

# \$100,000 Kickback Plan for Pierson Told

## Jury Transcript Says He Was to Be Paid for Aid on Contracts

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Former Recreation and Park Commissioner Mel Pierson helped an architect friend obtain four city contracts on the promise that nearly \$100,000 of the fees would be kicked back to him, according to testimony in a County Grand Jury transcript released Friday.

And, if a golf professional had been willing to pay "for public relations work" for help in getting a contract to design a golf complex in the San Fernando Valley, Pierson allegedly would have gotten \$25,000 more.

The 606-page transcript was made public just after Pierson appeared before Superior Judge William B. Keene on an indictment charging him with four counts of bribery and one of soliciting a bribe in the awarding of contracts by two city commissions.

The transcript contained the testimony which led to Pierson's being indicted on those charges.

Pierson's attorney moved to quash the grand jury charges and a hearing was set for Feb. 10.

### 4 Contracts to Architect

The bribery cases against Pierson, 44, involve four contracts awarded to architect Irving D. Shapiro between 1963 and 1967, three of them by the Recreation and Park Commission at a time when the defendant was a member.

The fourth contract granted to Shapiro was awarded by the Harbor Commission for the design of an administration building on Terminal Island.

Although Pierson was not a member of that commission, Shapiro testified that Pierson told him "he (Pierson) felt confident" he could obtain the job for him.

According to Shapiro, he only paid Pierson \$27,350 because he did not receive his entire fee on one of the projects, which was abandoned in the early stages of its development.

That project—the design of a

master plan for the city's beaches—would have resulted in a payment of \$996,500 to Shapiro, with \$560,000 of it going to various consultants and \$70,000 to Pierson for his alleged role in getting Shapiro the job, Shapiro said.

The charge of soliciting a bribe relates to an alleged attempt by Pierson to obtain \$25,000 from Richard O. Boggs, professional at the Sepulveda Golf Course.

Boggs testified that he spoke to Pierson about getting the contract to develop a \$4.1 million golf facility in the Sepulveda Dam Basin and that Pierson told him "we're going to need a lot of money" to get the contract.

The \$25,000 — all in cash, according to Boggs' testimony — was for public relations expenses, "to wine and dine the councilmen . . . and get things through the council . . ."

Boggs said he refused to pay the money and the contract was later awarded to Unemoto-Perkinson Associates, according to city records.

### Flower Declines to Testify

Both Kazuo Unemoto and William Perkinson were among the 28 witnesses called to testify before the grand jury, but they refused to answer questions on the grounds they might tend to incriminate themselves.

Another witness who declined to testify was Ludlow Flower Jr., who, like Pierson, was a member of the Recreation and Park Commission.

In his testimony, Shapiro said Pierson told him that Flower had control over the awarding of the golf complex contracts when Shapiro inquired about the possibility of his designing the project.

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# Scheme for \$100,000 Pierson Kickback Told

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According to the testimony of others, Pierson recommended that the golf contract go to Umemoto-Perkinson at the request of Flower, a friend of Perkinson.

Both William Frederickson Jr., general manager of the city Department of Recreation and Parks, and John H. Ward, city superintendent of parks, testified that they told Pierson, prior to his recommendation, that Umemoto was not qualified to do the job.

Umemoto once was employed by the city as an associate architect in their department, they said, and they had knowledge of his work.

Pierson's relationship with Shapiro, details surrounding each of Shapiro's four contracts, and the city's agreement with Umemoto-Perkinson, were outlined in articles published in The Times long before the grand jury's inquiry.

## Contracts Listed

The contracts awarded to Shapiro and the amounts he said he paid for Pierson's alleged help in getting them for Shapiro were:

1—The development of a camping and trailer facility at Dockweiler Beach. Shapiro testified that he was paid a fee of \$15,000 and that he turned \$1,500, or 10% of it, over to Pierson.

2—The design of a recreation center at Wrigley Field. Shapiro said he was paid nearly \$20,500 and that he gave Pierson \$3,000, an amount previously agreed upon.

3—A preliminary study for a master plan of city beach areas. Shapiro said he received \$9,500 on this contract, which was terminated in its early stages. He said he was to have been paid the \$996,500 fee, 7% of which was to have gone to Pierson, if the project were completed.

Shapiro said Pierson agreed to waive his 7% of the \$9,500 after the architect told him he lost money on the project and possibly because at that time Shapiro made two \$2,500 campaign contributions at Pierson's suggestion.

One of them went to Mayor Sam Yorty, he said, and the other to a candidate for the city council who, at the time, was opposing Mrs. Rosalind Wyman, a Yorty foe.

4—The design of the administration building at the harbor. Of the \$267,000 he received on this contract, Shapiro said, more than \$22,000 went to Pierson.

Shapiro said he got the harbor contract after ap-

pearing only once before the Harbor Commission to outline his proposal.

Altogether, Shapiro — who testified only after receiving immunity from prosecution — received \$313,400.33 from the city on his four contracts, but none of his plans was ever used.

Shapiro said he first was introduced to Pierson in 1962 by one of the defendant's relatives, who, he testified, told him "it would be advantageous" for him to meet Pierson because of Pierson's connection with the city.

After doing a small personal job for Pierson and making several campaign contributions to various individuals, Shapiro said he was informed that the harbor department was planning to build an administration facility in San Pedro.

## Fee Issue

"He (Pierson) told me that in order to get the job it would be necessary for me to return part of my fee to him," the witness testified.

"I was somewhat appalled, but I understood what he was getting and objected."

Shapiro said he agreed to the proposal only after Pierson told him that "this is the way it's done, and that all the contracts are handed out this way." Shapiro subsequently was awarded the contract.

Their arrangement on the harbor contract, according to Shapiro, was that Pierson would get 1% of the entire construction cost of the project, including what he said he considered to be a \$4,000 down payment.

They had a minor disagreement, Shapiro said, because the budget for the building called for expenditure of \$25 for each of the planned 25,000 square feet and the architect said he worked it out so that the cost would be only \$17 per square foot.

"This was the cause for some unhappiness on the part of Mr. Pierson, because the 1% of the total cost of the building would be smaller if it were \$17 instead of the budgeted \$25 per square foot," he explained.

## Says Cash Paid

Shapiro said his payments to Pierson always were in cash and were delivered at Pierson's home and office, Shapiro's office, or at a restaurant.

The witness said he did not want either the Wrigley Field or Dockweiler Beach contracts, but was urged by Pierson to accept them.

Shapiro said his impression was that if "I severed the relationship or if I didn't take the job . . . I would have no chance at any larger work from a Public agency."

The \$3,000 he gave to Pierson for the Wrigley Field job was paid on May 13, 1967, he said.

"There is a bit of irony there, because May 13 is my birthday, only the gift went the other way," he testified.

"Not really," replied Dep. Dist. Atty. Harold N. Stanley, referring to the fact that Shapiro did get the contract.

"Yes, really," countered Shapiro. "Because we lost money on the job."