

A.G. Schneiderman Announces Indictment In Bid-Rigging Scheme, Charging Two Defendants With Colluding To Fix Construction Prices For Luxury Brooklyn Building

Christopher Chierchio and Anthony Milohnic Charged with Felony Donnelly Act Violations

Chierchio – A Reputed Genovese Mafia “Soldier” – Also Charged with Criminal Tax Fraud for Attempting to Evade Over \$94,000 in Personal Income Tax Liability

NEW YORK – Attorney General Eric T. Schneiderman today announced the arrest and [indictment of Christopher Chierchio and Anthony Milohnic](#) for their role in a bid-rigging scheme – a class E felony – in which they allegedly colluded to ensure a lack of competition for the plumbing, sprinkler, and HVAC bids for a new luxury residential building at 613 Baltic Street in Brooklyn. Chierchio is also charged with Criminal Tax Fraud – a class C felony – for his alleged evasion of \$94,094 of personal income taxes owed since April 2016.

“We have zero tolerance for crooks who try to game the system to line their pockets,” said **Attorney General Schneiderman**. “We’ll continue to work with our partners in law enforcement to crack down on bid-rigging, tax fraud, and all other forms of corruption.”

These arrests are the result of an investigation conducted by Attorney General Schneiderman’s Organized Crime Task Force (OCTF), in collaboration with the New York City Police Department’s Criminal Enterprise Investigations Section (NYPD-CEIS), the New York City Department of Investigations (DOI), the United States Department of Labor - Office of Labor Racketeering and Fraud Investigations, and the New York State Department of Taxation and Finance. That investigation included the scrutiny of intercepted communications from court-authorized wiretaps, the execution of search warrants, and the review of financial records. These indictments are an offshoot of a previous joint OCTF/NYPD investigation, [“Operation Shark Bait,”](#) which resulted in the indictment and arrest of 13 defendants for Enterprise Corruption in Brooklyn.

DOI Commissioner Mark Peters said, “Bid-rigging undercuts fairness and equality in the contracting process. DOI will continue to work with our law enforcement partners to expose and stop this type of pernicious corruption.”

According to the indictments, which were unsealed today in New York County Supreme Court, Christopher Chierchio, 49, of Staten Island, is charged with Agreement, Arrangement, or Combination in Restraint of Trade or Competition, in violation of the New York State Donnelly Act, as well as Criminal Tax Fraud in the Second Degree. If convicted of both counts, he faces up to 19 years in prison. Chierchio is a reputed “soldier”

in the Genovese organized crime family of La Cosa Nostra. Anthony Milohnic, 43, of North Merrick, was also charged with the Donnelly Act violation.

The tax indictment against Chierchio is a result of a joint investigation by OCTF and the New York State Department of Taxation and Finance's Criminal Investigations Division.

The Attorney General would like to thank New York County District Attorney Cyrus Vance, Jr. for his cooperation in this matter, and Kip Brailey, Tansey Brent, and John Yaros of the United States Department of Treasury's Financial Crimes and Enforcement Network (FinCEN) for their assistance throughout this investigation.

The charges against the defendants are merely accusations, and all defendants are presumed innocent unless and until proven guilty in a court of law.

OCTF's investigation was conducted by OCTF Investigator Derek Stevens, under the direction of Supervising Investigator Paul Grzegorski and Deputy Chief Christopher Vasta. The Investigations Bureau is led by Chief Dominick Zarrella. The NYPD portion of the investigation was directed by former NYPD Detective Vincent Imperato and Detectives Lori Aanonsen and Nicholas Lagano, working under the supervision of Lieutenant Edward Barry of CEIS, Captain John Dusanenko, Assistant Chief Brian McCarthy, and Deputy Inspector Dominick D'Orazio. The DOI portion of the investigation was directed by Special Investigator Dan Taylor, under the supervision of Chief Investigator James McElligot.

The cases are being prosecuted by Assistant Deputy Attorney General Christopher S. Clark, under the direct supervision of OCTF Deputy Bureau Chief Diego Hernandez. Deputy Attorney General Peri Alyse Kadanoff runs the Organized Crime Task Force. The Criminal Justice Division is led by Executive Deputy Attorney General Margaret Garnett.

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