

Records: Stadium Developers Paid Themselves Hundreds Of Thousands As Bills Went Unpaid



The once proud Dillon Stadium, home to many local high school football games, is now overgrown and deteriorating. There was a proposal to demolish the stadium and build a 15,000-seat soccer stadium on the site. (STEPHEN DUNN / Hartford Courant)

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As unpaid bills piled up at Premier Sports Management Group, leaders of the effort to bring professional soccer to Hartford transferred hundreds of thousands of dollars to themselves and companies they control, leaving the

firm with a fraction of the money needed to meet its obligations, records now under investigation show.

Local police and the FBI are working to unravel the finances at Premier Sports Management Group, which was largely financed with public money, and a grand jury is weighing the case.

Among the transactions under investigation are a check for more than \$13,000 that Premier Sports President Mitch Anderson wrote to himself for "legal fees" in October as the enterprise collapsed, and a \$120,000 bank transfer in August to James Duckett, the owner of Black Diamond Consulting, which merged with Premier Sports months earlier. The bank records include several other five- and six-figure transfers to Anderson, Duckett and others, The Courant has learned.

Anderson's lawyer, William T. Gerace, declined to discuss those transactions, but said his client was not in control of the company's financial decisions. "His position is, and always has been, that everything he did was at the direction of James [Duckett]," Gerace said.

Duckett said just the opposite, telling The Courant in a text message: "PSMG and Black Diamond has a contract between each other. Any funds that was transferred out to Black Diamond Consulting Group LLC. was under the direction of PSMG's Mitch Anderson. Period."

Premier Sports won a bid from the city to redevelop Dillon Stadium and bring a professional soccer team to Hartford. While the city reimbursed Premier Sports more than \$1.5 million for invoices submitted by Premier's subcontractors, those subcontractors received only about a third of that money, leaving more than \$1 million in city funds unaccounted for, city and company records show. But knowledgeable sources have confirmed that when the soccer stadium deal fell apart two months ago, the company's bank accounts held less than \$150,000.

In addition to the city money, Premier received \$400,000 from two private investors.

The largest of Premier's subcontractors, Quisenberry Arcari Architects, says it is owed more than \$320,000 in unpaid bills. And Hartford officials have demanded the return of \$735,000 paid to Premier for what the city contends were illegitimate invoices.

But Premier's bank accounts don't have enough money to pay those demands, following a string of large withdrawals, beginning with a \$200,000 check to Hartford attorney Deron Freeman in March, shortly after Premier Sports and Black Diamond joined forces. Freeman said attorney-client privilege prevented him from discussing details of the check, but said the money was not intended for him and that the funds "were disbursed per the direction of" Premier Sports Management Group.

A law-enforcement source confirmed that authorities have acquired Premier's bank records and that all of the company's financial transactions are under investigation, but said no further details could be provided.

Premier Sports operated from a \$1,400-a-month apartment on the fifth floor of the Colt Building, overlooking the still-dilapidated Dillon Stadium. The company hired an architect and an environmental engineering firm, and between October 2014 and August, sent the city more than \$1.8 million in bills. Most of that money was intended for subcontractors, with Premier's share totaling about \$255,000.

But the firm's spending far outpaced that amount. In the months following the \$200,000 check to Freeman, multiple large withdrawals totaling hundreds of thousands of dollars were made, including \$105,000 transferred to Black Diamond, a \$40,000 wire transfer to Duckett, a \$20,000 check Anderson wrote to cash, and a check for more than \$16,000 made out to Premier Soccer, the name of Anderson's former soccer camps, records show.

Premier Sports' bank accounts had sufficient funds for those transactions and others because the firm had collected money from the city on behalf of subcontractors, who have told The Courant they have yet to be paid. Those unpaid funds include \$700,000 Premier received from the city after submitting two bills from Big Span Structures, a Florida firm that Duckett told The Courant he had hired to design and build a fabric roof structure for the stadium.

Rick Laxton, president of Big Span, said the invoices his firm submitted were to be paid only if Premier Sports selected one of its designs and wanted Big Span to begin engineering work on the roof. He said that never happened and that he was surprised Premier Sports had submitted the bills for reimbursement.

Laxton did receive a \$50,000 check from Premier Sports in August, written to Laxton personally and indicating it was for Synergy Design, a separate company Laxton runs. But Laxton said that money had nothing to do with Dillon Stadium.

"That was a completely different project," he said.

Laxton, a registered architect, said he did architectural work for a proposed sports dome at Foxwoods that Duckett has said he was working to build through his company, The Black Diamond Dome LLC. Laxton said the project was originally imagined as a ground-level air dome, but grew into a three-story framed arena with a dome on top that could accommodate a variety of sporting events and concerts.

"I did some serious architectural work for that," said Laxton, who then billed Black Diamond last spring.

Months later, he received a check written from a Premier Sports Management Group bank account. Laxton said he did not consider that odd because he was

told that Premier Sports had become part of Duckett's Black Diamond Consulting Group.

"It was all one thing at that point," he said.

Premier's contract with the city called for the company to oversee the construction of a \$12 million stadium at Dillon and secure a professional soccer team to play there. But last spring, Duckett made a new offer, pledging to raise as much as \$50 million to build a stadium if the city paid to clear the Dillon site and agreed to lease the land for 49 years. Duckett and Anderson also struck a deal with the Major Arena Soccer League and founded Hartford City FC, a soccer team that was scheduled to begin playing indoor soccer last month at the XL Center.

Duckett said the large payments he and Black Diamond received — \$120,000 in August and \$105,000 in September — represented investment money that Premier had secured to finance the soccer team. A partnership agreement signed by Duckett and Anderson in March indicated that Black Diamond owned 86 percent of the team, Premier Sports owned 4 percent, and two outside investors each owned 5 percent.

Those outside investors each paid \$200,000, to be held by Black Diamond's lawyers. But Duckett said Anderson had pledged to ultimately find a total of five minority investors at \$200,000 each. "Mitch was suppose to be making installment payments from the minority owner's investments not the city funds," Duckett wrote. "As the developer, my job is to secure private funding for the project. Not to hold the hand of the president of PSMG that had the RFP with the city before I even got involved. You would think i could've trusted that situation."

Duckett did not respond to a subsequent inquiry asking about the status of the investors' money.

Several other large checks also put pressure on Premier Sports' finances. In September, Premier paid \$10,000 to Anderson's girlfriend, Christi Groleau. Groleau did not respond to requests for comment. But Anderson said through his attorney that that money was used to get out-of-state players settled in the Hartford area. "She spent that obtaining and furnishing apartments for the players," Gerace, the attorney, said.

Premier Sports also wrote a \$20,000 check to Anthony Camilleri, a retired Hartford police officer who now heads USA Security Services in Newington. In Premier's May 2014 bid to the city for the Dillon Stadium project, the company identified USA Security Services as part of its team of consultants and vendors for the stadium. In a brief interview at his home, Camilleri declined to discuss the payment or his work with Premier Sports.

In October, The Courant reported that Duckett had a felony conviction for embezzlement and had faced a string of civil suits in several states. Days later, city officials alleged they had been overcharged by Premier Sports. Soon afterward, the city backed away from the stadium deal and Major Arena Soccer canceled Hartford City FC's schedule.

Several city officials and Premier Sports employees have been subpoenaed to appear before the federal grand jury, and some already have spoken with FBI agents, according to people familiar with the proceedings. On the civil side, attorneys for the city of Hartford and Quisenberry Arcari Architects each say they intend to sue Premier Sports to recover a total of more than \$1 million.

It is too early to say how much, if any, of that money they can recover. But those large players are not the only ones who say they have lost out. Among those who are owed money are several Hartford City FC soccer players, the company's landlord at the Colt building and a 20-year-old UConn student who worked part time for Premier last summer but said she never got paid the last \$410 she was owed.

Jessica Larsson of Wethersfield said she was hired to work on website design and other tasks after a Premier official began chatting with her at her part-time job at Starbucks. She quit both jobs when classes resumed in August. And without the final paycheck from Premier, she said, she returned to college with no extra money to spend.

"Four hundred dollars to a poor college student who doesn't have a job is quite a significant figure," Larsson said. "I've gotten by, obviously, without it. But back then I was peeved, and I figured, you know, I slaved all summer at two jobs and I have literally nothing to show for it."