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Grand Jury Indicts South Gate Business Owner

By Ryan Oliver

Daily Journal Staff Writer

A federal grand jury on Thursday expanded its South Gate corruption probe, indicting a 53-year-old nursery business owner for allegedly acting as a go-between in a questionable \$48 million trash-hauling and recycling contract between the city and the contractor.

According to the indictment, George Garrido, a friend of former city treasurer Albert Robles who is also under federal indictment, was awarded an annual \$350,000 consulting contract over the life of the 10-year trash-hauling contract for his efforts, or \$3 million if the contract was terminated early.

Garrido introduced Robles to 42-year-old Michael Klistoff of Seal Beach, an official of the trash-hauling firms of Klistoff & Sons and All City Services, and eventually was paid \$437,000 of his contract

Robles is alleged to have used his influence to steer the city into making the contract with Klistoff's firm after Klistoff agreed to contribute thousands of dollars in gifts campaign contributions to Robles and his committee, Citizens for Good Government. Both Klistoff and Robles had been indicted on 11 counts of mail fraud and

five counts of receiving/giving bribes, in connection to the deal.

Robles also was indicted on numerous other public corruption charges in con-

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Henry Gonzalez,
South Gate mayor

nection with schemes that cost the city \$12 million and led to the payments of \$1.4 million to Robles' friends, family and associates. He is scheduled to go on trial in April. Garrido, owner of GWS Nursery & Supplies, was indicated on 11 counts of mail fraud in Thursday's superseding indictment.

Garrido's attorney, Mark Byrne with Byrne & Nixon, declined to comment.

Another Robles associate, financial consultant Edward T. Espinoza, 50, of Summit N.J., has pleaded guilty to numerous fraud counts for helping Robles funnel money to himself and his family.

Robles and three of his allies on the City Council were recalled from their seats in 2003 after prosecutors opened a corruption investigation against them and other city officials.

To me, this indictment is just another step in bringing a closure to the years of corruption we had in this city," said South Gate Mayor Henry Gonzalez. "We would, like to put all this, behind and get on with our business of providing services to the people of South Gate."

City Attorney Raul Salinas said the city also has several civil suits against Garrido and recently won a ruling ordering him to return an 11-acre parcel of land that the former City Council voted to give him and \$2.5 million in federal funds he was awarded to expand his nursery business.

"We contended the process was nothing more than a sham," Salinas said. The transaction was declared void by a judge."