



NEWS RELEASE

From New York State Inspector General
Catherine Leahy Scott

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Contact [John Milgrim](#): 518-474-1010

FORMER DEC PROJECT MANAGER PLEADS GUILTY TO GRAND LARCENY FOR RUNNING ELABORATE CONTRACTOR FRAUD SCHEME

ALBANY – New York State Inspector General Catherine Leahy Scott, Attorney General Eric Schneiderman and Oneida County District Attorney Scott D. McNamara today announced the felony guilty plea of a former Department of Environmental Conservation (“DEC”) project manager on charges he operated an elaborate contractor fraud scheme while employed by the State.

David Comenale, 51, of Comenale Ct., New York Mills, pleaded guilty today in Oneida County Court to the State Attorney General’s June indictment charging Comenale with two counts of Grand Larceny in the Third Degree, both felonies, based on the Inspector General’s investigation of a contractor fraud scheme. He also pleaded guilty to one count of Forgery in the Second Degree, also a felony, in relation to a bank loan fraud case for which he was previously indicted by the Oneida County District Attorney following a separate investigation.

As part of the plea, Comenale is to pay \$167,000 restitution to cover both cases.

The two year investigation by Inspector General Leahy Scott found Comenale used his position as DEC project manager, who oversaw various projects across the State, to implement a complex scheme to secure and dispense funds purportedly meant for a construction project on Staten Island by siphoning the money into shell companies he controlled. He ran the scheme in 2013 by borrowing \$62,500 from an asbestos abatement company he routinely worked with, Midlantic Environmental, Inc. Comenale asserted the borrowed funding was meant to pay for electrical work at the Cardinal O’Connor Lighthouse on Staten Island and that Midlantic would be reimbursed by the State through another contractor routinely used for DEC projects. Ultimately, \$21,000 of the money lent went to electrical work at the job site and much of the rest was siphoned through several companies controlled or owned by Comenale, and was never used for a DEC project.

The Inspector General’s investigation also found that in 2014 Comenale used another contractor he routinely worked with for DEC projects to steal approximately \$26,000 through a fraudulent loan scheme involving Adirondack Bank. The contractor took out the loan and immediately turned over the loan proceeds to Comenale through a separate company Comenale controlled.

“This defendant used his State job to facilitate an elaborate series of financial frauds to enrich himself,” said **Inspector General Leahy Scott**. “I will continue using the resources of my office to pursue anyone who uses their public position for criminal self-entitlement.”

“When government employee exploits their position by taking advantage of a company doing business with the state, it is a flagrant abuse of power and contributes to an atmosphere of mistrust,” said **Attorney General Schneiderman**. “We remain committed to rooting out government corruption and holding those responsible accountable.”

“We are glad to be able to bring this defendant to justice. He was involved in an intricate financial scam defrauding Adirondack Bank, a fraud brought to light when a former bank employee was caught creating false loans at the bank,” said **District Attorney McNamara**.

In the wake of the investigation, Comenale’s employment with the DEC was terminated earlier this year.

Comenale is due back in Oneida County Court for sentencing on Nov. 28, 2016.

Inspector General Leahy Scott thanked the State Police for their assistance with processing Comenale’s arrest, Oneida County District Attorney Scott D. McNamara and his office for their assistance with the investigation and Attorney General Schneiderman and his office for investigating and prosecuting this matter.

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