

In a public corruption investigation that progressed from southern to northern New Jersey, five members of the same local Atlantic County school board, two state Assemblymen from Passaic and Essex Counties, the mayor of Passaic and two city council members, the chief of staff to the Newark City Council president and others were arrested today and charged with demanding and taking cash bribes to influence the award of public contracts.

The defendants, identified below, were all arrested this morning, and are expected to begin making initial appearances at about 1:30 p.m. before U.S. Magistrate Judge Tonianne Bongiovanni in the federal courthouse at 402 East State Street in Trenton. A news conference will follow on the steps in front of the courthouse with U.S. Attorney Christopher J. Christie, FBI Special Agent in Charge Weysan Dun and Atlantic County Prosecutor Theodore F.L. Housel.

Each of the 11 public officials and one associate accepted the corrupt payments from companies that offered insurance brokerage or roofing services to school districts and municipalities, according to criminal Complaints unsealed with the arrests. The investigation began in mid-2006 amid evidence of corruption in the Pleasantville School District. In response, the FBI established an undercover insurance brokerage company purporting to employ the government's two cooperating witnesses and undercover agents.

Pleasantville School Board members allegedly took thousands of dollars in bribes from the cooperating witnesses, one of whom had previously operated a roofing business unrelated to the undercover business. The circle of corruption widened when certain Pleasantville school board members referred the cooperating witnesses to public officials in northern New Jersey who also took bribes and, in turn, put the contractor in touch with still other corrupt public officials, according to the Complaints.

The defendants allegedly demanded and accepted payments ranging from \$1,500 to \$17,500 at any one time. In most cases, the defendants sought to establish and perpetuate a corrupt relationship with the cooperating witnesses to continue receiving bribes, according to the criminal Complaints.

Criminal complaints for each of the defendants will be available on the U.S. Attorney's Office Public Affairs website at approximately 12:30:

www.usdoj.gov/usao/nj/press/2007releases.html

[PLEASE HOLD YOUR calls and email to Public Affairs. I will not be able to respond to them. This is all the information we intend to make available until the news conference.]

The defendants are as follows:

- 1) State Assemblyman and Passaic County Undersheriff Alfred E. Steele
- 2) Passaic Mayor Samuel "Sammy" Rivera
- 3) Orange Mayor and State Assemblyman Mims Hackett, Jr.
- 4) Former Passaic City Councilman Jonathan Soto
- 5) Passaic City Councilman Marcellus Jackson
- 6) Keith O. Reid, Chief of Staff to the Newark City Council President

- 7) Current and Former Pleasantville School Board Members:
 - i. Jayson G. Adams
 - ii. Maurice "Pete" Callaway (currently a Pleasantville City Council member)
 - iii. James T. McCormick
 - iv. James A. ...Pressley
 - v. Rafael Velez
- 8) Louis Mister, of Pleasantville, private citizen