USAO2024R00011/FAL/MHS/JG

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA	:	Hon. Claire C. Cecchi
	:	
v.	:	Crim. No. 25-CR-807
	:	
THOMAS A. DELEO	:	18 U.S.C. § 1349 18 U.S.C. § 1956(h)

INFORMATION

The defendant having waived in open court prosecution by Indictment, the United States charges:

Count 1
(Conspiracy to Commit Honest Services Fraud)

DEFENDANT AND OTHER ENTITIES

1. At times relevant to this Information:

a. Defendant Thomas A. DeLeo ("DELEO") was employed by Hudson County. DELEO worked as the Director of Parks & Community Services (the "Parks Department") from in or around 2016 until in or around December 2021.

b. "Consulting Group-1" was a company established in or around January 2022 in the name of DELEO and another individual. Consulting Group-1's principal line of business was described as business development and consulting.

c. "Vendor-1" was a co-conspirator who owned a contracting company, referred to herein as "Company-1," that served as a vendor for Hudson County, including for the Parks Department and the Department of Roads & Public Property (the "DRPP"). Company-1 performed various services for the Parks

Department and the DRPP, including but not limited to landscape maintenance, paving, and general contracting work.

d. Hudson County had an intangible right to the honest services of its officials. As a Hudson County official, DELEO owed Hudson County a duty to refrain from seeking, soliciting, demanding, accepting, and agreeing to accept bribes and kickbacks in exchange for action and assistance as an official for Hudson County and for his violation of his official duties in connection with the affairs of Hudson County.

e. A cooperative was a purchasing system utilized by Hudson County in which a local contracting unit (a "Local Contracting Unit") advertised for bids and awarded contracts to vendors that are registered with the Local Contracting Unit. Under a cooperative purchasing agreement, the contract-awarding process for contracts whose value did not exceed $17,500 was shorter than that of the standard bidding process and required less work by Hudson County.

f. Company-1 was the Local Contracting Unit's only awarded vendor for repair and maintenance – job order contracting. Thus, when the Parks Department and DRPP used the Local Contracting Unit for work that qualified as "repair and maintenance – job order contracting," the work would be awarded to Company-1.

g. As Parks Department Director, DELEO was involved in pricing all Parks Department contracting work and played a significant role in the contracting process relating to the Parks Department. DELEO also approved "change orders," or extra bills submitted by vendors, as well as emergency contracts.

THE OFFENSE

2. From at least in or about 2019 through in or about April 2022, in Hudson County, in the District of New Jersey, and elsewhere, the defendant,

THOMAS A. DELEO,

did knowingly and intentionally conspire and agree with Vendor-1 and others to devise and execute a scheme and artifice to defraud Hudson County of its right to the honest services of DELEO and others in the affairs of Hudson County, and to transmit and cause to be transmitted by means of wire, radio, and television communication in interstate and foreign commerce, writings, signs, signals, pictures and sounds for the purpose of executing such scheme and artifice, contrary to Title 18, United States Code, Sections 1343 and 1346.

Object of the Conspiracy

3. It was an object of the conspiracy for DELEO and others to directly and indirectly seek, solicit, demand, accept, and agree to accept bribes and kickbacks in exchange for taking official action including approving contracts and/or adding false expenses to contracts or invoices submitted to Hudson County by Vendor-1.

Manner and Means of the Conspiracy

4. It was part of the conspiracy that:

a. Since in or around 2018, Company-1 performed over $5 million of work for Hudson County. Some of Company-1's contracts with Hudson County were awarded pursuant to the standard bidding process but most of Company-1's work for Hudson County was pursuant to a series of cooperative purchasing agreements.

b. Beginning in or around 2019, DELEO—while serving as Parks Director—participated in a bribe and kickback scheme with Vendor-1, in which Vendor-1 paid bribes and kickbacks, directly and indirectly, to DELEO in exchange for DELEO taking official action with regard to approving contracts awarded to Company-1 by Hudson County, and approving invoices which contained fraudulent expenses that were submitted by Company-1 to Hudson County. As part of this scheme, it was agreed between Vendor-1 and DELEO that DELEO would be paid $10,000 for each of select projects Company-1 was awarded by Hudson County.

c. DELEO's official actions included approving contracts and/or invoices submitted by Company-1, and approving contracts and/or invoices that contained false line-item expenses to inflate the payouts Company-1 received from Hudson County. These inflated payouts were engineered to account for the $10,000 due to DELEO for select projects Hudson County awarded to Company-1.

d. In or about 2020, DELEO received a bag containing between approximately $60,000 and $90,000 in cash from Vendor-1. This cash payment constituted bribe and kickback payments that were given to DELEO in exchange for official action he had taken to help Company-1 obtain contracts from Hudson County.

e. Additionally, DELEO and Vendor-1 agreed that after DELEO retired from his employment with Hudson County and purchased a new home, Vendor-1 would use Company-1 to renovate that new home for free. DELEO and

Vendor-1 also agreed that Vendor-1 would provide free home renovations to certain DELEO associates. Pursuant to these agreements, Vendor-1 completed hundreds of thousands of dollars of free renovations for DELEO and/or DELEO's associates.

f. In or around February 2022, following DELEO's retirement from his position with Hudson County, Vendor-1 wrote a $30,000 check (the "February 2022 Check") from Company-1 to Consulting Group-1.

g. In or around April 2022, Vendor-1 wrote another $30,000 check (the "April 2022 Check") from Company-1 to Consulting Group-1.

h. The February 2022 Check and the April 2022 Check were intended to funnel kickbacks from Company-1 to DELEO. Consulting Group-1 did not perform any legitimate business for Vendor-1, Company-1, or anyone else.

i. In total, the value of bribes and kickbacks received by DELEO from Vendor-1 was more than $550,000.

j. DELEO, Vendor-1, and others used various interstate wire transmissions to further and facilitate their scheme, including but not limited to e-mails and text messages, including those set forth below:

i. On or about August 2, 2021, DELEO sent an e-mail to an employee of Company-1 regarding doors to be installed by Company-1 or a subcontractor as part of the free home renovations that Vendor-1 agreed to provide.

ii. On or about November 13, 2021, DELEO sent an e-mail to an employee of Company-1 and others regarding lighting to be installed by Company-1 or a subcontractor as part of the free home renovations that Vendor-1 agreed to provide.

iii. On or about January 2, 2022, DELEO sent an e-mail to an employee of Company-1 and others regarding lighting and thermostats to be installed by Company-1 or a subcontractor as part of the free home renovations that Vendor-1 agreed to provide.

iv. On or about May 24, 2022, DELEO and Vendor-1 exchanged text messages about renovations at DELEO's new home. Vendor-1 sent a text message to DELEO saying, in relevant part, "You have helped me tremendously and I told you I am a man of my word."

In violation of Title 18, United States Code, Section 1349.

Count 2
(Conspiracy to Commit Money Laundering)

1. The allegations contained in paragraphs 1, 3, and 4 of Count 1 of this Information are realleged here.

2. From at least in or about 2019 through in or about April 2022, in Hudson County, in the District of New Jersey, and elsewhere, the defendant,

THOMAS A. DELEO,

did knowingly and intentionally conspire and agree with others to conduct and attempt to conduct financial transactions affecting interstate and foreign commerce, which transactions involved the proceeds of specified unlawful activity, namely, conspiracy to commit honest services fraud, in violation of Title 18, United States Code, Section 1349, knowing that the transactions were designed in whole and in part to conceal and disguise the nature, location, source, ownership, and control of the proceeds of specified unlawful activity, and that while conducting and attempting to conduct such financial transactions, knew that the property involved in the financial transactions represented the proceeds of some form of unlawful activity, contrary to Title 18, United States Code, Section 1956(a)(1)(B)(i).

Object of the Conspiracy

3. It was an object of the conspiracy was for DELEO and others to conduct financial transactions involving money obtained from a fraud scheme (the "fraud proceeds"), to conceal and disguise the nature, source, and ownership of the funds.

Manner and Means of the Conspiracy

4. It was part of the conspiracy that:

a. DELEO and others participated in scheme in which DELEO was paid bribes and kickbacks in exchange for approving contracts awarded to Company-1 by Hudson County, and approving invoices which contained fraudulent expenses that were submitted by Company-1 to Hudson County.

b. Vendor-1 wrote the "February 2022 Check" and the "April 2022 Check" from Company-1 to Consulting Group-1. The February 2022 Check and the April 2022 Check were intended to disguise and funnel kickbacks from Vendor-1 to DELEO by making it appear that the payments were for services that Consulting Group-1 performed on behalf of Company-1.

c. Vendor-1 also obscured the nature of payments to DELEO by completing hundreds of thousands of dollars of renovations for DELEO and/or his associates, for which DELEO and/or his associates were not billed.

d. In total, the value of bribes and kickbacks laundered was more than $550,000.

In violation of Title 18, United States Code, Section 1956(h).

FORFEITURE ALLEGATIONS

1. Upon conviction of the offense charged in Count 1 of this Information, defendant Thomas A. DeLeo ("DELEO") shall forfeit to the United States, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), any property, real or personal, which constitutes or was derived from proceeds traceable to the commission of such offense.

2. Upon conviction the offense charged in Count 2 of this Information, DELEO shall forfeit to the United States, pursuant to Title 18, United States Code, Section 982(a)(1), any property, real or personal, involved in such conspiracy, and all property traceable to such property.

Substitute Assets Provision

If any of the above-described forfeitable property, as a result of any act or omission of the defendant:

a. cannot be located upon the exercise of due diligence;

b. has been transferred or sold to, or deposited with, a third party;

c. has been placed beyond the jurisdiction of the court;

d. has been substantially diminished in value; or

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

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c), to seek forfeiture of any other property of the defendant up to the value of the above-described forfeitable property.

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Chief, Special Prosecutions Division

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INFORMATION FOR

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