

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF LOUISIANA  
MONROE DIVISION

UNITED STATES OF AMERICA

CRIMINAL NO. 08-00183-1

VS.

WILLIAM R. COENEN, JR.,  
MICHAEL L. THOMPSON &  
TERRY D. DENMON

JUDGE JAMES  
MAGISTRATE JUDGE HAYES

18 U.S.C. §§ 371, 1341, 1346 & 2

THE GRAND JURY CHARGES:

COUNT 1  
18 U.S.C. § 371  
Conspiracy

A. AT ALL TIMES RELEVANT HEREIN:

1. Poverty Point Reservoir District (PPRD) is a political subdivision of the State of Louisiana and has as its purpose "the development of the wealth and natural resources of the district by the conservation of soil and water for agricultural, recreational, commercial, industrial, and sanitary purposes. The creation and maintenance of a lake within the district shall be for such purposes." LSA-R.S. 38:3087.3.

2. WILLIAM R. COENEN was the elected District Attorney for the Fifth Judicial District which is comprised of Richland, Franklin and West Carroll Parishes. He was also hired by PPRD to provide legal services.

3. MICHAEL L. THOMPSON was the Executive Director of the Poverty Point Reservoir District (PPRD) until on or about the 30<sup>th</sup> day of June, 2002.

4. TERRY D. DENMON was the President of Denmon Engineering. Denmon Engineering was hired by PPRD to provide engineering services.

5. Louisiana Revised Statutes Title 42, Section 1112 [La. R.S. 42:1112] provides that "[n]o public servant ... shall participate in a transaction in which he has a personal substantial economic interest of which he may be reasonably expected to know involving the governmental entity."

6. COENEN, THOMPSON and DENMON all would be considered "public employees" based on their positions as contractors with or employees of PPRD.

#### B. CONSPIRACY

Beginning on or about a date unknown to the Grand Jury, but no later than February 1995, and continuing until the present, in the Western District of Louisiana and elsewhere, the Defendants, WILLIAM R. COENEN, JR., MICHAEL L. THOMPSON and TERRY D. DENMON, and others, both known and unknown to the Grand Jury,

did knowingly and willfully combine, conspire, confederate and agree together to commit offenses against the United States in violation of Title 18, United States Code, Section 1341, by using the United States mails for the purpose of executing the scheme and artifice they devised to defraud the citizens of the State of Louisiana of the honest and faithful services of these public employees.

**C. OBJECT OF THE CONSPIRACY**

The primary object of the conspiracy was for the Defendants to personally enrich themselves by the purchase of property adjacent to the Poverty Point Reservoir which property then substantially increased in value due to the actions of the Defendants through PPRD in violation of Louisiana law. For the conspiracy to succeed, the Defendants' ownership of the property had to be concealed thus the property was placed in the name of a nominee.

**D. OVERT ACTS**

In furtherance of the conspiracy and to effect the object thereof, the Defendants performed or caused to be performed the following overt acts, among others, in the Western District of Louisiana, and elsewhere:

1. On or about the 4<sup>th</sup> day of May, 1995, Defendant WILLIAM R. COENEN executed a counter letter which acknowledged that a nominee was purchasing a five

acre tract of land on the shores of what was to be the Poverty Point Reservoir (hereafter referred to as "the property") for COENEN. The counter letter further acknowledged that COENEN was paying the \$16,800 purchase price and would be responsible for performing all other obligations associated with the sale.

2. On or about the 12<sup>th</sup> day of May, 1995, Defendants WILLIAM R. COENEN, JR., MICHAEL L THOMPSON and TERRY D. DENMON filed of record or caused to be filed of record their purchase of the property. The sales price was \$16,800 and other consideration. To conceal their interest in the property, the Defendants made the purchase in the name of the nominee who signed the counter letter.

3. On or about the 23<sup>rd</sup> day of July, 1998, Defendant MICHAEL L. THOMPSON, instructed a contract employee of PPRD to remove a stand of trees on land adjacent to the property. Heavy equipment was rented to accomplish this task. Once the lake was created, the land on which the stand of trees was located would be under water. The removal of the trees increased water access to the property.

4. On or about the 12<sup>th</sup> day of August 1998, Defendant MICHAEL L. THOMPSON instructed the PPRD contract employee to cease his removal of the

stand of trees and obtain a bid for the completion of the work by a private company.

5. On or about August 1998, Defendant MICHAEL L. THOMPSON caused PPRD to accept the bid for the removal of the stand of trees by a private company.

6. On or about the 31<sup>st</sup> day of August, 1998, Defendant MICHAEL L. THOMPSON, acting in his capacity as Executive Director of PPRD, signed the check to pay for the heavy equipment rented to remove the stand of trees.

7. On or about the 31<sup>st</sup> day of August, 1998, Defendant MICHAEL L. THOMPSON, acting in his capacity as Executive Director of PPRD, signed the check to pay the private company for the removal of the stand of trees.

8. On or about a date unknown to the Grand Jury but after June, 2000, Defendants MICHAEL L. THOMPSON and TERRY DENMON caused land adjacent to the property to be excavated.

9. On or about December, 2000, the Defendants caused the property to be subdivided into lots.

10. On or about the dates set forth below, the Defendant sold the lots set forth below for the price set forth below.

DATE	LOT	PRICE
02/09/01	8	\$40,000.00
02/23/01	7	\$40,000.00
03/23/01	6	\$40,000.00
04/10/03	5	\$40,000.00
04/10/03	4	\$40,000.00
05/17/06	3	\$50,000.00
	TOTAL	\$250,000.00

11. On or about the 14<sup>th</sup> day of February 2001, Defendant MICHAEL L. THOMPSON, caused a PPRD contract employee to mark the planned water line along the property.

12. Further, the allegations of Counts 2 - 9 are alleged and incorporated as though fully set forth herein as separate overt acts.

All in violation of Title 18, United States Code, Section 371 [18 U.S.C. § 371].

COUNTS 2 - 9  
18 U.S.C. §§ 1341, 1346 & 2  
Mail Fraud

A. The allegations of Count 1, paragraphs A, B and C are realleged and incorporated by reference as though set forth in full herein as the scheme to defraud.

B. On or about the dates set forth below, in the Western District of Louisiana, the Defendants, WILLIAM R. COENEN, JR., MICHAEL L. THOMPSON and TERRY D. DENMON, for the purpose of executing the aforesaid scheme and artifice to defraud and attempting to do so, did knowingly cause to be sent and delivered by the United States Postal Service, according to the directions thereon, an envelope containing the items set forth below and other mail matter, addressed as set forth below, all in violation of Title 18, United States Code, Sections 1341, 1346 and 2 [18 U.S.C. § 1341, 1346 & 2].

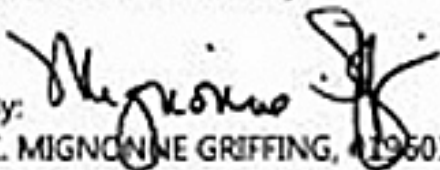
COUNT	DATE	ITEM	ADDRESS
2	08/17/05	Letter from Defendant WILLIAM R. COENEN, JR.	Mr. Michael L. Thompson Executive Director P. O. Box 811 Delhi, LA 71232
3	08/17/05	Letter from Defendant WILLIAM R. COENEN, JR.	Mr. Terry D. Denmon Denmon Engineering, Inc. P. O. Box 8460 Monroe, LA 71211
4	05/17/06	Letter from Defendant WILLIAM R. COENEN, JR. and check for \$500	P. O. Box 486 Rayville, LA 71269
5	05/17/06	Letter from Defendant WILLIAM R. COENEN, JR. and check for \$16,461.08	Mr. Terry D. Denmon Denmon Engineering, Inc. P. O. Box 8460 Monroe, LA 71211

COUNT	DATE	ITEM	ADDRESS
6	05/17/06	Letter from Defendant WILLIAM R. COENEN, JR. and check for \$16,461.08	Mr. Michael L. Thompson P. O. Box 505 Delhi, LA 71232
7	03/15/07	Letter from Defendant WILLIAM R. COENEN, JR. and check in the amount of \$1,173.46	105 Ray Street, Suite A Rayville, LA 71269
8	05/24/07	Letter from Defendant WILLIAM R. COENEN, JR.	Mr. Michael L. Thompson Executive Director P. O. Box 811 Delhi, LA 71232
9	05/24/07	Letter from Defendant WILLIAM R. COENEN, JR.	Mr. Terry D. Denmon Denmon Engineering, Inc. P. O. Box 8460 Monroe, LA 71211

A TRUE BILL

  
GRAND JURY FOREPERSON

DONALD W. WASHINGTON  
United States Attorney

By:   
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