



*United States Attorney  
Southern District of New York*

**FOR IMMEDIATE RELEASE  
NOVEMBER 16, 2005**

**CONTACT: U.S. ATTORNEY'S OFFICE  
HERBERT HADAD, MEGAN GAFFNEY  
HEATHER TASKER, BRIDGET KELLY  
PUBLIC INFORMATION OFFICE  
(212) 637-2600**

**U.S. CHARGES SIX PRESENT AND FORMER SCHOOL CONSTRUCTION  
AUTHORITY EMPLOYEES WITH ACCEPTING BRIBES**

MICHAEL J. GARCIA, the United States Attorney for the Southern District of New York, MARK J. MERSHON, the Assistant Director in charge of the New York Office of the Federal Bureau of Investigation, ROSE GILL HEARN, Commissioner of the New York City Department of Investigation, and ELIOT SPITZER, New York State Attorney General announced the arrests today of six persons, including three present and three former Project Officers with the New York City School Construction Authority ("SCA"), for soliciting and accepting bribes from contractors working on SCA public school construction projects. According to four criminal complaints and one indictment filed in federal court and unsealed today in Manhattan, PAUL NAIR, NERON HOLDER, WINSTON DAVIS, MELVIN PORTERFIELD, TOSIF SIDDIQI, and JAMES KELLER, each held positions at the SCA in which they were responsible for monitoring new construction and renovation projects for New York City Public Schools and for approving payments to contractors. The defendants were each responsible for reviewing and approving all requests for payments, change orders, certified payrolls and other required submissions to the SCA by contractors working on construction projects under their supervision.

According to the Indictment, NERON HOLDER, a present Project Officer in the SCA, and PAUL NAIR, the former Director of the Change-Order Unit, demanded and accepted approximately \$40,000 during May through August 2000, from an SCA construction contractor in return for approving and processing the payment to the contractor for work performed on a public school located in the Bronx, New York. HOLDER and NAIR are further charged with conspiracy to solicit an SCA contractor to perform work on their personal residences.

As alleged in the complaint against WINSTON DAVIS, an SCA Project Officer, in August and October 2004, DAVIS solicited and accepted cash payments from a contractor cooperating with the investigation in exchange for approving the contractor's request for payment in connection with work performed on a public school in

Bronx, New York. DAVIS instructed the contractor to submit a false request for payment, which DAVIS approved. DAVIS solicited and accepted cash representing a portion of the funds DAVIS had fraudulently caused the SCA to pay to the contractor.

According to a separate complaint, in August and October 2004, MELVIN PORTERFIELD, a former SCA Project Officer, solicited and accepted cash payments in return for providing a cooperating contractor with numerous confidential engineering estimates for SCA competitive bids. As alleged in the PORTERFIELD complaint, in preparation for sending out solicitations for bids on a project, the SCA creates an internal engineering and architectural bid package, which the SCA uses as its private, internal benchmark for evaluating bids submitted from the public. PORTERFIELD illegally provided a cooperating contractor with the SCA's internal and confidential estimates for various upcoming public school bid projects in Manhattan and elsewhere, in exchange for payments of approximately \$1,000 per estimate.

The complaint filed against TOSIF SIDDIQI alleges that, as an SCA Project Officer in 2001 to 2002, SIDDIQI demanded and accepted approximately \$10,000 in computer and other electronic equipment from a cooperating SCA contractor in return for approving the contractor's requests for payment for work performed under an SCA contract for P.S. 152X, a school in the Bronx, New York.

According to the complaint unsealed today, JAMES KELLER, a present Project Officer with the SCA, accepted a cash payment in September 2004 from an SCA contractor in return for approving requests for payment relating to an SCA contract on Sheepshead Bay High School located in Brooklyn, New York.

DAVIS, PORTERFIELD, SIDDIQI, KELLER, HOLDER and NAIR will be presented later today before United States Magistrate Judge MICHAEL H. DOLINGER.

If convicted, each defendant faces a maximum sentence of ten years in jail and a \$250,000 fine.

Mr. GARCIA praised the efforts of the Federal Bureau of Investigation, and thanked the New York City Department of Investigation, the SCA's Office of the Inspector General, and the New York State Attorney General's Organized Crime Task Force for its cooperation in this case.

Assistant United States Attorney JANE A. LEVINE is in charge of the prosecution.

The charges contained in the complaints and the Indictment are merely accusations, and the defendants are presumed innocent unless and until proven guilty.