

# NEWS

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United States Department of Justice  
U.S. Attorney, District of New Jersey  
970 Broad Street, Seventh Floor  
Newark, New Jersey 07102

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***Christopher J. Christie, U.S. Attorney***

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***More Information?*** Call the Assistant U.S. Attorney or other contact listed below to see if more information is available.

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FOR IMMEDIATE RELEASE  
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Former President of Operating Engineers Local 825  
Sentenced to 27 Months in Prison for Union Corruption

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(More)

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NEWARK – The former president of Local 825 of the International Union of Operating Engineers was sentenced today to 27 months in prison for conspiring with others to demand and receive labor bribes totaling approximately \$112,000 from construction contractors and tax evasion, U.S. Attorney Christopher J. Christie announced.

U.S. District Judge Stanley R. Chesler also fined Peter O. Strannemar, 66, of Blairstown, \$20,000. Strannemar remains free on bail pending his surrender to the federal Bureau of Prisons on a date to be determined.

Strannemar was Local 825's former president and business agent. He pleaded guilty on May 28 to a Superseding Information that charged him with conspiring to demand and receive unlawful labor bribes from construction contractors that worked at the Goldman Sachs construction project in Jersey City. Strannemar also pleaded guilty to tax evasion.

At his hearing, Strannemar admitted that beginning in about May 2001 he conspired with Anthony Mann, a lead engineer at the project, and Craig Wask, a Local 825 business agent, to unlawfully demand and receive cash payments and other things of value from two construction companies at the project – a steel erector company and a plumbing company.

Strannemar told Judge Chesler that at various times throughout the course of the project he received unlawful cash payments from Wask. Strannemar admitted that he knew the cash payments came from the construction companies at the project, and that it was unlawful for him to receive them. Strannemar also acknowledged that he requested and received free household appliances, valued at approximately \$1,900, from the plumbing company, and that the appliances were delivered to his residence by Mann.

In total, Strannemar acknowledged that he and his co-conspirators unlawfully received approximately \$112,000 in labor bribe payments from the steel erector company and plumbing company.

Local 825 is a labor organization that represents approximately 7,000 construction equipment operators, mechanics, and surveyors. Under a federal law commonly referred to as the Taft-Hartley Act, it is unlawful for any officer, employee, or representative of a labor union, such as a lead engineer, to demand or receive money or anything of value from an employer whose employees the union represents, seeks to represent, or would admit to membership.

In addition, Strannemar admitted that on or about April 15, 2004, he filed a federal tax return that concealed approximately \$50,000 in taxable income that he had received in 2003. Strannemar told Judge Chesler that he intended to evade and defeat the payment of tax due the government on this unreported income.

Christie credited Special Agents of the FBI, under the direction of Special Agent in Charge Weyssan Dun; Special Agents of the U.S. Department of Labor Office of Inspector General, under the direction of Inspector General Gordon S. Heddell; and Special Agents of the IRS Criminal Investigation Division, under the direction of Special Agent in Charge William P.

Offord, and investigators from the Employee Benefits Security Administration, under the direction of Regional Director Jonathan Kay, with the investigation leading to the pleas.

This case is being prosecuted by Assistant U.S. Attorney Anthony Moscato of the U.S. Attorney Office's Strike Force unit, in Newark.

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Defense Counsel:

Strannemar: Alfred C. DeCotiis, Esq., and William R. Lundsten, Esq., Teaneck