distribution, two involving an ounce or more. Rojas is detained pending sentencing. He has several prior felony convictions, qualifying him as a career offender under federal sentencing law. A Rhode Island state grand jury has indicted

Rojas on a murder conspiracy charge in a 2010 shooting in Pawtucket. *Assistant U.S. Attorney Richard W. Rose.*



FEDERAL DRUG AND GUN CASES

Former doctor and a technician sentenced for illicit distribution of pills

The Center for Disease Control reports that prescription drugs, including opiates and antidepressants, are responsible for more overdose deaths than so-called “street drugs,” such as cocaine and heroin. According to DEA statistics, the number of Americans abusing prescription drugs increased by 13 percent, to 7 million a month, between 2008 and 2009.



Robert Villareal was an orthopedic surgeon at Rhode Island Hospital. **Gary Menissian** was a physician technician. They used fraudulent and forged prescriptions to provide 29,000 prescription pills for hospital employees. Those employees, in turn, gave some of the pills to Villarreal and Menissian. Both defendants pleaded guilty to conspiracy to distribute dextroamphetamine and hydrocodone. Villarreal was sentenced to six months in prison and a year in community confinement. Menissian was sentenced to three years of supervised release. *Assistant U.S. Attorneys Sandra R. Hebert and Adi Goldstein.*

Career offender is sentenced to 20 years for 30 kilograms of cocaine

DEA agents observed **Hector Rodriguez** and another man drive various vehicles, including a Ford Explorer and a tractor truck, in and out of a warehouse building in Pawtucket. The tractor truck was



stopped the following day on Interstate 95 in New Jersey. It contained substantial quantities of cocaine and cash. The driver was detained and charged in New Jersey. Agents in Rhode Island executed a search warrant at the Pawtucket warehouse, where they seized 30 kilograms of cocaine from a hidden compartment in the Explorer, which they linked to Rodriguez through papers found in the vehicle. He pleaded guilty to possessing



with intent to distribute five kilograms or more of cocaine. Rodriguez’s two prior drug trafficking convictions made him a career offender and a judge sentenced him to 240 months in prison. *Assistant U.S. Attorney Milind M. Shah.*

Two sentenced for stolen firearms

ATF agents and detectives from Fall River and North Smithfield executed a search warrant at a motel in North Smithfield. Shortly before the search warrant was executed, a Fall River detective called the room and asked the occupants to exit the room.



Nathaniel Kelley and **Anthony DeSanto, Jr.**, both of Vermont, came out of the room and were detained. Agents seized from the room 20 pistols and revolvers that had been reported stolen from two firearms dealers in Vermont. Both men pleaded guilty to possessing stolen firearms and being felons in possession of firearms. Kelley was sentenced to 100 months in prison, DeSanto to 51 months.



Assistant U.S. Attorney Stephen G. Dambruch.

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