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LAW ENFORCEMENT ASSISTANCE
ADMINISTRATION
OFFICE OF LAW ENFORCEMENT
PROGRAMS

DISCRETIONARY GRANT
PROGRESS REPORT

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| 1. Grantee: New Jersey State Law Enforcement Planning Agency | 4. Grant No. <u>70-DF-156</u> | 5. Date of Report: <input type="checkbox"/> April 1 <input type="checkbox"/> October 1 <input checked="" type="checkbox"/> Other |
| 2. Implementing Subgrantee: Waterfront Commission of New York Harbor | 6. Grant Amt. | 7. Character of Report: <input type="checkbox"/> Interim <input checked="" type="checkbox"/> Final |
| 3. Title or Character of Project: Establish Regional Organized Crime Intelligence System to eliminate Organized Crime activities on New York and New Jersey waterfronts Report Control Clerk | 8. Covering Period: _____ to _____ | |

To: Office of Law Enforcement Programs
Law Enforcement Assistance Administration
Department of Justice, Washington, D. C. 20530

State Planning Agency, State of New Jersey

NCJRS

AUG 12 1980

ACQUISITIONS

Submitted herewith is the grantee's progress report for the period shown above:

William P. Sirignano
Project Director (Signature)

William P. Sirignano, Executive
(Typed Name and Title) Director

[Commence report below and add continuation pages as required.]

This is the final narrative report by the Waterfront Commission of New York Harbor, as an implementing subgrantee of the New Jersey State Law Enforcement Planning Agency, under the above subgrant.

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The subgrant was originally awarded for a two-year period, to expire on June 30, 1972. Upon various applications by the Waterfront Commission, the grant was extended to June 30, 1973, at which time it terminated.

This final report will follow the format of the progress reports heretofore submitted, i.e., (1) Personnel; (2) Equipment; (3) Activities; and (4) Evaluation and Appraisal.

1. Personnel:

Under the subgrant, the Waterfront Commission engaged with subgrant funds (four additional Special Agents and one additional Assistant Counsel.) The direct contribution of personnel to the project by the Waterfront Commission consisted of two of its Special Agents on a full-time basis and one of its counsel (in the latter part of the project, the Assistant Director of the Commission's Legal Division) on a part-time (50% minimum) basis. During the course of the project, numerous other regular employees of the Waterfront Commission were contributed to the project, including various additional Special Agents and Supervising Special Agents, the Director and Assistant Director of the Commission's Division of Law Enforcement, the Director of the Commission's Legal Division, and Commission accountants, hearing reporters, stenographers, typists, file clerks and other clerical personnel. Financial reports were prepared by the Comptroller of the Commission and progress reports by the

Assistant to Executive Director. The personnel in the project were under the general supervision and direction of the Executive Director of the Commission.

There were no changes in personnel assigned directly to the project from the date of the last progress report through the termination of the project on June 30, 1973.

2. Equipment

The following equipment was purchased during the course of the project with subgrant monies:

- (1) two Kel sets, each set consisting of a small radio transmitter, a radio receiver and a tape recorder;
- (2) a miniature body tape recorder;
- (3) an 8 mm. Canon Auto Zoom camera and case;
- (4) a tape recorder with synchronizing mechanism;
- (5) an 8 mm. movie film projector;
- (6) 3 Motrac mobile radios with necessary equipment;
- (7) 3 Handi-Talkie FM radios;
- (8) 3 American Motors Model Matador automobiles with full police packages, including two-way radios;
- (9) a field model "Questar" telescopic instrument with accessories for daylight surveillances;
- (10) a 16 mm. motion picture camera and a 35 mm. still camera for use in connection with the "Questar" telescopic instrument; and

(11) a "Zoomar" Night Vision Scope, with necessary accessories, for surveillances during nighttime and under other poor lighting conditions.

As its contribution to the project, the Commission contributed an existing 16 mm. camera and projector; one Handie-Talkie radio; a body transmitter with receiver and recorder; a motor vehicle equipped with a two-way radio and other police equipment; and, generally, the use of various office machinery and equipment, such as typewriters, steno-type machines, reproduction equipment, as well as photographic development and enlargement facilities.

It is to be noted that during the project several requests by the Waterfront Commission for variances from the original project budget for the purchase of equipment were granted by the Law Enforcement Assistance Administration.

3. Activities:

The Waterfront Commission's activities under the project were separated into two co-related phases: (A) the investigation and obtaining of evidence of violations of penal and other regulatory laws pertaining to the New Jersey - New York Harbor (the nation's largest port), with emphasis on such organized criminal activities as major cargo thefts, gambling and loanshark operations, and (B) the continued development and expansion of the Waterfront Commission's intelligence system relating to organized criminal activity within the Port.

* During the term of the project, a total of 369 investigations were conducted by members of the Waterfront Commission project team. Of these 369 investigations, 167 were concerned with thefts from the piers, 117 with gambling violations, 7 with loanshark operations, 44 with organized crime generally, and the balance of 34 with miscellaneous violations of law.

The above investigations resulted in 126 arrests by Commission agents, including 42 for thefts, 81 for gambling, 1 for loansharking, 1 for narcotics, and 1 for possession of a weapon.

The various progress reports heretofore submitted by the Waterfront Commission were illustrative of the types and scope of the investigations being conducted under the project and gave various detailed examples.

In its last progress report, for the period covering October 1, 1972 to March 31, 1973, the Commission narrated its progress concerning a major theft investigation it was conducting jointly with United States Customs and the Federal Task Force of the Eastern (Federal) District of New York. In brief summary, Commission special agents ascertained that arrangements had been made between a refrigerated trucking company (which picked up frozen shrimp and lobster tails at various piers in the New York - New Jersey Port for consignees of the seafood) and certain pier personnel to alter the documents validating the volume of such

cargo picked up by the trucking firm and thus show that less merchandise was delivered at the piers to the trucking company than was actually received by it. Using this system, the trucking company was able to steal hundreds of thousands of dollars of frozen seafood, which it would store at its own refrigerated warehouse, repackage in some instances, and sell to numerous buyers along the east coast from New York to Florida.

After a nine-month investigation, on June 22, 1973, Special Agents of the Waterfront Commission and personnel of the U. S. Customs Service arrested twenty-three men as members of this theft ring. A federal grand jury in the Eastern District of New York indicted these men for conspiring to steal foreign shipments of frozen seafood from Brooklyn and Staten Island piers and transporting the goods across state lines to New Jersey and other east coast areas. Included among those arrested was Pasquale (Paddy Mack) Machiarole, the former president of the trucking firm, who was identified in 1970 as an associate in the Joseph Colombo crime family and who is believed to have become a captain in the Frank (Funzi) Tieri crime family (the organization formerly controlled by the late Vito Genovese). Tieri himself was a former officer of the same trucking company.

This investigation, to which the Waterfront Commission contributed some of its senior special agents, received considerable press coverage and illustrates how the drive against organized crime may be accomplished through a joint and concerted effort by state

and federal law enforcement agents. The Waterfront Commission is pleased that the termination of its subgrant culminated in the successful conclusion of this investigation.

Also discussed in the last progress report was the initiation by the Waterfront Commission of an investigation of a new location for meetings of organized crime figures approximately a mile and a half from the 100 Madison Street location on the lower east side of Manhattan exposed previously by the Commission. This new meeting place has revealed that a number of union leaders of independent unions operating in New York City have been meeting with at least one recognized member of organized crime, in what is suspected to be a large loanshark operation. Although the L.E.A.A. project has terminated, this investigation is continuing by the Waterfront Commission in cooperation with the intelligence unit of the New York City Police Department.

4. Evaluation and Appraisal:

The Waterfront Commission is genuinely satisfied that its work under the project has effectively contributed to the nation's drive against organized crime. (As stated in its past progress report, the monetary assistance of the subgrant has enabled the Commission, a law enforcement agency with limited resources, to undertake and pursue a number of investigations of organized crime elements in greater detail than it ordinarily could.)

In accordance with one aspect of the subgrant, the

Commission was able to enlarge its intelligence files relating to organized crime enterprises in the Port. It need hardly be stressed that the whereabouts and activities, as well as current photographs, of members of organized crime is basic to any law enforcement campaign against organized crime. Hundreds of still photographs and thousands of feet of motion picture film of known and suspected members of organized crime, and of various persons meeting with them and motor vehicles used by them, were taken by Waterfront Commission agents during the project. Numerous memoranda concerning the actions of such persons were written and analyzed by the personnel assigned to the project. All of the information in these files is made available to other recognized law enforcement agencies having a legitimate interest in the material and under reciprocal exchange of information arrangements. This is particularly important in the New York - New Jersey metropolitan area where there are numerous law enforcement bodies concerned with the activities of organized crime and several with jurisdiction over crimes occurring in the Port's district. (As pointed out previously in this final report and in the previous progress reports, the Waterfront Commission cooperated with both local and Federal law enforcement agencies in a number of investigations conducted during the course of the project and exchanged large amounts of information.)

Finally, the Commission is particularly pleased with the

results of several of its important investigations conducted under the project. As reported above, Commission Special Agents, together with U. S. Customs and with the cooperation of the Eastern District Task Force, were able to uncover and break up a large theft ring specializing in stealing large amounts of imported frozen foods from certain piers. As narrated in the progress report covering April 1 through September 30, 1972, members of the project team recovered \$100,000 worth of stolen cigarette lighters. In its report issued for the period of April 1 through September 30, 1971, the Commission detailed its successful investigation of an organized ring of car thieves shipping stolen vehicles through the Port of New York - New Jersey to destinations in Central and South America, in which nine men were arrested and 26 stolen automobiles recovered. Early in the project, the Commission reported on March 31, 1971 its arrest of a major loan-shark on a New Jersey pier whose records indicated collections of almost \$4,000 a day on usurious loans. And, of course, in several of its reports, the Commission detailed a major investigation of meetings of organized crime members at 100 Madison Street in Manhattan, New York, which resulted, in part, in an administrative hearing by the Waterfront Commission to determine whether a company performing cleaning services in the Port with alleged ties to convicted criminals should or should not be granted a license to operate in the harbor.

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