

U.S. DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA
FILED DEC 11 2018
WILLIAM W. BLEVINS
CLERK

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA

UNITED STATES OF AMERICA

* CRIMINAL NO. 15-277

v.

* SECTION: "L"

PATRICK SCHEXNAYDER

*

a/k/a "Pat"

*

a/k/a "Red"

* * *

FACTUAL BASIS

The above-named defendant, **PATRICK SCHEXNAYDER**, has agreed to plead guilty to Count One of the Seventh Superseding Indictment ("Indictment"), in which he is charged with conspiracy to distribute and possess with the intent to distribute 100 grams or more of a mixture or substance containing a detectable amount of heroin, and Count Eighteen of the Indictment, in which he is charged with being a felon in possession of a firearm. Should this matter have proceeded to trial, the United States of America would have proven beyond a reasonable doubt, through the introduction of relevant, competent, and admissible testimonial, physical and demonstrative evidence, the following facts. Unless stated otherwise, these acts occurred in the Eastern District of Louisiana:

Special Agents from the Bureau of Alcohol, Tobacco, Firearms and Explosives ("ATF") have been conducting a long-term investigation into a conspiracy to distribute heroin in the New Orleans area. ATF identified the following individuals as being among the members of this conspiracy: **Patrick SCHEXNAYDER**, a/k/a "Pat," a/k/a "Red," Kendall CELESTINE, MARVIN ARMSTRONG a/k/a "Slim," Eddie CELESTINE, a/k/a "Ross," (hereinafter "EDDIE"), Richard GREEN, a/k/a "Blue," a/k/a "Bam," Terrance MORGAN, Eric ROBINSON,

DB [Signature] ME

and others.

SCHEXNAYDER Used Target Phone Numbers 1 and 2

In the course of this investigation, ATF agents identified (504) 205-5264 (“Target Phone Number 1”) and (504) 891-1843 (“Target Phone Number 2”) as telephone numbers that were shared by members of the heroin distribution conspiracy. If this case went to trial, witnesses would testify that they contacted Target Phone Number 1 and Target Phone Number 2 in order to purchase heroin, and that multiple people would answer and tell the purchasers where to meet. Witnesses would testify that **SCHEXNAYDER** was sometimes the individual who answered these phone numbers and/or met them at the agreed-upon locations and sold them heroin after they called these phone numbers.

On or about January 13, 2017, agents of the Drug Enforcement Agency (“DEA”) and officers of the NOPD arrested CELESTINE, MORGAN, and T.S. at the Stay Express Inn, located at 12340 South I-10 Service Road in New Orleans. After obtaining written consent to search, law enforcement located the following items in the room: two loaded Smith & Wesson firearms; approximately seven amphetamine tablets or capsules; approximately 34 grams of 3,4-Dichloro-N-[2-(dimethylamino) cyclohexyl]-N-methylbenzamide, also known as U-47700, packaged in 25 plastic bags; two digital scales; a blender; and a bottle of Superior Mannitol. In the training and experience of the law enforcement officers, the packaging and amounts of the drugs that were seized are consistent with distribution. Furthermore, Superior Mannitol is a cutting agent for heroin, blenders are commonly used to mix drugs with a cutting agent for sale, and scales are routinely used by drug dealers to weigh drugs.

A telephone with Target Phone Number 1 was left behind at the Stay Express Inn on January 13, 2017. Later that day, GREEN returned to the Stay Express Inn and retrieved that

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phone. Between April 20, 2017 and February 28, 2018, an undercover officer (“UC”) purchased heroin on seven occasions by contacting Target Phone Number 1. For example, on or about May 17, 2017, a UC bought approximately 2.8 grams of heroin from GREEN, who was using Target Phone Number 1. During this transaction, GREEN boasted to the UC about the quality of his heroin, and indicated that he also had other narcotics for sale, including Ecstasy pills and marijuana. During this same conversation, GREEN provided the UC with Target Phone Number 2 and asked the UC to contact him on Target Phone Number 2 for future transactions. While he was with GREEN, the UC placed a phone call to Target Phone Number 2 to confirm that it worked, and the phone rang.

On or about June 27, 2017, the UC contacted Target Phone Number 1, asked for “Blue,” and negotiated a purchase of approximately \$350.00 worth of heroin. Witnesses would testify that “Blue” was a nickname for GREEN. The UC was instructed to go to the Waffle House, where he was met by EDDIE. The UC purchased approximately 3.7 grams of heroin from EDDIE. Later in the day on or about June 27, 2017, the UC contacted Target Phone Number 2 and asked for “Blue.” GREEN answered the phone. The UC asked GREEN if he remembered the UC, and GREEN replied, “yea Dave.” “Dave” was the name that the UC had provided in prior telephone calls negotiating purchases of heroin. The UC explained to GREEN that he wanted to make sure that was dealing with “Blue.” GREEN replied, “Whoever answers this phone, you good.” The UC explained that he had just purchased heroin from “Ross” but he intended to purchase from “Blue.” Witnesses would testify that “Ross” was a nickname for EDDIE. The UC explained that he called Target Phone Number 1 by mistake and did a deal with someone, but he had intended to call Target Phone Number 2.

GREEN told the UC, “we don’t say names over the phone.” GREEN further explained

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that the UC would not get in touch with the same person every time he called. He stated, "If I gave you something, if I owe you something, and you call, somebody, and you call next time and somebody answers the phone, that person answers the phone this time, that time, gonna give you what I owe you, like we work, we do shit together, you dig." The UC explained that the UC did not want GREEN to feel like the UC was going behind his back when he dealt with "Ross." GREEN replied, "We don't feel like that because all the money going to the same spot at the end of the day." The UC then negotiated a future purchase of narcotics for approximately 3.5 grams of heroin, and GREEN told the UC to call him on Target Phone Number 2 when he is ready.

ATF agents obtained a federal warrant for GPS data for Target Phone Number 2 for the months of June and July of 2017. GPS data associated with Target Phone Number 2 showed that the phone pinged 1,137 times in the vicinity of SCHEXNAYDER's residence, and 93 times in the vicinity of SCHEXNAYDER's workplace, Associated Terminals. During that time period, Target Phone Number 2 also pinged 32 times in the vicinity of a stash house utilized by the members of this drug conspiracy, located at 1216 Andry Street in the Ninth Ward in New Orleans ("1216 Andry"). Agents also conducted surveillance in connection with some of the pings, and observed SCHEXNAYDER in the location that Target Phone Number 2 was pinging.

On or about November 1, 2018, EDDIE was shot and killed. Law enforcement recovered from the scene a cellular phone associated with Target Phone Number 1. After EDDIE's death, ARMSTRONG and SCHEXNAYDER agreed to reactivate Target Phone Number 1 on a different phone, and retrieve his remaining heroin stash. On or about November 6, 2017 Target Phone Number 1 was reactivated. Witnesses would testify that SCHEXNAYDER contacted customers on the Target Phone Number 1 to notify them that the heroin business was back up and running. Witnesses would testify that they purchased heroin from SCHEXNAYDER by contacting Target

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Phone Number 1 after EDDIE's death. ATF agents obtained a federal warrant for GPS data for Target Phone Number 1 for the months of January and February of 2018. During this time, Target Phone Number 1 pinged approximately 393 times in the vicinity of SCHEXNAYDER's residence. During that same time period, Target Phone Number 1 also pinged numerous times in the vicinity of ARMSTRONG's residence, and the aforementioned stash house at 1216 Andry Street.

SCHEXNAYDER Associated with Co-Conspirators at a Stash House

During this investigation, Agents identified 1216 Andry as a stash house for members of this heroin distribution conspiracy. This property is owned by GREEN and members of his family. This property has no electricity with Entergy. Witnesses would testify that they frequently went to 1216 Andry to purchase heroin from members of this drug conspiracy.

ATF agents conducted surveillance outside of 1216 Andry on numerous occasions in 2017, both in person and through use of a pole camera placed outside of 1216 Andry. Agents would testify that they observed conduct that is indicative of drug activity during their surveillance, including members of the conspiracy conducting transactions with individuals who drove up in vehicles. For example, the pole camera footage captured SCHEXNAYDER, ROBINSON, and other co-conspirators at 1216 Andry on or about October 10, 2017. While SCHEXNAYDER was standing at the front porch of 1216 Andry, one co-conspirator counted cash on the front porch and then conducted a hand-to-hand transaction with the passenger of a vehicle. At around the same time, another co-conspirator was captured manipulating a bag of a white powdery substance.

ATF agents executed a federal search warrant at 1216 Andry on or about February 28, 2018. Agents would testify that it did not appear that anyone was living in this house. The front door was broken, and there were holes in the windows consistent with bullet holes. During the

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search, agents recovered a shoebox in the oven containing a scale, plastic baggies, and marijuana seeds and stems. Agents would testify that scales and plastic baggies are commonly used to measure and package narcotics for distribution. A narcotics canine also alerted to a shoe in a bedroom. Inside the shoe was a plastic bag containing rice, which, in the agents' training and experience, is a known desiccant for heroin. Agents also located over 90 rounds of ammunition throughout the house.

SCHEXNAYDER Brought a Firearm to a Repass

One of the individuals who was associated with this group, B.J., was shot and killed on February 13, 2018. A repass for B.J. was held on February 23, 2018. Law enforcement was aware that an individual had been shot and killed at EDDIE's repass. Therefore, in an attempt to prevent further violence, ATF agents conducted surveillance at B.J.'s repass.

While at the repass, ATF Special Agent Matthew Richard observed **SCHEXNAYDER** open the passenger side rear door to a silver Infiniti four-door sedan that was parked on Lizardi Street. ATF Task Force Officer ("TFO") Dean Herrick and ATF Agent Richard watched **SCHEXNAYDER** through binoculars from one block away. Agent Richard observed **SCHEXNAYDER** reach into the vehicle and retrieve an object that appeared to be a firearm. Agent Richard observed as **SCHEXNAYDER** suspiciously looked over his shoulder, raised his shirt and then tucked the object into his left waistband area. ATF TFO Herrick was also surveilling **SCHEXNAYDER** through binoculars, and saw **SCHEXNAYDER** conceal a black handgun in his waistband.

TFO Herrick informed other officers of his observations via radio. Street Gang Unit ("SGU") Detectives Bronson Gettridge and Rodney Brown exited their marked NOPD patrol vehicle and detained **SCHEXNAYDER**. Detectives located a semi-automatic .45 caliber Beretta

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handgun, serial number 067952MC, tucked in **SCHEXNAYDER**'s left waistband. A law enforcement database check revealed that the firearm was stolen out of Jefferson Parish.

SCHEXNAYDER is a convicted felon. Specifically, on December 7, 2016, **SCHEXNAYDER** pleaded guilty to possession of heroin, a felony violation of La. R.S. § 40:966(C), in Orleans Parish Criminal District Court, Case No. 530-999 "F." Therefore, NOPD officers arrested **SCHEXNAYDER** for being a felon in possession of a firearm at B.J.'s repass on February 23, 2018.

*SCHEXNAYDER and ARMSTRONG Discussed Heroin Distribution While
SCHEXNAYDER Was In Custody*

On February 22, 2018, the UC called Target Phone Number 1. The person who answered the phone responded to the name "Ross" and agreed to meet on Wednesday to do "six on the boy" for "25 a piece." (As noted above, "Ross" was a nickname for EDDIE. EDDIE was deceased at the time of this call, however). Agents would testify that "the boy" means heroin and that \$2,500 is the approximate cost for one ounce of heroin in New Orleans. On February 27, 2018, the UC called Target Phone Number 1 and spoke with ARMSTRONG, who agreed to do "six zips on the boy" the next day. Agents would testify that "zips" means "ounces."

On February 27, 2018, while incarcerated on the felon in possession charges, **SCHEXNAYDER** called his mother from the Orleans Parish Prison. **SCHEXNAYDER** directed his mother to place a three-way call to "Marvin" on "504-205-5264," which is Target Phone Number 1. On this call, **SCHEXNAYDER** referred to putting some "bread in the cookie jar," which agents believe, in their training and experience, was a reference to obtaining more heroin for sale. **SCHEXNAYDER** asked ARMSTRONG if he was "good," and ARMSTRONG replied, "I can't move how I need to move." **SCHEXNAYDER** responded that he would tell "Mouse" to let ARMSTRONG use his truck. **SCHEXNAYDER** also told ARMSTRONG to tell

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Mouse that ARMSTRONG will “give it back to him.” “Mouse” is a nickname for G.H., a drug addict who allowed members of this drug conspiracy to use his truck in exchange for heroin. Agents believe that, in this discussion, ARMSTRONG was saying that he needs a vehicle in which to conduct drug sales, and SCHEXNAYDER responded that Mouse would let ARMSTRONG use Mouse’s truck in exchange for heroin.

On February 28, 2018, the UC and ARMSTRONG exchanged several telephone calls on Target Phone Number 1 to arrange a purchase of heroin. At approximately 10:58 a.m. on February 28, 2018, the UC called ARMSTRONG and said that he was approximately ten minutes away. During this call, ARMSTRONG said, “This ain’t Red, who you were dealing with last time.” Witnesses would testify that “Red” is a nickname used by SCHEXNAYDER. The UC responded, “Wait, this ain’t Ross?” ARMSTRONG replied, “This his partner, son.”

At approximately 11:00 a.m. on February 28, 2018, ARMSTRONG pulled into the agreed-upon location in a silver Audi. Agents searched the interior of the Audi with the assistance of a Louisiana State Police narcotics canine, and located a clear plastic wrapper containing several small packages of a tan powdery substance, suspected to be heroin. The suspected drugs field tested positive for heroin, and they weighed approximately 7.4 grams. Agents also searched ARMSTRONG and found him in possession of a phone with Target Phone Number 1. Law enforcement seized this phone and subsequently obtained a federal search warrant for its contents. This phone contained text messages that are indicative of drug activity from February 2018, when SCHEXNAYDER and ARMSTRONG shared the phone number.

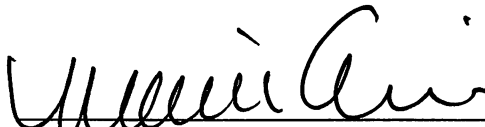
The Government and SCHEXNAYDER agree and stipulate for the purposes of sentencing that the Government could prove that SCHEXNAYDER was responsible for between 100 grams and 400 grams of heroin that was distributed during the course of the conspiracy as a result of his

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own direct conduct and the reasonably foreseeable conduct of his co-conspirators in furtherance of the conspiracy.

Limited Nature of Factual Basis

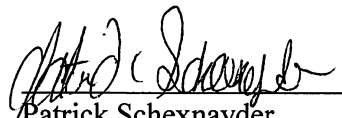
This proffer of evidence is not intended to constitute a complete statement of all facts in this matter. The limited purpose of this Factual Basis is to demonstrate that there exists a sufficient legal basis for SCHEXNAYDER's plea of guilty to Counts One and Sixteen of Indictment in the above-captioned case.



Maria M. Carboni (Date) 10/23/18
Assistant United States Attorney



Graham Bosworth (Date) 10-23-18
Counsel for Patrick Schexnayder



Patrick Schexnayder (Date) 10-23-2018
Defendant