

UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Hon.  
v. : Crim. No.  
SAMUEL RIVERA, : 18 U.S.C. §§ 666(a)(1)(B),  
a/k/a "Sammy Rivera" 1951(a) and § 2

INDICTMENT

The Grand Jury in and for the District of New Jersey,  
sitting at Trenton, charges:

COUNT 1

Attempt to Obstruct Interstate Commerce by  
Extortion Under Color of Official Right

1. At all times relevant to Count 1 of this Indictment:

A. Defendant SAMUEL RIVERA, a/k/a "Sammy Rivera," (hereinafter "defendant RIVERA") was the elected mayor of the City of Passaic, New Jersey. As the chief executive officer for the City of Passaic, defendant RIVERA's duties included, but were not limited to: (i) enforcing the City of Passaic's charter and ordinances and all general laws thereto; (ii) supervising, directing and controlling all departments of municipal government; and (iii) negotiating contracts for the municipality, subject to the approval of the Passaic City Council.

B. There were two cooperating witnesses (hereinafter "CW-1" and "CW-2") and an undercover law enforcement agent (hereinafter the "UCA") who purported to be representatives of

Coastal Solutions, LLC, a Federal Bureau of Investigation ("FBI") undercover company that was represented to be capable of providing insurance brokerage services to local governmental entities (hereinafter, the "FBI Undercover Company"). As represented by these individuals, the FBI Undercover Company was based in New Jersey, did business in various states, and paid for goods and services in interstate commerce.

C. There was a certain elected official ("Official 1"), who was an associate of defendant RIVERA.

2. It was part of the corrupt activity that, from in or about July 2007 to in or about August 2007, during conversations recorded by federal law enforcement authorities, defendant RIVERA agreed to use his official influence and assistance in an attempt to obtain City of Passaic insurance brokerage business and other local government insurance brokerage business with agencies with whom he had official influence, for the FBI Undercover Company, as specific opportunities arose, in exchange for a corrupt payment as follows:

A. On or about August 6, 2007, defendant RIVERA met with CW-2 and Official 1 at a restaurant in Passaic, New Jersey. During the meeting, defendant RIVERA explained that, at that time, the City of Passaic had not designated a "broker-of-record" for a certain insurance brokerage contract. Defendant RIVERA further indicated that defendant RIVERA would exercise his

official influence to assist the FBI Undercover Company in obtaining the broker-of-record designation. Specifically, defendant RIVERA assured CW-2 that he would put the broker-of-record contract on an upcoming Passaic City Council agenda. When CW-2 asked defendant RIVERA whether the City Council needed to approve a broker-of-record appointment, defendant RIVERA replied "Yeah [and] I have the votes." In further discussing the broker-of-record designation, defendant RIVERA was informed by CW-2 that the broker-of-record designation was worth a lot of money to the FBI Undercover Company. Defendant RIVERA reassured CW-2 that the FBI Undercover Company would be designated as broker-of-record by stating "don't worry about it. I'll help you out. I'll help you out." Defendant RIVERA then asked for CW-2's phone number and further agreed to contact a key Passaic municipal employee ("Key Employee 1") to assist the FBI Undercover Company in this corrupt scheme.

B. At the conclusion of the meeting, defendant RIVERA and CW-2 discussed both defendant RIVERA's compensation in exchange for defendant RIVERA's official assistance, and the method by which a concealed corrupt payment could be made to defendant RIVERA. CW-2 advised defendant RIVERA that the \$50,000 payment in exchange for defendant RIVERA's official influence and assistance could be transferred from a Swiss bank account to defendant RIVERA's bank account in the Dominican Republic.

Defendant RIVERA stated that he first wanted to ensure that the FBI Undercover Company obtained the broker-of-record contract before seeking compensation for defendant RIVERA's official assistance.

C. On or about August 13, 2007, defendant RIVERA met CW-2 and Official 1 at a restaurant in Clifton, New Jersey. During the meeting, defendant RIVERA and CW-2 continued to discuss the City of Passaic's broker of record designation. In discussing the FBI Undercover Company's anticipated designation as broker-of-record, defendant RIVERA was informed that the broker-of-record contract was worth more than one million dollars in commissions to the FBI Undercover Company and, as a result, defendant RIVERA could expect greater corrupt payment. In this regard, the following conversation occurred:

CW-2: But I leave that to you because you know what, politically, you have to do or don't have to . . .

RIVERA: . . . I'll definitely, definitely. I think I can get it. I can get you the broker of record, you know, the complete broker of record.

CW-2: For the whole thing?

RIVERA: Mmm, hmm.

CW-2: Well see, that changes the whole deal because, you know, before we were looking at five - four to five-hundred thousand. Before we were looking at four to five-hundred thousand but [CW-1] saying anywhere from a million to a million-two . . . for our commission . . . we'll do whatever we have to do to make all that work . . .

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CW-2: If we can do the full broker-of-record, that would change the numbers between you and I.

RIVERA: I - I know.

D. Later, during this same meeting, defendant RIVERA stated that he would make an appointment for representatives of the FBI Undercover Company to meet with Key Employee 1 to draft a resolution designating the FBI Undercover Company as the City of Passaic broker-of-record. Defendant RIVERA further stated that he would contact his associates at the Passaic Housing Authority and Passaic Board of Education in an attempt to secure similar insurance brokerage contracts for the FBI Undercover Company with those entities. Thereafter, in addressing whether defendant RIVERA could garner the necessary number of City Council votes to designate the FBI Undercover Company as the broker-of-record for certain insurance brokerage business, defendant RIVERA stated "I can get four votes easy, easy, easy." When CW-2 confirmed that only four of seven votes of the Council were needed to pass a resolution, defendant RIVERA replied, "[Y]eah, and I got 'em easy."

E. Towards the end of the meeting, defendant RIVERA touted his official influence at the Passaic Valley Water Commission ("PVWC") as a means of securing more insurance brokerage business for the FBI Undercover Company. Specifically, defendant RIVERA stated that he, in conjunction with Official 1, would be able to control five of the seven commissioners of the

PVWC, an entity managed by a seven-member Board of Commissioners who were appointed by, among others, defendant RIVERA as the Mayor of the City of Passaic.

F. After the meeting with Official 1 ended, defendant RIVERA met privately with CW-2 in a car in Clifton, New Jersey. During this meeting, defendant RIVERA accepted a \$5,000 cash payment in exchange for using his official influence and assistance in obtaining insurance brokerage business with the City of Passaic and elsewhere, in favor of the FBI Undercover Company. As CW-2 provided the \$5,000 to defendant RIVERA, CW-2 remarked "its only five-thousand, but it's a start." In response, defendant RIVERA said "thank you very much" and shook CW-2's hand. Moreover, when CW-2 stated that CW-2 liked defendant RIVERA's idea about obtaining business from the PVWC, defendant RIVERA emphasized, "[w]e have everybody there, everybody . . . Between [Official 1] and I, we can get you that easy, easy."

G. On or about August 29, 2007, defendant RIVERA, Key Employee 1 and another key employee of the City of Passaic ("Key Employee 2") met with CW-1 and CW-2 in Passaic, New Jersey. During the meeting, defendant RIVERA advocated for having the FBI Undercover Company provide insurance brokerage services to the City of Passaic by explaining that he "wanted to give an opportunity to this company [referring to the FBI Undercover

Company].” When Key Employee 2 questioned certain aspects of the CWs’ presentation, defendant RIVERA interceded and abruptly concluded the meeting after stating, “I make the fucking decision. And the Council. And believe me, I’ve got the four fucking votes on the Council. So let’s stop bullshitting and let’s get this thing rolling.”

3. From in or about July 2007 to in or about August 2007, in Passaic County, in the District of New Jersey, and elsewhere, defendant

SAMUEL RIVERA,  
a/k/a “Sammy Rivera,”

knowingly and willfully did attempt to obstruct, delay and affect interstate commerce by extortion under color of official right-- that is, by corruptly agreeing to obtain and obtaining money from another, with that person’s consent, in exchange for defendant RIVERA’s official influence and assistance in attempting to obtain government insurance brokerage business in the City of Passaic and elsewhere for the FBI Undercover Company, as specific opportunities arose.

In violation of Title 18, United States Code, Section 1951(a) and Section 2.

COUNT 2

Acceptance and Agreement to Accept \$5,000 to Influence and Reward

1. Paragraphs 1 to 2 of Count 1 are hereby incorporated and realleged as if fully set forth herein.

2. At all times relevant to this Count, the City of Passaic received in excess of \$10,000 in federal assistance in a one-year period.

3. From in or about July 2007 to in or about August 2007, in Passaic County, in the District of New Jersey, and elsewhere, defendant

SAMUEL RIVERA,  
a/k/a "Sammy Rivera,"

did knowingly, willfully and corruptly solicit and demand for the benefit of himself, and accept and agree to accept, approximately \$5,000 from another, intending to be influenced and rewarded in connection with a business, transaction and series of transactions of the City of Passaic involving a thing of value of \$5,000 or more.

In violation of Title 18, United States Code, Section 666(a)(1)(B) and Section 2.

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FOREPERSON

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CHRISTOPHER J. CHRISTIE  
UNITED STATES ATTORNEY