

NEWS

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Monmouth County Developers and Business Partner Indicted;
Charged with Bribing Utilities Authority Executive Director

(More)

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NEWARK – Two Monmouth County developers and a business partner were arrested today on an Indictment accusing them, among other things, of bribing a sewer authority official to gain favor in getting sewerage service to their projects in Marlboro Township, U.S. Attorney Christopher J. Christie announced.

Brothers Steven Meiterman, 44, of Marlboro, and Bernard Meiterman, 42, of Manalapan, were also accused of obstructing the grand jury investigation into their dealings with the Executive Director of the Western Monmouth Utilities Authority (WMUA). Steven Meiterman is further charged separately with bribing a member of the Marlboro Township Planning Board with \$4,000 in cash to fund trips to Disney World.

Bernard Meiterman is an attorney and acted as general counsel to the Meiterman companies.

The Indictment also names Edward Kay, 38, of Marlboro, the Meitermans' business partner, an investor and bookkeeper in some of their real estate ventures. Kay is charged with the Meitermans in Count One through Count Eight, each of which charges them with mail fraud in a scheme to defraud the public of the Executive Director's honest services.

All three men were arrested at their homes early this morning by Special Agents of the FBI. They made initial appearances before U.S. Magistrate Judge Madeline Cox Arleo. Judge Arleo set bail at \$250,000 for Steven Meiterman and \$200,000 for the other two defendants. Their bail must be secured by equity in their respective homes.

“The corruption that has existed in Monmouth County, and Marlboro in particular, is stunning and wide in scope,” said Christie. “We and the FBI will continue our investigations and prosecutions with vigor and resolve.”

The 13-count Indictment, returned yesterday under seal, alleges that the defendants attempted to coax, influence and reward the WMUA Executive Director by giving him or arranging for free and discounted improvements to two additions to his home, property surveys and architectural drawings. The Indictment also alleges that the defendants intentionally concealed the corrupt benefits.

In the case of the Meiterman brothers, the Indictment alleges that they attempted to obstruct the grand jury once they became aware of the investigation. As part of those efforts, they are accused of meeting with and coaching an architect who had received grand jury subpoenas on how to testify falsely before the grand jury.

Counts One through Eight, charging all three defendants with mail fraud, each carry a maximum statutory prison sentence of 20 years and a fine of \$250,000. Counts Nine and 10 charge all three defendants with bribing a public official contrary to New Jersey state

law (a federal offense because the U.S. mail was used). Each of those two counts carries a maximum penalty of five years in prison and a \$250,000 fine.

Count 11, charging the Meitermans with attempting to obstruct a grand jury investigation, carries a maximum penalty of 20 years in prison and a \$250,000 fine; each of Counts 12 and 13, charging Steven Meiterman with giving corrupt payments, carries a maximum penalty of 10 years in prison and a \$250,000 fine.

According to the Indictment, the Executive Director, between 2002 and 2005, was planning additions to his home. During this period, the Meitermans and Kay had several housing projects for which they were seeking to obtain sewer extensions from the WMUA.

According to the Indictment, the architect had worked on several development projects for the Meitermans and Kay. A mason referred to in the Indictment also had provided masonry for Meiterman projects in Marlboro Township.

In about May 2002, Meiterman told the architect that the Executive Director wanted to build an addition to his home and that the defendants would pay the architect to prepare architectural drawings. The architect billed \$2,500 for the work and, according to the Indictment, the defendants paid the architect that amount by check, signed by Kay.

In 2005 and 2006, while Meiterman and Kay had several development projects pending with approvals needed from the WMUA – and had applications already granted – the Executive Director solicited the architect to do drawings for a second home addition, according to the Indictment. The architect initially refused to do the project. Steven Meiterman then allegedly contacted the architect and reminded him that they gave him significant business and advised him to do the work for the Executive Director. The architect complied, according to the Indictment.

The architect's bill was \$2,500, but the defendants instructed the architect to bill the Executive Director only \$500. The defendants paid the balance of \$1,800.

Similarly, according to the Indictment, the mason – who was hired by the defendants to do work on a commercial development in Marlboro – was told by Steven Meiterman that the Executive Director wanted concrete and block work done for the first home addition. While the mason told Kay that the job would cost \$3,600, Kay allegedly instructed the mason to bill the Executive Director only \$1,900 – to give the impression that the Executive Director had paid in full for the work. Subsequently, according to the Indictment, the defendants paid the mason the \$1,700 balance.

Several acts of concealment of these arrangements occurred, including deleting language

from billing records that would reveal the Executive Director as the true recipient of the benefits; instructing individuals to bill the Executive Director partial amounts for work done to make it appear that he was paying in full for the work; and attempting to coverup the corrupt activities after the investigation became known to the defendants and grand jury subpoenas had been issued.

Steven Meiterman is further accused of bribing a Marlboro Planning Board member while the Meitermans had several projects before the board. Steven Meiterman, in an attempt to influence the board member's votes, allegedly paid the board member \$4,000 in cash – \$2,000 prior to the board member's Disney World vacation in 2002 and \$2,000 in cash in a covered Styrofoam cup prior to the board member's 2003 Disney trip.

Despite Indictment, each of the defendants is presumed innocent unless proven guilty beyond a reasonable doubt.

Christie credited Special Agents of the FBI's Red Bank Resident Agency, under the direction of Special Agent in Charge Leslie G. Wiser, Jr., with the investigation leading to the charges against the Meitermans and Kay.

The case is being prosecuted by Assistant U.S. Attorney Judith H. Germano of the U.S. Attorney's Office Special Prosecutions Division in Newark.

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