2008R00398/am

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA	:	Hon.
v.	:	Criminal No.
PETER O. STRANNEMAR	:	Title 18, United States Code, Sections 371 and 2 Title 26, United States Code, Section 7201

S U P E R S E D I N G I N F O R M A T I O N

The defendant having waived in open court prosecution by Indictment, the United States Attorney for the District of New Jersey charges:

COUNT ONE
(Conspiracy to Demand and Receive Unlawful Labor Payments - Title 18, United States Code, Section 371)

Introduction

1. At all times relevant to this Superseding Information unless otherwise stated:

The Defendants and Other Parties

a. Defendant PETER O. STRANNEMAR, a resident of Sussex County, New Jersey, was the President of Local 825 of the International Union of Operating Engineers (hereinafter "Local 825") and was also employed by Local 825 as a business agent.

b. Local 825, headquartered in Springfield, New Jersey, was a "labor organization" as that term is defined in Title 29, United States Code, Sections 142(3), 152(5), 402(i) and (j). It represented, sought to represent, and would have admitted to membership construction equipment operators,

mechanics, and surveyors. Local 825 represented approximately 7,000 members, many of whom were employed at various construction projects in New Jersey and New York. Local 825, through its officers and agents, entered into collective bargaining agreements (hereinafter "CBAs") with employers that employed operating engineers. These agreements contained provisions pertaining to conditions of employment, such as rates of pay and fringe benefits, and the circumstances under which an employer was obligated to man certain types of construction equipment, such as cranes, backhoes, forklifts, and booms, with Local 825 operating engineers, among other things.

c. Under Title 29, United States Code, Section 501(a), defendant PETER O. STRANNEMAR, as an officer and representative of Local 825, occupied a position of trust in relation to the union and its members as a group.

d. Kenneth P. Campbell, a co-conspirator not named as a defendant herein, was Local 825's Business Manager and was employed by the union.

e. Craig Wask, a co-conspirator not named as a defendant herein, was employed by Local 825 as a business agent.

f. A.M., a co-conspirator not named as a defendant herein, was a Local 825 member.

g. A company incorporated in New Jersey that engaged in the business of erecting steel (hereinafter "Steel Erector Company") employed operating engineers who were represented by and would be admitted to membership in Local 825.

h. A company incorporated in Delaware that engaged in the business of plumbing (hereinafter "Plumbing Company") employed operating engineers who were represented by and would be admitted to membership in Local 825.

i. The Steel Erector Company and Plumbing Company were each "employers" as that term is defined in Title 29, United States Code, Sections 142 and 152(2), and the employees of each of these companies were employed in an industry affecting commerce.

Construction Project in Jersey City, New Jersey

2. Beginning as early as in or around 2000, a construction project had commenced to build a high-rise commercial building at 30 Hudson Street, Jersey City, New Jersey (hereinafter "Jersey City Project").

3. At all times relevant to this Superseding Information:

a. Each company referred to in Paragraph 1(i) of this Count was contracted to work at the Jersey City Project and was required to employ Local 825 members at the project.

b. Co-Conspirator A.M. was the lead engineer at the Jersey City Project and was a "representative" within the meaning of Title 29, United States Code, Section 186(a)(1).

The Conspiracy

4. From in or around May 2001 to in or around May 2003, in Hudson County, in the District of New Jersey and elsewhere, defendant

PETER O. STRANNEMAR,

being an officer and employee of Local 825, a labor organization, knowingly and willfully conspired and agreed with Co-Conspirators Kenneth P. Campbell, Craig Wask, A.M. and others to commit offenses against the United States, that is, to request, demand, receive, and accept, the payment, loan, and delivery of money and things of value, namely, United States currency and household appliances in an amount in excess of $1,000, from employers, namely, the companies referred to in Paragraph 1(i) of this Count, whose employees were employed in an industry affecting commerce, namely, the construction industry, and whose employees such labor organization represented, sought to represent, and would have admitted to membership, contrary Title 29, United States Code, Sections 186(a)(1), (a)(2), (b)(1), and (d)(2).

Object of the Conspiracy

5. It was an object of the conspiracy that defendant PETER O. STRANNEMAR and Co-Conspirators Kenneth P. Campbell, Craig Wask, and A.M. unlawfully requested and received cash payments and other things of value from employers at the Jersey City Project.

Manner and Means of the Conspiracy

Steel Erector Company

6. It was part of the conspiracy that Co-Conspirator A.M. demanded cash from the Steel Erector Company to ensure labor peace and to permit the company to circumvent the CBA to which it was subject.

7. It was further part of the conspiracy that the Steel Erector Company delivered approximately $4,000 in cash per month to Co-Conspirator A.M. In total, defendant PETER O. STRANNEMAR and his co-conspirators obtained at least $88,000 in cash from the Steel Erector Company.

Plumbing Company

8. It was further part of the conspiracy that Co-Conspirator A.M. demanded and received cash payments from the Plumbing Company to ensure labor peace and to permit the company to circumvent the CBA to which it was subject. In total, defendant PETER O. STRANNEMAR and his co-conspirators obtained at least $23,600 in cash from the Plumbing Company.

9. It was further part of the conspiracy that defendant PETER O. STRANNEMAR and Co-Conspirator A.M. requested and received free household appliances, valued in excess of $1,000, from the Plumbing Company.

Delivery of Unlawful Labor Payments

10. It was further part of the conspiracy that after Co-Conspirator A.M. illegally obtained the cash from the Steel Erector Company and the Plumbing Company he kept some of the cash for himself and delivered the remaining cash to Co-Conspirator Craig Wask.

11. It was further part of the conspiracy that Co-Conspirator Craig Wask kept some of the illegally obtained cash for himself and delivered portions of the cash to defendant PETER O. STRANNEMAR and Co-Conspirator Kenneth P. Campbell.

Overt Acts

12. In furtherance of the conspiracy and in order to effect the object thereof, defendant PETER O. STRANNEMAR and his co-conspirators committed and caused to be committed the following overt acts, among others, in the District of New Jersey and elsewhere:

Steel Erector Company

a. In or around April 2003, Co-Conspirator A.M. received approximately $4,000 in cash from the Steel Erector Company.

Plumbing Company

b. On or about May 22, 2003, Co-Conspirator A.M. received approximately $1,000 in cash from the Plumbing Company.

c. In or around late April 2003, Co-Conspirator A.M. transported household appliances, purchased by the Plumbing Company, to defendant PETER O. STRANNEMAR's cabin in New York.

All in violation of Title 18, United States Code, Section 371.

COUNT TWO

(Tax Evasion - Title 26, United States Code, Section 7201 and Title 18, United States Code, Section 2)

1. The allegations set forth in Paragraph 1 of Count One of this Superseding Information are hereby realleged as if fully set forth herein.

2. At times relevant to this Superseding Information, defendant PETER O. STRANNEMAR:

a. received cash from various sources beyond his ordinary compensation from Local 825 and deposited such cash into his personal bank accounts;

b. signed federal individual income tax returns, Form 1040, U.S. Individual Income Tax Return, in which he purported to report all of his individual income and which returns contained written declarations that the returns were signed under penalties of perjury; and

c. failed to report as income on his federal individual income tax returns the cash he received from various sources and deposited into his personal bank accounts, thereby causing his tax returns to understate a substantial amount of the income that he received.

3. On or about April 15, 2004, defendant PETER O. STRANNEMAR signed and caused to be filed with the Internal Revenue Service a Form 1040, U.S. Individual Income Tax Return for tax year 2003 on behalf of himself. That return declared that his taxable income for calendar year 2003 was approximately $88,119 and the amount of tax due and owing to the United States was approximately $15,669.

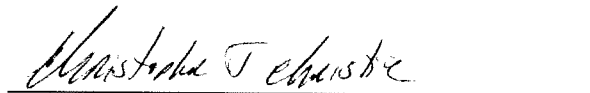
4. The return did not include approximately $61,943 in additional taxable income that defendant PETER O. STRANNEMAR had received in 2003. With this income, an additional tax of approximately $17,344 was due and owing to the United States.

5. On or about April 15, 2004, in Sussex County, in the District of New Jersey, defendant

PETER O. STRANNEMAR

knowingly and willfully attempted to evade and defeat a substantial part of the income tax due and owing to the United States in that he signed and caused to be filed a false and fraudulent 2003 U.S. Individual Income Tax Return, Form 1040, described in Paragraph 3 of this Count, knowing it to be false and fraudulent as described in Paragraph 4 of this Count.

In violation of Title 26, United States Code, Section 7201 and Title 18, United States Code, Section 2.



CHRISTOPHER J. CHRISTIE
United States Attorney

CASE NUMBER: _____

United States District Court
District of New Jersey

UNITED STATES OF AMERICA

v.

PETER O. STRANNEMAR

SUPERSEDING INFORMATION FOR

Title 18, United States Code, Sections 371 and 2
Title 26, United States Code, Section 7201

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