

NEWS

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Former Passaic Valley Water Commission Employee
Admits Taking Bribes from Property Manager to Keep Water On

(More)

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NEWARK – A former Passaic Valley Water Commission (PVWC) employee pleaded guilty today to a one-count Information charging him with soliciting and accepting corrupt payments for his official action and inaction as an employee of the water commission, U.S. Attorney Christopher J. Christie announced.

George Morgan, 60, of Toms River, was an employee of the PVWC when he took and agreed to take cash from a local property manager who was in fact cooperating with the Federal Bureau of Investigation and the U.S. Department of Housing and Urban Development (HUD) Office of Inspector General.

PVWC is headquartered in Clifton and services the cities of Paterson, Passaic, Clifton, Lodi, West Milford, North Arlington and Elmwood Park. Morgan's responsibilities included activating water service for new tenants in Paterson and turning off water service at those properties where the responsible party had failed to pay water bills.

Morgan was initially arrested and charged in March 2007. He remains free on \$25,000 bond in connection with the charges.

This is the second PVWC employee who has pleaded guilty to taking bribes. Robert Schweidereick pleaded guilty last week and his sentencing date is scheduled for Nov. 1, 2007. U.S. District Judge Jose L. Linares, who also took today's guilty plea, scheduled sentencing for Morgan on Nov. 8.

Morgan admitted that he was introduced to the cooperating property manager by Scheidereick who promised the manager that Morgan would take over the corrupt operation when Schweidereick retired in May 2006.

Morgan said he met with the property manager in February 2006 and agreed to the same financial arrangement that Schweidereick had negotiated – a payment of \$50 per property for, among other things, omitting to turn off water service at properties he believed to be the manager's despite the non-payment of water bills, and promptly activating water service for new accounts at the cooperating manager's properties. Morgan admitted that in May 2006, he accepted \$50 in cash for keeping water service on at a location Morgan believed was managed by the cooperating witness.

The charge to which Morgan pleaded guilty, attempting to extort money under color of official right, carries a maximum penalty of 20 years in prison and a \$250,000 fine.

Christie credited Special Agents of the FBI's Garret Mountain Resident Agency in West Paterson, under the direction of Special Agent in Charge Weysan Dun, and Special Agents from HUD OIG, under the direction of Special Agent in Charge Rene Febles, with the investigation that resulted in today's charges. Christie also credited Assistant U.S.

Attorney Hope Olds of the Office's Special Prosecutions Division, who is prosecuting this case.

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Defense Counsel: Joshua P. Cohn, Esq., Saddle Brook