

FILED

Sep 09 2021

SUSAN Y. SOONG
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO

1 STEPHANIE M. HINDS (CABN 154284)
Acting United States Attorney

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8 UNITED STATES DISTRICT COURT
9 NORTHERN DISTRICT OF CALIFORNIA
10 SAN FRANCISCO DIVISION

11 UNITED STATES OF AMERICA,) CASE NO. CR21-356 WHO
12 Plaintiff,)
13 v.) VIOLATIONS: 18 U.S.C. § 1349 – Conspiracy to
14 RECOLOGY SAN FRANCISCO; SUNSET) Commit Honest Services Wire Fraud;
15 SCAVENGER COMPANY; GOLDEN GATE) 18 U.S.C. §§ 981(a)(1)(C) & 28 U.S.C. § 2461(c) –
16 DISPOSAL & RECYCLING COMPANY,) Criminal Forfeiture
17 Defendants.) SAN FRANCISCO VENUE
18)
19)
20)

INFORMATION

21 The United States Attorney charges:

22 INTRODUCTORY ALLEGATIONS

23 1. At all times material to this information, Recology Inc. was a resource recovery company
24 headquartered in San Francisco and the direct or indirect parent company of Sunset Scavenger
25 Company, Golden Gate Disposal & Recycling Company, and Recology San Francisco (all three
26 collectively referred to as the “SF Recology Group”). Recology Inc. provided refuse collection and
27 disposal services for residential and commercial customers in the City and County of San Francisco (the
28 “City”), as well as for the City itself, through the SF Recology Group.

1 2. Mohammed Nuru was the Director of Public Works (DPW) for the City and County of
2 San Francisco. As Director of Public Works, Nuru had substantial official influence over SF Recology
3 Group's business in the City of San Francisco including, but not limited to, a contract for the City's
4 dumping of materials at SF Recology Group's Sustainable Crushing facility. Among other things, Nuru
5 was in a position to influence the contract rates, known as tipping fees, that DPW agreed to pay the SF
6 Recology Group when DPW dumped materials at the SF Recology Group's facility. Nuru could also
7 approve, deny, or otherwise affect operational changes that the SF Recology Group wanted to make to
8 its businesses in the City.

9 3. John Porter was Vice President and Group Manager of the SF Recology Group, from no
10 later than January 2018 until January 2021. Porter was San Francisco Group Controller from
11 approximately December 2014 through approximately December 2017. As Controller, Porter had
12 authority to approve payments by the SF Recology Group of \$25,000 or less. As Vice President and
13 Group Manager, Porter had authority to approve payments of \$100,000 or less.

14 4. SF Recology Group Executive 2 was the Vice President and Group Manager of the SF
15 Recology Group prior to Porter. Following a promotion, he was Chief Operating Officer of Recology
16 Inc. until July 2020. As Vice President and Group Manager, SF Recology Group Executive 2 had
17 authority to approve payments by the SF Recology Group of \$100,000 or less.

18 5. Paul Giusti was the Group Government and Community Relations Manager for the SF
19 Recology Group from 2012 until June 2020. As the Group Government and Community Relations
20 Manager, Giusti served as SF Recology Group's liaison to elected officials and City departments such as
21 DPW, as well as to community organizations. From approximately 2014 to December 2017, Giusti
22 reported to SF Recology Group Executive 2. From January 2018 until Giusti's departure from the SF
23 Recology Group, Giusti reported to Porter. Giusti was one of Nuru's primary contacts at the SF
24 Recology Group. Giusti had authority to approve payments by the SF Recology Group of \$25,000 or
25 less.

26 6. During the relevant period, Porter, Giusti and SF Recology Group Executive 2 were
27 employees of the SF Recology Group.

28 //

1 THE CONSPIRACY AND OVERT ACTS

2 7. In his capacity as Group Government and Community Relations Manager, Giusti first
3 reported to SF Recology Group Executive 2, and then to John Porter, who replaced SF Recology Group
4 Executive 2 as the Vice President and General Manager of the SF Recology Group.

5 8. In furtherance of the conspiracy, Giusti and others helped direct a stream of payments
6 and benefits from SF Recology Group to Nuru or his designees, including financial contributions to
7 organizations at Nuru’s direction; services; gifts; and other things of value. The purpose of this stream
8 of payments and benefits was to influence Nuru to act in the SF Recology Group’s favor as
9 opportunities arose, and to have Nuru take official action and exercise official influence in the SF
10 Recology Group’s favor in exchange for such payments and benefits.

11 9. The payments and benefits provided to Nuru on behalf of the SF Recology Group
12 included, but were not limited to, the following: (1) approximately \$150,000 per year, in \$30,000
13 installments, from in or around 2014 through approximately the end of 2019, to San Francisco Non-
14 Profit A, with the knowledge that Nuru could ultimately control how this money was used; (2) \$60,000
15 in funding for the annual DPW holiday party in the period from 2016 to 2019, in the form of “holiday
16 donations” to the Lefty O’Doul’s Foundation for Kids; (3) a job for Nuru’s son at one of the SF
17 Recology Group companies; (4) SF Recology Group funded internships for Nuru’s son, in the summer
18 of 2017 and summer of 2018, at another San Francisco non-profit on whose board Giusti served; and (5)
19 other gifts and personal and professional benefits in the form of funeral expenses in the amount of
20 \$3,500 for a DPW employee and a two-night stay at a New York hotel for Nuru and another high-
21 ranking city official totaling \$865.34 per room.

22 10. Giusti helped arrange for these payments and benefits with the knowledge and approval
23 of his supervisor at the relevant time, either SF Recology Group Executive 2 or Porter. In helping to
24 arrange for these and other payments and benefits for the purpose of influencing Nuru to act in the SF
25 Recology Group’s favor, Giusti, Porter, and SF Recology Group Executive 2, each acted within the
26 scope of their employment and for the purpose of benefitting the SF Recology Group.

27 COUNT ONE: (18 U.S.C. § 1349 – Conspiracy to Commit Honest Services Wire Fraud)

28 11. Paragraphs 1 through 10 of this Information are re-alleged and incorporated as if fully set

1 forth here.

2 12. Beginning in or about 2014, and continuing through in or about January 2020, in the
3 Northern District of California and elsewhere, the defendants,

4 RECOLOGY SAN FRANCISCO,

5 SUNSET SCAVENGER COMPANY, and

6 GOLDEN GATE DISPOSAL & RECYCLING COMPANY,

7 did knowingly conspire and agree with each other, Mohammed Nuru, and others, known and unknown
8 to the United States Attorney, to commit honest services wire fraud, that is, devising and intending to
9 devise a scheme and artifice to defraud and deprive the people of San Francisco of their right to the
10 honest and faithful services of Mohammed Nuru through bribery and the concealment of material
11 information, and to use or cause someone to use an interstate or foreign wire communication to carry out
12 or attempt to carry out the scheme, in violation of 18 U.S.C. §§ 1343, 1346.

13 All in violation of Title 18, United States Code, 18 U.S.C. § 1349.

14 FORFEITURE ALLEGATION: (18 U.S.C. §§ 981(a)(1)(C) and 28 U.S.C. § 2461(c))

15 13. The allegations contained in this Information are re-alleged and incorporated by reference
16 for the purpose of alleging forfeiture pursuant to Title 18, United States Code, Sections 981(a)(1)(C) and
17 Title 28, United States Code, Section 2461(c).

18 14. Upon conviction for any of the offenses set forth in this Information, the defendants,

19 RECOLOGY SAN FRANCISCO,

20 SUNSET SCAVENGER COMPANY, and

21 GOLDEN GATE DISPOSAL & RECYCLING COMPANY,

22 shall forfeit to the United States all property, real or personal, constituting, or derived from proceeds the
23 defendant obtained directly and indirectly, as the result of those violations, pursuant to Title 18, United
24 States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c).

25 15. If any of the property described above, as a result of any act or omission of the defendant:

- 26 a. cannot be located upon exercise of due diligence;
- 27 b. has been transferred or sold to, or deposited with, a third party;
- 28 c. has been placed beyond the jurisdiction of the court;

1 d. has been substantially diminished in value; or


2 e. has been commingled with other property which cannot be divided without
3 difficulty,

4 the United States of America shall be entitled to forfeiture of substitute property pursuant to Title 21,
5 United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c).

6 All pursuant to Title 18, United States Code, Section 981(a)(1)(C), Title 28, United States Code,
7 Section 2461(c), and Federal Rule of Criminal Procedure 32.2.

8
9 DATED: September 9, 2021

STEPHANIE M. HINDS
Acting United States Attorney

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11 
12 SCOTT D. JOINER
Assistant United States Attorney

DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION - IN U.S. DISTRICT COURT

BY: COMPLAINT INFORMATION INDICTMENT
 SUPERSEDING

OFFENSE CHARGED

18 U.S.C. § 1349 – Conspiracy to Commit Honest Services Wire Fraud Petty Minor Misdemeanor Felony

PENALTY: Fine of \$500,000 or twice the gross pecuniary gain or gross pecuniary loss resulting from the offense, whichever is greatest (18 U.S.C. § 3571(c)(3), (d)); Five years' probation (18 U.S.C. § 3561(c)(1)); and Mandatory special assessment of \$400 (18 U.S.C. § 3013(a)(2)(B))

Name of District Court, and/or Judge/Magistrate Location

NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

DEFENDANT - U.S.

▶ GOLDEN GATE DISPOSAL & RECYCLING COMPANY
DISTRICT COURT NUMBER
CR21-356 WHO

PROCEEDING

Name of Complainant Agency, or Person (& Title, if any)

FBI and IRS-CI

person is awaiting trial in another Federal or State Court, give name of court

this person/proceeding is transferred from another district per (circle one) FRCrp 20, 21, or 40. Show District

this is a reprosecution of charges previously dismissed which were dismissed on motion of: U.S. ATTORNEY DEFENSE } SHOW DOCKET NO.

this prosecution relates to a pending case involving this same defendant } MAGISTRATE CASE NO.

prior proceedings or appearance(s) before U.S. Magistrate regarding this defendant were recorded under }

Name and Office of Person Furnishing Information on this form Stephanie M. Hinds
 U.S. Attorney Other U.S. Agency

Name of Assistant U.S. Attorney (if assigned) Scott D. Joiner

DEFENDANT

IS NOT IN CUSTODY

Has not been arrested, pending outcome this proceeding.
1) If not detained give date any prior summons was served on above charges ▶

2) Is a F

3) Is on l

IS IN C

4) On thi

5) On ar

6) Awaiting trial on other charges

If answer to (6) is "Yes", show name of institution

Has detainer been filed? Yes No } If "Yes" give date filed

DATE OF ARREST ▶ Month/Day/Year

Or... if Arresting Agency & Warrant were not

DATE TRANSFERRED TO U.S. CUSTODY ▶ Month/Day/Year

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SUSAN Y. SOONG
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO

This report amends AO 257 previously submitted

ADDITIONAL INFORMATION OR COMMENTS

PROCESS:

SUMMONS NO PROCESS* WARRANT

If Summons, complete following:

Arraignment Initial Appearance

Defendant Address:

Bail Amount: _____

* Where defendant previously apprehended on complaint, no new summons or warrant needed, since Magistrate has scheduled arraignment

Date/Time: _____ Before Judge: _____

Comments:

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▶ SUNSET SCAVENGER COMPANY
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U.S. Attorney Other U.S. Agency

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NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA**

CRIMINAL COVER SHEET

Instructions: Effective November 1, 2016, this Criminal Cover Sheet must be completed and submitted, along with the Defendant Information Form, for each new criminal case.

CASE NAME:

CASE NUMBER:

USA v. RECOLOGY SAN FRANCISCO ET AL

CR 21-356 WHO

Is This Case Under Seal?

Yes No

Total Number of Defendants:

1 2-7 8 or more

Does this case involve ONLY charges under 8 U.S.C. § 1325 and/or 1326?

Yes No

Venue (Per Crim. L.R. 18-1):

SF OAK SJ

Is this a potential high-cost case?

Yes No

Is any defendant charged with a death-penalty-eligible crime?

Yes No

Is this a RICO Act gang case?

Yes No

**Assigned AUSA
(Lead Attorney):** AUSA Scott Joiner

Date Submitted: 9/9/2021

Comments: