

■ In an early morning sweep, FBI and IRS agents question local officials and power brokers about political corruption

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TIMES STAFF WRITERS

RICHMOND — Scores of FBI agents swept through the city's highest political circles early Wednesday, interviewing power brokers, politicians and campaign contributors in a far-reaching probe of possible corruption dating back at least eight years.

Federal agents interviewed as many as 60 political, labor and church leaders, asking if they knew of any payoffs and bribes to City Council members and issuing subpoenas to appear before a federal grand jury in Oakland in the coming weeks.

Charlie Johnson, a spokesman for the FBI, would not confirm Wednesday that an investigation is under way.

But several people who were interviewed said teams of FBI and IRS agents arrived as early as 6 a.m. at the doors of City Council members, council candidates and people who have had business dealings with the city. Five confirmed receiving subpoenas.

City Manager Isiah Turner, who was interviewed and subpoenaed Wednesday, said agents have asked City Attorney Malcolm Hunter to turn over the minutes of council meetings and documents relating to city contracts with 12 companies going back to 1992.

Turner said some of the biggest contracts include those relating to Penterra Co., developer of the 385-acre Marina Bay redevelopment project; Bauman Landscape, a contractor involved in major road projects in Richmond; Port of Richmond shipping company Levin-Richmond Terminal Corp.; and Wickland Oil of Martinez, which in May dropped plans for a \$55 million pipeline to funnel crude oil from the Richmond shoreline to Delta refineries.

The sweep comes just weeks before a pivotal Nov. 2 council election for five seats on the nine-member council. That has some of those interviewed questioning the timing.

Bud Wakeland, an El Sobrante resident who used to run and assist

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political campaigns in Richmond, said he was "amazed" to see the agents at his door. "It startled the hell out of me," he said. "But then I got to thinking, 'Uh-oh, this happens every time there's a hot election.'"

Federal agents last conducted a large-scale investigation of Richmond in 1984, which involved similar targets: possible corruption on the City Council and political consultant Darrell Reese.

Reese, a longtime Richmond power broker and political consultant for the influential Richmond Firefighters Association Local 188, also worked as a consultant for Pen-terra, Levin and Wickland prior to the council's passage of a lobbyist-disclosure ordinance in 1996.

"They said they were looking into Darrell Reese and corruption in Richmond city government," said Contra Costa County Supervisor John Gioia, who was interviewed by two agents early Wednesday. "Basically what they seem to have done is make a pretty broad sweep, to talk to anyone who has broad knowledge of the

— also were interviewed.

Johnson, 83, said agents asked him if he knew Reese, Reese's wife, Bates and Livingston. Johnson said agents did not reveal the nature of their investigation. He said he was asked if he would submit to a lie-detector test.

"Darrell has always been a good fellow," Johnson said of Reese. "I don't know what it's all about. I think it's a political move."

Reese, Turner, McIntosh, Marquez and Johnson all acknowledged receiving subpoenas to appear before a federal grand jury starting next week and through November.

"The information they gave me was that they were subpoenaing lots of people," said Marquez. "I asked them who else ... and they said probably the whole City Council."

Those interviewed by agents said they were asked a list of general questions about possible corruption in city government, particularly the relationship among some council members, Reese and the city's most prominent developers, business people and campaign contributors.

Agents also asked if they knew of money being exchanged for favorable votes by the council on development projects, some of which date back more than a decade.

city government and politics."

Reese also confirmed he had an early morning visit from federal agents and was subpoenaed to testify before a federal grand jury Nov. 12 as to whether there have been political payoffs for developments in Richmond.

"I told them I don't know of any such things and I haven't participated in any such things," Reese said Wednesday. He said he doubts the probe will turn up evidence of corruption.

"They're going to do a lot investigating and they're not going to find anything," he said.

At least a dozen people confirmed they were contacted by the FBI on Wednesday morning, including council members Nat Bates, Richard Griffin, John Marquez and Donna Powers.

Others interviewed included former Mayor George Livingston, former Councilwoman Lesa McIntosh, former council candidate Bob Sutcliffe, current council candidate and businessman Courtland Booze, president of the firefighters union Henry Hornsby and Richmond attorney and lobbyist Rick Norris.

The Rev. Orenzia Bernstine of the New St. James Missionary Baptist Church — a former city planning commissioner — and the Rev. J.L. Johnson of the Elisabeth Missionary Baptist Church — past president of an alliance of politically active clergy

"They asked a lot of questions about whether I had accepted any bribes while in politics," said Livingston. "They asked if there was a five-man voting block on the council. I told them that the votes differed on different items."

Livingston added that he was asked questions about Bates, Evans, Griffin and Reese.

"These are my friends," Livingston said. "Nat and I grew up together. Darrell Reese is a friend of mine."

Reese's might as an electioneer has been credited with swaying many races. His most well-known upset came in 1988 when he helped Gioia defeat two-term incumbent Jack Hill to become a director of the East Bay Municipal Utility District.

But his work as a private lobbyist has brought the most scrutiny. Past clients include J. William Oldenburg, whose proposed Park Gler development drew allegations of improper attempts to influence city officials.

In the mid-1980s, a federal grand jury investigated whether Oldenburg had offered cash and campaign help to three council members and a planning commissioner running for council in exchange for votes for the project.

No indictments were issued. The site, in the El Sobrante hills, remains undeveloped.