

FILED
CLERK, U.S. DISTRICT COURT
12/6/2021
CENTRAL DISTRICT OF CALIFORNIA
BY: VM DEPUTY

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11 UNITED STATES OF AMERICA

12 UNITED STATES DISTRICT COURT
13 FOR THE CENTRAL DISTRICT OF CALIFORNIA

14 UNITED STATES OF AMERICA,
15 Plaintiff,
16 v.
17 DAVID H. WRIGHT,
18 Defendant.

No. CR 2:21-CR-00559-PA
PLEA AGREEMENT FOR DEFENDANT
DAVID H. WRIGHT

19
20 1. This constitutes the plea agreement between defendant DAVID
21 H. WRIGHT ("defendant") and the United States Attorney's Office for
22 the Central District of California (the "USAO") in the above-
23 captioned case. This agreement is limited to the USAO and cannot
24 bind any other federal, state, local, or foreign prosecuting,
25 enforcement, administrative, or regulatory authorities.

26 DEFENDANT'S OBLIGATIONS

27 2. Defendant agrees to:
28

1 a. At the earliest opportunity requested by the USAO and
2 provided by the Court, appear and plead guilty the single-count
3 information in the form attached to this agreement as Exhibit A or a
4 substantially similar form, which charges defendant with federal
5 program bribery in violation of 18 U.S.C. § 666(a)(1)(B).

6 b. Not contest facts agreed to in this agreement.

7 c. Abide by all agreements regarding sentencing contained
8 in this agreement.

9 d. Appear for all court appearances, surrender as ordered
10 for service of sentence, obey all conditions of any bond, and obey
11 any other ongoing court order in this matter.

12 e. Not commit any crime; however, offenses that would be
13 excluded for sentencing purposes under United States Sentencing
14 Guidelines ("U.S.S.G." or "Sentencing Guidelines") § 4A1.2(c) are not
15 within the scope of this agreement.

16 f. Be truthful at all times with the United States
17 Probation and Pretrial Services Office and the Court.

18 g. Pay the applicable special assessment at or before the
19 time of sentencing unless defendant has demonstrated a lack of
20 ability to pay such assessments.

21 h. Give up the right to indictment by a grand jury.

22 THE USAO'S OBLIGATIONS

23 3. The USAO agrees to:

24 a. Not contest facts agreed to in this agreement.

25 b. Abide by all agreements regarding sentencing contained
26 in this agreement.

27 c. Except for criminal tax violations (including
28 conspiracy to commit such violations chargeable under 18 U.S.C.

1 § 371), not further criminally prosecute defendant for honest
2 services wire and mail fraud in violation of 18 U.S.C. §§ 1341, 1343,
3 and 1346, conspiracy in violation of 18 U.S.C. § 371, destruction of
4 evidence in violation of 18 U.S.C. § 1519, false statements in
5 violation of 18 U.S.C. § 1001, or other violations of 18 U.S.C.
6 § 666(a)(1)(B) arising out of defendant's conduct described in the
7 agreed-to factual basis set forth in Attachment A. Defendant
8 understands that the USAO is free to criminally prosecute defendant
9 for any other unlawful past conduct or any unlawful conduct that
10 occurs after the date of this agreement. Defendant agrees that at
11 the time of sentencing the Court may consider the uncharged conduct
12 in determining the applicable Sentencing Guidelines range, the
13 propriety and extent of any departure from that range, and the
14 sentence to be imposed after consideration of the Sentencing
15 Guidelines and all other relevant factors under 18 U.S.C. § 3553(a).

16 d. At the time of sentencing, provided that defendant
17 demonstrates an acceptance of responsibility for the offense up to
18 and including the time of sentencing, recommend a two-level reduction
19 in the applicable Sentencing Guidelines offense level, pursuant to
20 U.S.S.G. § 3E1.1, and recommend and, if necessary, move for an
21 additional one-level reduction if available under that section.

22 NATURE OF THE OFFENSE

23 4. Defendant understands that for defendant to be guilty of
24 the crime charged in the single-count information, that is, federal
25 program bribery in violation of Title 18, United States Code, Section
26 666(a)(1)(B), the following must be true:

27 a. The defendant was an agent of LADWP;

1 the right to hold office, and the right to serve on a jury. Defendant
2 understands that he is pleading guilty to a felony and that it is a
3 federal crime for a convicted felon to possess a firearm or
4 ammunition. Defendant understands that the conviction in this case
5 may also subject defendant to various other collateral consequences,
6 including but not limited to revocation of probation, parole, or
7 supervised release in another case and suspension or revocation of a
8 professional license. Defendant understands that unanticipated
9 collateral consequences will not serve as grounds to withdraw
10 defendant's guilty plea.

11 8. Defendant understands that, if defendant is not a United
12 States citizen, the felony conviction in this case may subject
13 defendant to: removal, also known as deportation, which may, under
14 some circumstances, be mandatory; denial of citizenship; and denial
15 of admission to the United States in the future. The Court cannot,
16 and defendant's attorney also may not be able to, advise defendant
17 fully regarding the immigration consequences of the felony conviction
18 in this case. Defendant understands that unexpected immigration
19 consequences will not serve as grounds to withdraw defendant's guilty
20 plea.

21 FACTUAL BASIS

22 9. Defendant admits that defendant is, in fact, guilty of the
23 offense to which defendant is agreeing to plead guilty. Defendant
24 and the USAO agree to the statement of facts provided in Attachment A
25 hereto and agree that this statement of facts is sufficient to
26 support a plea of guilty to the charge described in this agreement
27 and to establish the Sentencing Guidelines factors set forth in
28 paragraph 11 below but is not meant to be a complete recitation of

1 all facts relevant to the underlying criminal conduct or all facts
2 known to either party that relate to that conduct.

3 SENTENCING FACTORS

4 10. Defendant understands that in determining defendant's
5 sentence the Court is required to calculate the applicable Sentencing
6 Guidelines range and to consider that range, possible departures
7 under the Sentencing Guidelines, and the other sentencing factors set
8 forth in 18 U.S.C. § 3553(a). Defendant understands that the
9 Sentencing Guidelines are advisory only, that defendant cannot have
10 any expectation of receiving a sentence within the calculated
11 Sentencing Guidelines range, and that after considering the
12 Sentencing Guidelines and the other § 3553(a) factors, the Court will
13 be free to exercise its discretion to impose any sentence it finds
14 appropriate up to the maximum set by statute for the crime of
15 conviction.

16 11. Defendant and the USAO agree to the following applicable
17 Sentencing Guidelines factors:

18 Base Offense Level:	14	[U.S.S.G. § 2C1.1(a)(1)]
19 Value of bribe between 20 \$1,500,001-\$3,500,000	+16	[U.S.S.G. § 2B1.1(b)(1)(I)]
21 Involved public official in 22 high-level decision-making and sensitive position	+4	[U.S.S.G. § 2C1.1(b)(3)]
23 Obstruction of justice	+2	[U.S.S.G. § 3C1.1]

24 Defendant and the USAO reserve the right to argue that additional
25 specific offense characteristics, adjustments, and departures under
26 the Sentencing Guidelines are appropriate.

27 12. Defendant understands that there is no agreement as to
28 defendant's criminal history or criminal history category.

1 of probation or supervised release imposed by the Court, provided it
2 is within the statutory maximum; and (f) any of the following
3 conditions of probation or supervised release imposed by the Court:
4 the conditions set forth in Second Amended General Order 20-04 of
5 this Court; the drug testing conditions mandated by 18 U.S.C.
6 §§ 3563(a)(5) and 3583(d); and the alcohol and drug use conditions
7 authorized by 18 U.S.C. § 3563(b)(7).

8 18. The USAO agrees that, provided all portions of the sentence
9 are at the statutory maximum of ten years specified above, the USAO
10 gives up its right to appeal any portion of the sentence.

11 RESULT OF WITHDRAWAL OF GUILTY PLEA

12 19. Defendant agrees that if, after entering a guilty plea
13 pursuant to this agreement, defendant seeks to withdraw and succeeds
14 in withdrawing defendant's guilty plea on any basis other than a
15 claim and finding that entry into this plea agreement was
16 involuntary, then (a) the USAO will be relieved of all of its
17 obligations under this agreement; and (b) should the USAO choose to
18 pursue any charge that was either dismissed or not filed as a result
19 of this agreement, then (i) any applicable statute of limitations
20 will be tolled between the date of defendant's signing of this
21 agreement and the filing commencing any such action; and
22 (ii) defendant waives and gives up all defenses based on the statute
23 of limitations, any claim of pre-indictment delay, or any speedy
24 trial claim with respect to any such action, except to the extent
25 that such defenses existed as of the date of defendant's signing this
26 agreement.

1 RESULT OF VACATUR, REVERSAL OR SET-ASIDE

2 20. Defendant agrees that if the count of conviction is
3 vacated, reversed, or set aside, both the USAO and defendant will be
4 released from all their obligations under this agreement.

5 EFFECTIVE DATE OF AGREEMENT

6 21. This agreement is effective upon signature and execution of
7 all required certifications by defendant, defendant's counsel, and an
8 Assistant United States Attorney.

9 BREACH OF AGREEMENT

10 22. Defendant agrees that if defendant, at any time after the
11 signature of this agreement and execution of all required
12 certifications by defendant, defendant's counsel, and an Assistant
13 United States Attorney, knowingly violates or fails to perform any of
14 defendant's obligations under this agreement ("a breach"), the USAO
15 may declare this agreement breached. All of defendant's obligations
16 are material, a single breach of this agreement is sufficient for the
17 USAO to declare a breach, and defendant shall not be deemed to have
18 cured a breach without the express agreement of the USAO in writing.
19 If the USAO declares this agreement breached, and the Court finds
20 such a breach to have occurred, then: (a) if defendant has previously
21 entered a guilty plea pursuant to this agreement, defendant will not
22 be able to withdraw the guilty plea, and (b) the USAO will be
23 relieved of all its obligations under this agreement.

24 23. Following the Court's finding of a knowing breach of this
25 agreement by defendant, should the USAO choose to pursue any charge
26 that was either dismissed or not filed as a result of this agreement,
27 then:

1 a. Defendant agrees that any applicable statute of
2 limitations is tolled between the date of defendant's signing of this
3 agreement and the filing commencing any such action.

4 b. Defendant waives and gives up all defenses based on
5 the statute of limitations, any claim of pre-indictment delay, or any
6 speedy trial claim with respect to any such action, except to the
7 extent that such defenses existed as of the date of defendant's
8 signing this agreement.

9 c. Defendant agrees that: (i) any statements made by
10 defendant, under oath, at the guilty plea hearing (if such a hearing
11 occurred prior to the breach); (ii) the agreed to factual basis
12 statement in this agreement; and (iii) any evidence derived from such
13 statements, shall be admissible against defendant in any such action
14 against defendant, and defendant waives and gives up any claim under
15 the United States Constitution, any statute, Rule 410 of the Federal
16 Rules of Evidence, Rule 11(f) of the Federal Rules of Criminal
17 Procedure, or any other federal rule, that the statements or any
18 evidence derived from the statements should be suppressed or are
19 inadmissible.

20 COURT AND UNITED STATES PROBATION AND PRETRIAL SERVICES

21 OFFICE NOT PARTIES

22 24. Defendant understands that the Court and the United States
23 Probation and Pretrial Services Office are not parties to this
24 agreement and need not accept any of the USAO's sentencing
25 recommendations or the parties' agreements to facts or sentencing
26 factors.

27 25. Defendant understands that both defendant and the USAO are
28 free to: (a) supplement the facts by supplying relevant information

1 promise, understanding, or agreement may be entered into unless in a
2 writing signed by all parties or on the record in court.

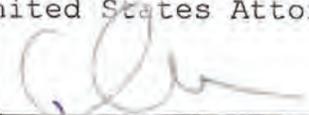
3 PLEA AGREEMENT PART OF THE GUILTY PLEA HEARING

4 28. The parties agree that this agreement will be considered
5 part of the record of defendant's guilty plea hearing as if the
6 entire agreement had been read into the record of the proceeding.

7 AGREED AND ACCEPTED

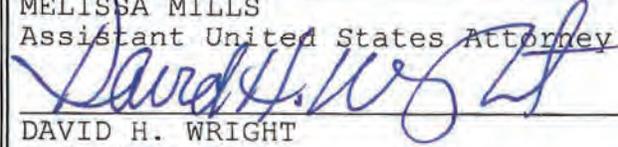
8 UNITED STATES ATTORNEY'S OFFICE
9 FOR THE CENTRAL DISTRICT OF
10 CALIFORNIA

11 TRACY L. WILKISON
12 United States Attorney

13 
14 _____
15 MELISSA MILLS
16 Assistant United States Attorney

12/1/2021

Date

17 
18 _____
19 DAVID H. WRIGHT
20 Defendant

11/21/2021

Date

21 
22 _____
23 ANTHONY PACHECO
24 Attorney for Defendant DAVID H.
25 WRIGHT

11/23/2021

Date

CERTIFICATION OF DEFENDANT

I have read this agreement in its entirety. I have had enough time to review and consider this agreement, and I have carefully and thoroughly discussed every part of it with my attorney. I understand the terms of this agreement, and I voluntarily agree to those terms. I have discussed the evidence with my attorney, and my attorney has advised me of my rights, of possible pretrial motions that might be filed, of possible defenses that might be asserted either prior to or at trial, of the sentencing factors set forth in 18 U.S.C. § 3553(a), of relevant Sentencing Guidelines provisions, and of the consequences of entering into this agreement. No promises, inducements, or representations of any kind have been made to me other than those contained in this agreement. No one has threatened or forced me in any way to enter into this agreement. I am satisfied with the representation of my attorney in this matter, and I am pleading guilty because I am guilty of the charge and wish to take advantage of the promises set forth in this agreement, and not for any other reason.

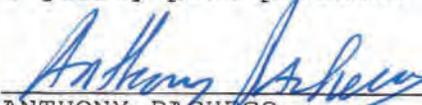
DAVID H. WRIGHT
Defendant

Date

11/21/2021

CERTIFICATION OF DEFENDANT'S ATTORNEY

I am DAVID H. WRIGHT's attorney. I have carefully and thoroughly discussed every part of this agreement with my client. Further, I have fully advised my client of his rights, of possible pretrial motions that might be filed, of possible defenses that might be asserted either prior to or at trial, of the sentencing factors set forth in 18 U.S.C. § 3553(a), of relevant Sentencing Guidelines provisions, and of the consequences of entering into this agreement. To my knowledge: no promises, inducements, or representations of any kind have been made to my client other than those contained in this agreement; no one has threatened or forced my client in any way to enter into this agreement; my client's decision to enter into this agreement is an informed and voluntary one; and the factual basis set forth in this agreement is sufficient to support my client's entry of a guilty plea pursuant to this agreement.



ANTHONY PACHECO
Attorney for Defendant DAVID H.
WRIGHT

11/23/21

Date

ATTACHMENT A

1 ATTACHMENT A

2 FACTUAL BASIS

3 **I. THE AVENTADOR BRIBERY SCHEME**

4 **A. Background**

5 1. Defendant DAVID H. WRIGHT was the General Manager of the
6 Los Angeles Department of Water and Power ("LADWP") from September 6,
7 2016, until July 23, 2019, when he resigned at the direction of the
8 Mayor of Los Angeles. As the General Manager of LADWP, defendant
9 WRIGHT was the chief executive of the largest municipal utility in
10 the United States.

11 2. During 2016 and 2017, defendant WRIGHT developed a close
12 personal relationship with Paul O. Paradis, a New York lawyer who was
13 then involved with LADWP in multiple ways. First, beginning in 2015,
14 Paradis represented LADWP in an affirmative lawsuit against
15 PricewaterhouseCoopers ("PwC"), wherein LADWP alleged that PwC — the
16 vendor of LADWP's billing system — was to blame for LADWP's
17 misbilling of hundreds of thousands of ratepayers. Second, during
18 2015 and 2016, Paradis and his law firm held a contract with LADWP,
19 valued at over \$6,000,000, to provide project management services in
20 connection with LADWP's remediation of the faulty billing system at
21 issue in the lawsuit.

22 3. During their relationship, defendant WRIGHT and Paradis
23 regularly met in person and exchanged thousands of emails and text
24 messages. Defendant WRIGHT and Paradis also traveled together for
25 work and personal purposes, attended concerts and other events
26 together, and dined together at expensive restaurants. Paradis
27 regularly paid for defendant WRIGHT at these outings. Defendant
28

Defendant's initials: DW 1

1 WRIGHT did not report any of these gifts or benefits on his Form 700
2 Statements of Economic Interest, as required by California law.

3 **B. The Bribery Agreement**

4 4. During late 2016 and early 2017, defendant WRIGHT and
5 Paradis discussed the prospect of Paradis performing additional
6 services for LADWP. Paradis informed defendant WRIGHT that Paradis
7 could not provide future remediation services for LADWP through his
8 law firm due to state bar rules prohibiting law firms from providing
9 non-legal services. Defendant WRIGHT and Paradis talked about
10 Paradis forming a new company that could provide future remediation
11 and other services to LADWP under a separate contract with LADWP.
12 Paradis informed defendant WRIGHT that he planned to seek a contract
13 in the amount of approximately \$30,000,000.

14 5. On February 10, 2017, defendant WRIGHT met privately with
15 Paradis at a hotel restaurant in Riverside, California. During this
16 meeting, defendant WRIGHT and Paradis again discussed Paradis's
17 intent to create a new company, Aventador Utility Solutions, LLC
18 ("Aventador"), for the purpose of seeking a lucrative contract with
19 LADWP. Defendant WRIGHT and Paradis agreed that in exchange for
20 defendant WRIGHT's support of the contract, Paradis would name
21 defendant WRIGHT as Aventador's Chief Executive Officer ("CEO") once
22 he retired from LADWP. Specifically, pursuant to their agreement,
23 defendant WRIGHT would ensure that LADWP's five-person Board of
24 Commissioners (the "LADWP Board") awarded the contract to Aventador
25 without a competitive bidding process. In exchange, defendant WRIGHT
26 would obtain, among other benefits, the job as Aventador's CEO at an
27 annual salary of approximately \$1,000,000, and a luxury company car.

28 Defendant's initials: JW 2

1 Defendant WRIGHT and Paradis further discussed the need to keep their
2 agreement confidential, because they knew that it was illegal.

3 6. Defendant WRIGHT and Paradis worked together to select the
4 company's name, "Aventador," which was the name of a model of the
5 luxury car company Lamborghini. Throughout the spring of 2017,
6 defendant WRIGHT and Paradis discussed hiring and personnel decisions
7 for Aventador, marketing strategies, pursuing business opportunities
8 beyond LADWP, and the specific type of luxury car and other
9 perquisites that defendant WRIGHT would get when he joined Aventador
10 after retiring from LADWP.

11 7. On or about March 28, 2017, pursuant to his agreement with
12 defendant WRIGHT, Paradis registered Aventador with the California
13 Secretary of State.

14 **C. Defendant WRIGHT and Paradis Work To Position Aventador For**
15 **a \$30,000,000 No-Bid Contract With LADWP**

16 1. The Plan

17 8. After agreeing to the terms described above, defendant
18 WRIGHT and Paradis agreed that they would take steps to position
19 Aventador for a new contract with LADWP. Defendant WRIGHT would,
20 among other things, draft a letter (the "Board Letter") to the LADWP
21 Board summarizing the purpose and terms of the proposed Aventador
22 contract, touting Aventador's capabilities, and explaining why
23 alternatives to awarding the contract on a no-bid basis were
24 unsatisfactory. Defendant WRIGHT would also lobby members of the
25 LADWP Board to persuade them to vote in favor of the Aventador
26 contract. Defendant WRIGHT would enlist the help of LADWP employees,
27 including other senior LADWP executives, to support the contract.
28 Additionally, defendant WRIGHT would prepare an oral and written

Defendant's initials: DW — 3

1 presentation to the LADWP Board urging approval of the Aventador
2 contract.

3 9. Defendant WRIGHT and Paradis further agreed that Paradis
4 would leverage his personal relationship with the independent monitor
5 appointed by the court to oversee the court-ordered remediation of
6 LADWP's billing system ("Independent Monitor"), in support of the
7 Aventador contract. Specifically, because Independent Monitor relied
8 on Paradis to draft his reports to the court and typically made few
9 or no changes, defendant WRIGHT and Paradis agreed that Paradis would
10 include in Independent Monitor's May 2017 report to the court a
11 detailed section laying a critical foundation of support for the
12 Aventador contract. Defendant WRIGHT would then use the report,
13 prepared by Paradis, to aid his campaign to persuade the LADWP Board
14 that it had no choice but to award the \$30,000,000 no-bid contract to
15 Aventador.

16 2. Paradis Writes Independent Monitor's Report To Provide
17 Defendant WRIGHT With Support For the Contract

18 10. On May 5, 2017, Independent Monitor's report was filed with
19 the court. Section IV of the report, which defendant WRIGHT reviewed
20 and approved and which Paradis drafted specifically to include
21 talking points for defendant WRIGHT to use to convince the LADWP
22 Board to approve the Aventador contract, stated, among other things,
23 that LADWP: was grossly understaffed in the Information Technology
24 ("IT") area; had difficulty hiring IT staff; lacked well-qualified IT
25 project management personnel; and lacked the ability to successfully
26 manage large-scale IT implementation projects. The report went on to
27 state that, because of these deficiencies, LADWP needed to procure
28 these services through an outside vendor.

Defendant's initials: DW 4

1 11. On May 5, 2017, before the report was filed, Paradis sent
2 the draft report to defendant WRIGHT and then asked him, via text
3 message, "Does it give you what you need?" Defendant WRIGHT replied
4 by confirming that the draft report provided the support that
5 defendant WRIGHT needed to push the Aventador contract.

6 3. Defendant WRIGHT Enlists Help and Support From Other
7 LADWP Officials and Employees

8 12. In early May of 2017, defendant WRIGHT spoke with a City
9 official responsible for advocating on behalf of LADWP ratepayers and
10 persuaded him to support the Aventador contract.

11 13. In May and early June of 2017, defendant WRIGHT procured
12 the assistance of other LADWP employees and officials to facilitate
13 the award of the contract to Aventador. In particular, defendant
14 WRIGHT worked with Paradis and another senior executive of LADWP to
15 draft and hone the Board Letter regarding the Aventador contract
16 proposal. Defendant WRIGHT, Paradis, and the senior LADWP executive
17 each revised the draft and exchanged edited versions. Defendant
18 WRIGHT's changes to the draft included removing all by-name
19 references to Paradis, as well as all specific references to
20 Paradis's prior no-bid LADWP contract. After defendant WRIGHT's
21 edits, the Board Letter's reference to Paradis opaquely noted, "The
22 contractor is uniquely situated to perform this work, and therefore,
23 a sole source contract with Aventador is recommended."

24 14. Defendant WRIGHT also edited the Board Letter to reference
25 the May 5, 2017 Independent Monitor report — which defendant WRIGHT
26 knew that Paradis had drafted for this purpose — as support for
27 LADWP's supposed inability to perform the remediation work internally
28 and the resulting need to outsource that work to an outside

1 contractor. Additionally, defendant WRIGHT added a provision to the
2 Board Letter stating that it was not feasible for LADWP to contract
3 with vendors other than Aventador because of time pressures that he
4 portrayed as mandated by the court.

5 15. In early June of 2017, defendant WRIGHT solicited the aid
6 of two senior LADWP employees to find and send him information in
7 support of the Aventador contract. Defendant WRIGHT advised his
8 employees that he was preparing a presentation on the contract for
9 the upcoming LADWP Board meeting prior to the LADWP Board's vote on
10 the contract, which he planned to present only if the LADWP Board
11 asked, "why we are pursuing a single source \$30M contract."

12 Defendant WRIGHT directed his employees to send him information that
13 would make the need for the Aventador contract seem dire, so that he
14 could articulate "the wors[t] case scenario if the Board doesn't
15 approve the contract with Aventador."

16 4. Defendant WRIGHT Lines Up the LADWP Board's Support
17 For the Contract

18 16. To further the bribery arrangement, defendant WRIGHT knew
19 that he needed to persuade the LADWP Board to vote in favor of the
20 Aventador contract. During May and early June of 2017, defendant
21 WRIGHT spoke with multiple Board members individually and encouraged
22 them each to vote in favor of the Aventador contract.

23 17. On May 17, 2017, defendant WRIGHT informed Paradis via text
24 that one of the Board members was "completely on board." Later that
25 day, defendant WRIGHT sent a text message to Paradis stating, "Been a
26 couple of challenging days that got me down a bit. I feel
27 reenergized. We will get this all done and fuck anyone that tries to
28 get in the way. Thanks for your help."

Defendant's initials: jw 6

1 18. By June 4, 2017, defendant WRIGHT had obtained the support
2 of multiple Board members. Defendant WRIGHT did not tell any Board
3 member about his corrupt arrangement with Paradis or his financial
4 interest in Aventador.

5 **D. Defendant WRIGHT's Board Presentation**

6 19. On June 6, 2017, the LADWP Board convened for its regular
7 meeting and to vote on the proposed \$30,000,000 no-bid contract to
8 Aventador. Before the vote, defendant WRIGHT delivered prepared
9 remarks urging the LADWP Board to vote in favor of the contract.

10 20. During his remarks to the LADWP Board, defendant WRIGHT
11 again cited the verbiage of the May 5, 2017 Independent Monitor
12 report. Defendant WRIGHT told the LADWP Board that LADWP could not
13 meet its court-ordered obligations unless it contracted with
14 Aventador, and he conveyed a sense of urgency to approve the
15 Aventador contract. Defendant WRIGHT did not disclose to the LADWP
16 Board, either during the meeting on June 6, 2017, or at any other
17 point, that he had agreed to accept an annual salary of approximately
18 \$1,000,000, a luxury company car, and the title of Aventador's CEO
19 after retiring from LADWP.

20 21. Following defendant WRIGHT's presentation, the LADWP Board
21 voted unanimously to award Aventador a three-year, \$30,000,000 no-bid
22 contract.

23 **E. Defendant WRIGHT's Continued Support For and Building of**
24 **Aventador**

25 22. On or about June 15, 2017, via text message, Paradis
26 informed defendant WRIGHT that a member of the LADWP Board ("LADWP
27 Board Member") had been repeatedly contacting Paradis to solicit
28 Paradis's help on a legal matter. Defendant WRIGHT replied by

Defendant's initials: *JW* — 7

1 advising Paradis that LADWP Board Member was being appointed for
2 another four-year term on the LADWP Board, which defendant WRIGHT
3 suggested should "influence [Paradis's] thoughts a bit" on whether to
4 provide the solicited legal services to LADWP Board Member.

5 Defendant WRIGHT and Paradis agreed and understood that it was in
6 their mutual best interest for Paradis to continue to provide "free"
7 legal services to LADWP Board Member, because LADWP Board Member not
8 only sat on a committee of the LADWP Board charged with overseeing
9 the Aventador contract, but he would also be in a position to
10 influence future contract renewals, amendments, task orders, and
11 other actions related to the Aventador contract.

12 23. During the remainder of 2017, throughout 2018, and into
13 early 2019, defendant WRIGHT continued to collaborate with Paradis to
14 build and market Aventador and to seek additional lucrative business
15 opportunities for Aventador both inside and outside LADWP. Defendant
16 WRIGHT's actions included using his position as the General Manager
17 of LADWP to advertise Aventador's services at industry events and in
18 meetings and discussions with other industry officials and
19 executives. Some illustrative, and non-exhaustive, examples include:

20 a. In August of 2017, via text message, defendant WRIGHT
21 directed Paradis to "work magic" in drafting a class action
22 settlement agreement on behalf of LADWP by including language that
23 would create future business opportunities for Aventador.

24 b. In November of 2017, via text message, defendant
25 WRIGHT told Paradis that they should do "the minimal possible" with
26 respect to the LADWP billing system upgrade so that the project would
27 not need to occupy defendant WRIGHT's attention for the remainder of
28

1 his tenure at LADWP.

2 c. In November of 2017, defendant WRIGHT attended an
3 industry event and used his position as the General Manager of LADWP
4 to market Aventador's services, which led to defendant WRIGHT
5 receiving inquiries from two potential Aventador customers.

6 d. In May of 2018, defendant WRIGHT sought and obtained
7 from Paradis a "secure laptop" and an Aventador email account for
8 defendant WRIGHT to use. Specifically, defendant WRIGHT asked for an
9 unattributable email account that could be falsely explained, if it
10 were ever discovered, as a precaution against "prying eyes by
11 unethical IT staff at LADWP."

12 e. In June of 2018, defendant WRIGHT used his Aventador
13 laptop and email account to revise and transmit to Paradis a draft
14 written presentation to the LADWP Board touting Aventador's
15 cybersecurity capabilities and credentials.

16 f. In July of 2018, defendant WRIGHT discussed various
17 Aventador branding and marketing strategies with Paradis, including
18 defendant WRIGHT's proposal to use his publicly known status as a gay
19 man to take advantage of a diversity-oriented initiative to benefit
20 Aventador.

21 g. In August of 2018, following a cyber intrusion against
22 LADWP, defendant WRIGHT directed Paradis to have Aventador staff
23 create a presentation describing the attack and relaying Aventador's
24 findings. Defendant WRIGHT opined that this could be used as a
25 "[p]latform for increasing Aventador required work."

26 h. On multiple occasions in late 2018 and early 2019, via
27 text message, defendant WRIGHT conveyed to Paradis that he was ready
28

Defendant's initials: DW 9

1 to leave LADWP, and they discussed how defendant WRIGHT would use his
2 remaining tenure as the General Manager of LADWP to obtain an
3 extension of Aventador's contract and otherwise enhance Aventador's
4 future financial prospects.

5 **F. Defendant WRIGHT and Paradis Expand Their Corrupt Aventador**
6 **Plans**

7 24. In May of 2018, defendant WRIGHT and other LADWP officials
8 and employees, along with Paradis, joined a delegation on a visit to
9 Israel. During the trip, defendant WRIGHT, Paradis, and others met
10 with executives from a global company that provided cybersecurity
11 training to governmental and business organizations ("Cyber
12 Company"). Cyber Company had franchises in the United States and
13 abroad, and defendant WRIGHT and Paradis decided to invest in
14 bringing a Cyber Company facility to Los Angeles. Defendant WRIGHT
15 and Paradis agreed that Paradis would put up \$5,000,000 in capital
16 and would have a controlling interest, and that defendant WRIGHT
17 would have an ownership interest. Defendant WRIGHT told Paradis that
18 LADWP would purchase five years of cybersecurity training at the
19 franchise facility, at a cost of \$3,000,000 per year. As the General
20 Manager of LADWP, defendant WRIGHT did not have the formal authority
21 to make this commitment on behalf of LADWP without action by the
22 LADWP Board. Defendant WRIGHT and Paradis agreed that defendant
23 WRIGHT would use his position and influence at LADWP to convince the
24 LADWP Board to support this expenditure, which both defendant WRIGHT
25 and Paradis knew would secretly benefit them both financially. In
26 January 2019, pursuant to his agreement with defendant WRIGHT,
27 Paradis entered into a joint venture agreement with Cyber Company
28 wherein Paradis agreed to pay \$5,000,000 to open a Cyber Company

Defendant's initials: DW 10

1 facility in Los Angeles that would provide training to LADWP
2 employees.

3 **II. DEFENDANT WRIGHT DESTROYS EVIDENCE OF HIS CORRUPT AVENTADOR**
4 **PLANS AND ACCEPTS A SECRET FINANCIAL INTEREST IN AVENTADOR'S**
5 **SUCCESSOR COMPANY**

6 25. On March 6, 2019, defendant WRIGHT learned that Paradis had
7 been forced to resign from his representation of the City in its
8 lawsuit against PwC. Via text message, defendant WRIGHT instructed
9 Paradis to publicly message that Paradis had resigned in order to
10 focus his efforts on Aventador. Defendant WRIGHT also told Paradis
11 that they should not be seen in public together, including on an
12 upcoming trip to London that they had previously planned for the
13 purpose of promoting Aventador.

14 26. Shortly thereafter, the LADWP Board voted to terminate the
15 Aventador contract. However, the LADWP Board agreed to retain the
16 company's services if Paradis sold his stake in the company and
17 disavowed any interest in the company, which Paradis purported to do.

18 27. In late March of 2019, after Paradis sold the company to an
19 employee, Aventador officially changed its name to Ardent Cyber
20 Solutions, LLC ("Ardent").

21 28. In late March of 2019, defendant WRIGHT met with Paradis in
22 private at defendant WRIGHT's home. Defendant WRIGHT told Paradis
23 that he feared that their relationship and their corrupt plans for
24 Aventador would be discovered. Accordingly, defendant WRIGHT
25 directed Paradis to destroy their incriminating text messages and
26 emails from defendant WRIGHT's cell phone and Apple iCloud account,
27 and to take back the Aventador laptop and wipe it clean. Defendant
28 WRIGHT told Paradis that he had already gone through his office at

Defendant's initials: BW 11

1 LADWP and destroyed all incriminating physical evidence. Defendant
2 WRIGHT took these concealment and destruction steps in order to avoid
3 detection of his crimes by the Federal Bureau of Investigation
4 ("FBI"), among other law enforcement authorities.

5 29. At this meeting, defendant WRIGHT told Paradis that he
6 still wanted to continue their secret plans for the company formerly
7 known as Aventador and for Cyber Company. Defendant WRIGHT and
8 Paradis agreed that they would need to create a new company, which
9 they referred to as "Newco," to replace Aventador and its successor
10 Ardent, because those companies were tarnished as a result of recent
11 bad publicity. After they discussed increasing defendant WRIGHT's
12 share in their company, defendant WRIGHT told Paradis that when
13 Aventador's contract was terminated, defendant WRIGHT felt that his
14 future had "died," but that in light of their new agreement to
15 continue with Newco and Cyber Company, defendant WRIGHT felt
16 "resurrected." Defendant WRIGHT expressed ongoing worries that their
17 incriminating communications would be discovered. Paradis suggested
18 that he could obtain "burner" phones as a way for them to communicate
19 without fear of detection, and defendant WRIGHT asked him to do so.

20 30. On April 3, 2019, defendant WRIGHT went to a café in
21 downtown Los Angeles to conduct an orchestrated "dead drop" encounter
22 with Paradis, so that defendant WRIGHT could secretly obtain his
23 wiped phone and a burner phone from Paradis. As they had agreed
24 before the encounter, defendant WRIGHT entered the café and saw
25 Paradis seated near the back with a paper bag on the table.
26 Defendant WRIGHT gave a prearranged signal, and Paradis left the bag
27 on the table and walked to the restroom. Defendant WRIGHT approached
28

Defendant's initials: *W* 12

1 the table, took the bag containing the two phones, and left the café
2 before Paradis returned from the restroom. Defendant WRIGHT engaged
3 in this conduct in order to conceal his bribery and other criminal
4 activity from law enforcement, including the FBI.

5 31. In early April of 2019, defendant WRIGHT used his position
6 and influence as the General Manager of LADWP to urge the LADWP Board
7 to support the award of a new cybersecurity contract to Ardent for
8 over \$10,000,000. Because of his secret future plans with Paradis,
9 which stemmed from their business model for Aventador and its
10 successor companies, defendant WRIGHT knew that the award of this
11 Ardent contract would benefit him financially, either directly or
12 indirectly, and he intentionally did not disclose that fact to the
13 LADWP Board.

14 32. Throughout April and May of 2019, defendant WRIGHT
15 repeatedly reaffirmed to Paradis his commitment to secretly lobby on
16 behalf of Ardent and Cyber Company during the remainder of his tenure
17 at LADWP, and to officially begin working with Paradis after his
18 retirement from LADWP. In addition to the terms of employment to
19 which they had already agreed, defendant WRIGHT requested a
20 "substantial sign-on bonus" of \$600,000 or \$1,200,000, as well as an
21 increase in his interest in the company. Defendant WRIGHT also
22 suggested that he should remain at LADWP until he had finished
23 securing the new contract for Ardent, but that in the meantime, he
24 could unofficially begin working for Newco behind the scenes before
25 leaving LADWP. Defendant WRIGHT told Paradis that he could not
26 receive any money for that work while at LADWP, because defendant
27 WRIGHT knew that this would be both illegal and a violation of
28

Defendant's initials: DW — 13

1 ethical rules. Defendant WRIGHT proposed that he could instead be
2 compensated for that work with "some retroactive money" after
3 retiring from LADWP. In proposing this illicit payment arrangement,
4 defendant WRIGHT referred to Paradis as his "ATM," or automatic
5 teller machine.

6 33. On June 6, 2019, defendant WRIGHT was voluntarily
7 interviewed by the FBI and the United States Attorney's Office
8 ("USAO"). During that interview, defendant WRIGHT falsely stated
9 that he did not have any financial or business interest, including a
10 future financial or business interest, in Aventador, any successor or
11 affiliate company, or any company with which Paradis was associated.
12 Defendant WRIGHT knew that these statements were untrue and that his
13 conduct was unlawful.

14 **III. DEFENDANT WRIGHT'S CRIMINAL OFFENSES**

15 **A. Conspiracy**

16 34. Beginning on or about February 15, 2017, and continuing
17 through on or about March 6, 2019, defendant WRIGHT knowingly and
18 willfully conspired and agreed with Paradis and others to knowingly
19 and intentionally commit honest services wire fraud and federal
20 program bribery.

21 **B. Honest Services Fraud**

22 35. Between on or about February 10, 2017, and on or about June
23 6, 2019, defendant WRIGHT knowingly and with intent to defraud,
24 devised, participated in, and executed a scheme to defraud LADWP and
25 its ratepayers as to material matters, including by depriving LADWP
26 and its ratepayers of their right to the honest services of defendant
27 WRIGHT, who, as the General Manager of LADWP, owed a fiduciary duty
28

1 to LADWP and its ratepayers.

2 36. Defendant WRIGHT did so with the intent to obtain money and
3 property by means of materially false and fraudulent pretenses,
4 representations and promises, to wit, by using his position as
5 General Manager of LADWP to enrich both defendant WRIGHT and Paradis
6 through the procurement of a \$30,000,000 no-bid LADWP contract for
7 Aventador, a company in which defendant WRIGHT had a covert financial
8 interest and Paradis had an overt financial interest, and through the
9 concealment of material information. Defendant WRIGHT and Paradis
10 carried out this scheme, in part, by using and causing others to use
11 wire communications in interstate commerce, including the following
12 items:

13 a. On May 4, 2017, Paradis sent via email a draft of the
14 independent monitor's report, which included a section designed to
15 support the Aventador contract, to the independent monitor, blind-
16 copying defendant WRIGHT on the email.

17 b. On May 25, 2017, defendant WRIGHT sent an email to
18 Paradis with a draft of the Aventador Board Letter designed to
19 persuade the LADWP Board to vote in favor of the Aventador contract.

20 c. On June 7, 2018, defendant WRIGHT sent an email to
21 Paradis with a draft presentation to the LADWP Board touting
22 Aventador's cybersecurity capabilities.

23 **C. Federal Program Bribery**

24 37. Between on or about February 10, 2017, and on or about June
25 6, 2019, defendant WRIGHT, an agent of LADWP, corruptly solicited and
26 demanded for his own benefit something of value from Paradis,
27 intending to be influenced and rewarded in connection with a
28

Defendant's initials: *W* 15

1 business, transaction, and series of transactions of LADWP having a
2 value of \$5,000 or more. Specifically, defendant WRIGHT corruptly
3 solicited and demanded financial benefits, including a future
4 financial interest in Aventador, the promise of a post-retirement job
5 as the CEO of Aventador with an annual salary of approximately
6 \$1,000,000, and related perquisites, meals, travel, and event
7 tickets. Intending to be influenced and rewarded in connection with
8 a \$30,000,000 no-bid LADWP contract award to Aventador, defendant
9 WRIGHT engaged in the following official acts: (1) generating and
10 submitting a Board Letter intended to persuade the LADWP Board to
11 vote in favor of Aventador's contract; (2) meeting and conferring
12 with individual LADWP Board members to advocate on behalf of the
13 Aventador contract and to solicit the Board members' votes;
14 (3) preparing and delivering a presentation to the LADWP Board
15 asserting that there were no viable alternatives to the Aventador
16 contract, that the need for Aventador's services was dire and
17 immediate, and urging the Board to vote in favor of the contract;
18 (4) exerting pressure on LADWP Board members and other LADWP City
19 officials and employees to influence the approval process of the
20 Aventador contract. At all relevant times, LADWP received federal
21 funds and benefits in excess of \$10,000 annually.

22 **D. Destruction of Evidence**

23 38. Between on or about March 29, 2019, and June 6, 2019,
24 defendant WRIGHT knowingly destroyed records, documents, and tangible
25 objects with the intent to impede, obstruct, and influence a federal
26 criminal investigation, a matter that the defendant contemplated was
27 within the jurisdiction of the FBI and the USAO, both departments and
28

Defendant's initials: DW 16

1 agencies of the United States.

2 **E. False Official Statements**

3 39. On June 6, 2019, defendant WRIGHT knowingly, willfully, and
4 deliberately made materially false statements and representations to
5 the FBI and the USAO during an interview knowing that these
6 statements and representations were untrue and that his conduct was
7 unlawful. Defendant WRIGHT's false statements were made in a matter
8 within the jurisdiction of the FBI and USAO and were material to the
9 activities and decisions of the FBI and USAO.