



## Second Arrest for Alleged Counterfeiter Turns Up \$16,000 in Bogus Bus Passes

**UPDATE** (Nov. 14) Pedro Sotelo was arraigned in Superior Court, today, on counterfeiting charges. He is being held in lieu of \$100,000 bail. If convicted, he could face a three-year prison sentence, according to LAPD Detective Tim Gipson.

By BILL HEARD, Editor

(Nov. 13) When LAPD detectives arrested him last Thursday evening, Pedro Sotelo, 30, didn't seem to be worried. Officers only found a couple of bogus bus passes in his possession.

But, according to one detective, a member of the Transit Group's Revenue Protection Unit, Sotelo's mood changed when officers searched his Los Angeles apartment and found some \$16,000 worth of counterfeit passes and the sophisticated equipment used to print them. He was charged with counterfeiting.

It was the second counterfeiting arrest in 11 months for Sotelo, an illegal alien. On Dec. 30, 1999, he and two women were arrested for allegedly manufacturing and distributing fake bus passes. Police also seized more than 5,000 items of evidence.

Sotelo was held briefly on \$100,000 bail and later released on probation. At the time, police estimated the counterfeit ring may have cost the MTA more than \$2 million annually in lost revenues.

### 10-month investigation

Thursday's arrest came at the conclusion of a 10-month investigation, during which detectives traced Sotelo's whereabouts through the street activities of bogus pass sellers and go-betweens.

They swooped in for the arrest when he was seen allegedly making a sale to a middleman. Detectives also questioned and released a second

suspect.

During a search of Sotelo's apartment, detectives found several hundred counterfeit passes, printing plates, high-speed production equipment and 267 rolls of foil - enough to make tens of thousands of bus passes.

"The quality of his work seems to be the best of any counterfeit passes we've seen," said Agapito Diaz, MTA director of Revenue. "We estimate that between counterfeiting and other kinds of fare evasion, the MTA is losing between \$4 million and \$8 million a year in revenue."

### **High-volume production**

"It appeared Sotelo could supply any demand of from 500 to 10,000 passes or more a month," said Detective Tim Gipson, Revenue Protection Unit supervisor. "Once he obtained a bus pass, we think he was capable of duplicating it and distributing passes on the street within a day and a half."

Gipson estimated that a counterfeiter would have to produce at least 1,500 to 2,000 fake passes each month to have a profitable operation. At a street price of \$20 each, production of that minimal amount would reap \$30,000 to \$40,000 a month.

"Our objective was to take the press out of operation," Gipson said.

"Conducting the investigation and months'-long surveillance of the counterfeiting suspects were detectives Simon garcia, Jose Martinez, Andy Woods, Joseph Hopkins, Gary Dubois, Todd Waymire and Evan Guevarra. They were assisted in the arrests by officers Carlos de la Cruz and Angela Downs of the Transit Bus Division. Detective Douglas Raymond supervised the operation.

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