

TO: Local 282 Trustee
FROM: The Independent Review Board
RE: Proposed Charges Against Local 282 Member Charles Lanza
DATE: August 5, 1996

I. RECOMMENDATION

The Independent Review Board recommends that the Local 282 Trustee initiate charges against Charles Lanza for bringing reproach upon the IBT by participating in a labor bribery scheme in violation of the IBT Constitution, Articles II, Section 2(a) and XIX, Section 7(b)(1), (2) and (13).

II. INTRODUCTION

Local 282 is located in Lake Success, New York and has approximately 3,000 members who are employed as truck drivers and workers in the building materials and construction industry in the New York Metropolitan area. For decades the Gambino La Cosa Nostra Family has controlled Local 282.

This report concerns Local 282 member Charles Lanza ("Lanza"). Lanza joined Local 282 in August 1973. In 1991 while employed by Slattery Associates ("Slattery"), a construction company, he was appointed Working Teamster Foreman. During February and June 1992, while a Working Teamster Foreman on a Wards Island, New York sludge treatment plant construction project, Lanza solicited and accepted bribes from an undercover investigator of the New York State Organized Crime Task Force ("NYSOCTF") who posed as a representative of a contractor on the

project.

III. INVESTIGATIVE FINDINGS

The Local 282 Corruptions Officer initially referred this matter to the Chief Investigator's Office, (Ex. 1), and the NYSOCTF fully cooperated with the IRB in this matter.

Lanza joined the IBT on August 5, 1973. (Ex. 2) (Ex. 3 at 5) In 1986, as a Local 282 member, Lanza began working as a driver for Slattery, a construction company. (Id. at 9) While a Slattery employee, Lanza was appointed Working Teamster Foreman (presently known as On-site Steward).¹ (Id. at 10) Lanza's first On-Site Steward position was in 1991 on Wards Island, New York where Slattery was general contractor on the construction of a sludge treatment plant (the "Wards Island site"). (Id. at 14) As On-site Steward, Lanza's duties included prohibiting non-Teamster trucks from the site and ensuring only IBT members performed IBT work.

On January 3, 1992, while working in an undercover capacity at the Wards Island site, NYSOCTF Special Investigator

¹ The On-site Steward position has been dominated by organized crime for decades. A July 1987 Interim Report of the New York State Organized Crime Task Force concerning the metropolitan area construction industry discussed the long-standing, corrupt practice of paying On-site Stewards for "no-show" jobs. (Ex. 4 at 80) The Task Force report also described the common practice of contractors paying bribes to Working Teamster Foremen to gain unfettered access to construction sites. (Id. at 22)

Moreover, in November 1991, as a cooperating witness, Gravano detailed for the FBI the historic manipulation of Local 282 On-site stewards by the Gambino La Cosa Nostra Family. (Ex. 5) Gravano stated that frequently contractors made payoffs to On-site stewards for various reasons including to ensure labor peace. (Id.)

Michael Occhicone ("Occhicone") first met Lanza who introduced himself as the Local 282 On-site Steward. (Ex. 6) Occhicone posed as the representative of a subcontracting company named Chambers that had work on the site.² (Id.) Lanza and Occhicone exchanged telephone numbers. (Id.)

On February 25, 1992, Occhicone met again with Lanza. (Exs. 7-9) Occhicone was wearing a body recorder and made a audio tape of their meeting. (Ex. 7 at 1) After convening at the Wards Island site, Occhicone and Lanza went to the Neptune Diner in Astoria, Queens. (Ex. 9) Lanza then proposed to Occhicone a bribe payment scheme to ensure Teamster cooperation with Chambers operation at the site. (Id.) Lanza was to receive \$50 cash each week retroactive to January 1992 when Chambers began working on the Wards Island project. (Ex. 6 and Ex. 7 at 21-22, 30-33, 44) The \$50 payments were to continue until Chambers ceased work on the Wards Island site. (Ex. 9; Ex. 7 at 49) In exchange, Lanza, in violation of his obligations, would not enforce contract rules that would prevent non-union trucks from coming on the site and would not cause work slow-downs. (Ex. 7 at 21-33, 40-43, 55-56) Lanza told Occhicone that he had made similar arrangements with other subcontractors on the Wards Island site. (Ex. 6 at 31-32)

Three other NYSOCTF Special Investigators observed and heard a transmission of Lanza and Occhicone's February 25

² During the investigation Occhicone used the name "Vecchione." (See Ex. 6)

meeting. (Ex. 10) Occhicone and Lanza were photographed leaving the Neptune Diner. (Ex. 11 and 12)

On February 28, 1992, Occhicone, again wearing a body recorder, met with Lanza in the Local 282 trailer at the Wards Island site. (Ex. 13) During that meeting Lanza accepted an envelope that contained \$500.00 from Occhicone. (Exs. 13 and 14)

A third meeting between Lanza and Occhicone took place on June 3, 1992 in Kane's Flushing Diner in Queens, New York.³ (Ex. 15) Occhicone gave Lanza an envelope containing \$100 as part of the ongoing bribery arrangement. (Id.) As he made the payment, Lanza advised Occhicone that he was in arrears in the payments. (Id. at 1-2) When Lanza left the diner he entered a 1977 red Chevrolet pickup truck bearing New York license plate number J4M-964, registered to Helen Lanza of 1592 Madison Street, Elmont, New York. (Exs. 15 and 16) At his sworn examination, Lanza acknowledged that he had in the past driven a red 1977 Chevrolet truck registered to his wife, Helen. (Ex. 3 at 24)

During his sworn examination on June 14, 1996, Lanza admitted he had worked for Slattery as an On-site Steward on the Wards Island sludge treatment plant project for five months beginning in late 1991 to early 1992. (Ex. 3 at 9-10, 14) Lanza denied that while an IBT member he had ever taken money from an employer or anyone purporting to be an employer or subcontractor. (Ex. 3 at 19-20) Lanza specifically denied he had received any

³ Occhicone was again wearing a body recorder for the June 3, 1992 meeting, however the recording made is inaudible. (See Ex. 16)

payoffs while working as an On-site Steward on the Wards Island site. (Id. at 22) Lanza also swore that he had never been to either the Neptune Diner or Kane's Flushing Diner in Queens, New York. (Id. at 21-24)

IRB Special Investigator Robert W. Fischer who attended Lanza's sworn examination identified Lanza's voice on the tape recordings made by Occhicone and identified one of the individuals in the surveillance photographs as Lanza. (Ex. 11-12) In light of the evidence, including the surveillance photographs and audio recordings of the payoff meetings, Lanza accepted money from a purported employee representative⁴ and through making false statements failed to cooperate with the IRB.

⁴ Lanza's acceptance of bribes was criminal. New York's commercial bribery statute makes it a crime for an agent to accept a benefit from another upon the agreement that such benefit will influence his conduct in relation to his principal's affairs. New York Penal Law Article 180, Section 180.05. (Ex. 17) Here, Lanza agreed not to do his job of enforcing the union contract for the union.

Lanza's conduct also constituted larceny by extortion under New York Penal Law which provides:

[a] person obtains property by extortion when he compels or induces another person to deliver such property to himself or to a third person by means of instilling in him a fear that, if the property is not so delivered, the actor or another will:

* * *

(vi) [c]ause a strike, boycott or other collective labor group action injurious to some person's business . . .

New York Penal Law Article 155, Section 155.05(2)(e) (Ex. 18). In this case, Lanza's indication that if the bribes were paid he would not cause work slow-downs satisfied the statute.

IV. PROPOSED CHARGES

Based on the foregoing, it is recommended that Local 282 member Charles Lanza be charged as follows:

Charge One

While a member of Local 282 you brought reproach upon the IBT in violation of Article II, Section 2(a) and Article XIX, Section 7(b)(1), (2) and (13) of the IBT Constitution, to wit:

While a member of Local 282 and an On-site Steward on February 28, 1992 and June 3, 1992 respectively you accepted \$500.00 and \$100.00 bribes from an individual known to you as a Chambers' (an employer) representative at the Wards Island Sludge Treatment construction site in exchange for your agreement not to prevent non-union trucks from coming on the site or engage in work slow-downs.

Charge Two

While a member of Local 282 you brought reproach upon the IBT in violation of Article II, Section 2(a) and Article XIX Section 7(b) (1) and (2) and Section 14 (i) of the IBT Constitution and obstructed, interfered and unreasonably failed to cooperate with the duties of the IRB as set forth in Paragraph G of the March 14, 1989 Consent Decree in United States v. International Brotherhood of Teamsters, 88 Civ. 4486 (S.D.N.Y.), to wit:

During your sworn examination on June 14, 1996 you made false statements when you testified that you never had taken money from an employer or anyone purporting to be an employer or

subcontractor while working as an On-site Steward on the Wards Island site; that you had never been to either the Neptune Diner or Kane's Flushing Diner in Queens, New York, when in fact you had done those things. In doing so you failed to cooperate with the IRB.

EXHIBIT LIST FOR REPORT CONCERNING CHARLES LANZA

- Ex. 1 March 21, 1996 Letter from Local 282 Corruption Officer Robert Machado to the Chief Investigator
- Ex. 2 Titan Printout Concerning Charles Lanza
- Ex. 3 Transcript of the March 14, 1989 Sworn Examination of Charles Lanza
- Ex. 4 New York State Organized Crime Task Force Interim Report: Corruption and Racketeering in the New York City Construction Industry, June 1987
- Ex. 5 Declaration of FBI Special Agent John Iacovelli dated march 26, 1992
- Ex. 6 NYSOCTF Special Investigator Michael Occhicone's January 3, 1992 Report
- Ex. 7 Transcript of February 25, 1992 Audio Tape
- Ex. 8 Audio Cassette Tape of February 25, 1992 Meeting
- Ex. 9 NYSOCTF Special Investigator Occhicone's Report of February 25, 1992
- Ex. 10 NYSOCTF Special Investigator Mark D. MacConnell's February 25, 1992 Report
- Ex. 11 February 25, 1992 photographs of Lanza and Occhicone
- Ex. 12 July 29, 1996 Memorandum to the File of Special Investigator Robert W. Fischer
- Ex. 13 February 28, 1992 Report of Special Investigator Occhicone
- Ex. 14 Audio Cassette Tape of February 28, 1992 Meeting
- Ex. 15 NYSOCTF Special Investigator Occhicone's June 3, 1992 Report
- Ex. 16 NYSOCTF Special Investigator Ed Margenat's June 3, 1992 Report
- Ex. 17 New York Penal Law Article 180, Section 180.05
- Ex. 18 New York Penal Law Article 155, Section 155.05

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February 19, 1997

General President Ron Carey
International Brotherhood of Teamsters
25 Louisiana Avenue, N.W.
Washington, D.C. 20001

Re: Decision on Charges against Local 282
Member Charles Lanza

Dear Mr. Carey:

The Independent Review Board has reviewed your decision of February 12, 1997, in the above-captioned matter, and finds the decision to be not inadequate.

Very truly yours,

Members of the
Independent Review Board

By: 

John J. Cronin, Jr.
Administrator

cc: Earl V. Brown, Jr., Esq.
David Neigus, Esq.
Susan Davis, Esq.
✓ Gary LaBarbera, Trustee
Charles Lanza

INTERNATIONAL BROTHERHOOD OF TEAMSTERS

In the Matter of:)
)
ARTICLE XIX CHARGES)
)
 against)
)
LOCAL 282 MEMBER CHARLES LANZA)
)
)

DECISION

Having reviewed and duly considered the hearing record and the recommendation of the hearing panel in the above- referenced case, I hereby issue the following decision on Article XIX charges against Local 282 member Charles Lanza.

I. The Charges

This case arises out of two charges referred to Local 282 temporary Trustee Gary LaBarbara by the Independent Review Board ("IRB"). The first charge alleges that Brother Lanza brought reproach upon the IBT by accepting bribes from an undercover officer posing as an employer in exchange for labor concessions, in violation of Article II, Section 2(a) and Article XIX, Sections 7(b) (1), (2), and (13) of the IBT Constitution. The second charge alleges that Brother Lanza brought reproach upon the IBT by making false statements during his sworn examination by the IRB, thereby failing to cooperate with it, in violation of Article II, Section 2(a) and Article XIX, Sections 7(b)(1), (2), and (14) of the IBT Constitution.

II. The Hearing Evidence

A duly noticed hearing on the charges was conducted on November 20, 1996 before a panel consisting of Chairman Lou Partenza, Jerry Ranita and Robert Corbett.

At the hearing, the temporary Trustee's representative, Recording-Secretary Lawrence Kudla, introduced the IRB's recommendation and report on the charges ("IRB Report"), as well as the IRB exhibits to the IRB Report.

Brother Lanza has been a Local 282 member since 1974. It is undisputed that, in 1991, while working for a construction company called Slattery Associates at a construction site on Ward's Island, New York, he was appointed "Working Teamster Foreman." As such, Brother Lanza was an on-site steward responsible for enforcement of the Local Union's collective bargaining agreement with employers at that location. His duties also included prohibiting non-Teamster trucks from the site and ensuring that only Teamster members performed Teamster work (IRB Report at 2).

The hearing panel found that the evidence overwhelmingly proved the charges that Brother Lanza accepted bribes from an investigator posing as an employer and refused to

cooperate with the IRB. I concur with the panel's findings.

The hearing evidence reveals that, on January 3, 1992, Brother Lanza introduced himself as the on-site steward to a New York State Organized Crime Task Force ("NYSOCTF") Special Investigator. The investigator was posing as the representative of a subcontractor that had worked on the site (IRB Report at 2-3).

On February 25, 1992, Brother Lanza again met with the undercover officer, this time at a Queens diner. Brother Lanza proposed that the undercover officer pay him bribes of \$50 cash each week, retroactive to January 1992. He claimed that the bribes were necessary to ensure the Local's "cooperation" with the subcontractor's operation at that site. Brother Lanza further demanded that the payments continue as long as the subcontractor worked at the site. In return, Brother Lanza agreed not to enforce contract rules that prohibit non-Teamster trucks from coming onto the site and agreed not to cause work slow downs. Brother Lanza boasted to the undercover officer that he had made similar deals with other subcontractors at the site (IRB Report at 3). This meeting was recorded by the undercover officer and also heard by three other NYSOCTF Special Investigators. The transcript of the recording was introduced into evidence (IRB Exhibit 7, transcript of audiotape). The undercover officer and Brother Lanza were also photographed leaving the diner (IRB Report at 3-4).

Three days later, on February 28, 1992, the undercover officer and Brother Lanza met again, this time in the Local 282 trailer at the work site. There, pursuant to Brother Lanza's bribe scheme, Brother Lanza accepted an envelope containing \$500 from the officer. (IRB Exhibits 13 and 14, IRB Report at 4). The undercover officer also wore a body microphone at this meeting and recorded it.

Several months later, on June 3, 1992, Brother Lanza and the undercover officer again met at another Queens diner. There, he gave Brother Lanza an envelope containing \$100. Brother Lanza warned the undercover officer that he was late with his bribe payments. (IRB Report at 4).

At his June 14, 1996 sworn examination by the IRB, Brother Lanza denied ever accepting any money from an employer or subcontractor. He also denied ever having gone to either of the diners at which meetings and/or payoffs were held or made (IRB Report at 4-5).

The panel rejected as not credible in light of the compelling evidence Brother Lanza's denial that he received any bribes. They found similarly unconvincing his claim that he could not be found guilty of failing to cooperate with the IRB when he flatly denied visiting the diners in question because he could not be expected to remember the names of diners he visited five years ago (Tr. at 22). Brother Lanza did not deny, but merely said that he could not remember, whether he ever met with the undercover officer posing as an employer.

III. Conclusion and Recommended Penalties

The panel concluded that "the evidence detailed in the IRB Report paints a sordid picture of corruption and betrayal of the membership by their purported representative, Brother Lanza." They found the evidence conclusively proves the charges against him. The panel recommended that Brother Lanza be permanently expelled from membership in any IBT affiliate, barred from employment by any IBT affiliate, including consulting work, and barred from receiving any compensation or benefits from any IBT affiliate, except for fully vested pension benefits.

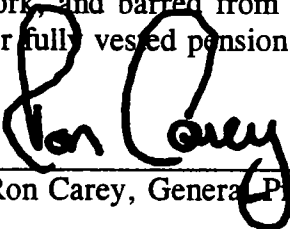
Having carefully reviewed the hearing evidence and the panel's recommendations, I concur with their findings and recommended penalties. I find proven the above charges against Brother Lanza.

I impose the following penalties upon Brother Lanza, effective on the date of this decision:

Brother Lanza is permanently expelled from membership in any IBT affiliate, barred from employment by any IBT affiliate, including consulting work, and barred from receiving any compensation or benefits from any IBT affiliate, except for fully vested pension benefits.

Dated: _____

2/12/97



Ron Carey, General President