



# Started It All

Reprinted from the November, 1979 issue of the Flint Voice.

On these two pages, we are reprinting condensed versions of the original articles that appeared in the Voice in September and November, 1979. The stories began the series of events which led to an attempt by the police to discover who one of our sources was. Many people have asked us for copies of those articles so we decided simply to reprint them in this issue.

By Michael Moore

## Rutherford approved illegal licenses

Between September 1, 1974 and February 3, 1975, James Rutherford, as Flint police chief, approved at will a large number of allegedly illegal liquor licenses for the Piece of the Rock club, 1800 N. Saginaw St.

Rutherford's approval of these licenses was made without the usual procedures being followed, thus leaving many unanswered questions about Rutherford's relationship with the Piece of the Rock.

The Piece of the Rock was owned by Larry White and Albert White. Larry White worked for Flint city councilperson Fred Tucker at Superior Realty. He had also been arrested on three felony charges and released pending further investigation. Albert White died this past August while attempting to commit an arson at 928 Mason St. White claimed before he died that three men had poured gasoline over him and set him afire.

Unable to obtain a permanent liquor license, the owners of the Piece of the Rock club formed approximately ten non-profit organizations—all with the same board of directors, give or take a few names—in order to apply for the special 24-hour liquor license for non-profit organizations. The law states that an organization—or any of its auxiliaries—can not receive more than five 24-hour licenses in one year.

Between September 1974 and February 1975, a five month period, the ten non-profit organizations at the Piece of the Rock received 72 liquor licenses.

Each one was approved, without question or review, by James Rutherford.

In fact, many of the licenses were signed by Rutherford in blank and later filled out and notarized by the officers of the "organizations." Larry White himself admitted to a police officer that he had Rutherford sign a number of them in blank while Rutherford and Herb Adams (later to be named police chief) were having breakfast at Uncle Bob's Diner on Harrison St.

This information was turned over to the Organized Crime Division of the Michigan Attorney General's Office and to the Michigan Liquor Control Commission.

Nothing ever came of any investigation by either office.

To the contrary, the Piece of the Rock was awarded a permanent liquor license in 1978.

## Was \$30,000 in that brown bag?

The *Flint Voice* has learned that Mayor James Rutherford, while Chief of Police, may have been the recipient of \$30,000 from a well-known convicted gambler, George Sahadi "The Horn" Joseph.

Four Flint undercover police officers—William Kontyko, Michael Hanna, Kenneth Burns and Norman Day—were tailing Joseph in an attempt to gather information on his various organized crime activities. At 11:20 p.m. they followed him into the parking lot of the Westgate Plaza on Ballenger Hwy. Then, as if they couldn't believe what they were seeing, Joseph got out of his car and, carrying a brown paper bag, got into the parked car of police chief James Rutherford who had been waiting there for him.

For over an hour Rutherford and Joseph sat in the car. When Joseph got out and went back to his car, he

didn't have the brown paper bag with him.

In August of 1975, Sgt. William Kontyko made public what he had observed on that night. Rutherford denied his charges.

"I have never seen nor heard of any brown bag," he declared to the press.

Rutherford then challenged Kontyko to take a lie detector test.

"If he'll take one, so will I," Rutherford promised.

Kontyko took the test and passed it. Rutherford never took it.

The major question for the past four years has been: If there was a brown paper bag, what was in it? Some recent information supplied to the *Voice* may provide the answer.

After Joseph concluded his meeting with Rutherford on that particular evening, he met with Flint Sgt. William Pribble, a member of the vice

squad. He apologized to Pribble for being late, saying that he had just come from a meeting with Rutherford. He told Pribble that he had just given Rutherford a \$30,000 gift. He bragged about his control of the police department and told Pribble he could do "the same for you."

Pribble later turned this information over to city manager Daniel Bogan, police ombudsman Joe Dupcza and Richard Dicks. Gogan, Dupcza and Dicks have all confirmed Pribble's story to the *Voice*. They said that Pribble also went to the F.B.I. and the U.S. Attorney. Pribble volunteered to take a lie detector test and offered to testify in court, if necessary.

Joseph died in 1974. Pribble retired the same year (he had been listed as missing for almost seven months before he retired). Rutherford was elected Mayor by 169 votes the following year.

Kontyko, who had long been a critic of how organized crime was allowed to flourish in Flint, was transferred to the patrol division.

## Rutherford's investments

Although state law prohibits law enforcement officers from owning a bar, the *Flint Voice* has learned that Mayor James Rutherford and Flint Township Police Chief Herbert Adams bought into a bar and country club in 1971.

Records from the Rolling Greens Development Corporation show that Rutherford and Adams each bought 1000 shares of stock valued at \$10.00 per share.

The Rolling Greens Country Club was located at 5170 Weiss in Saginaw. The land is presently being converted to condominiums.

Rutherford and Adams have other business dealings, most notably ownership of the Mount Vernon Square condominiums in Clio.



Mayor James Rutherford

## Rutherford attempted double dipping

In September of 1973, James Rutherford, then Chief of Police, attempted to bill the city of Flint \$1000.00 for "private" police work he performed at the city owned Bishop Airport.

Records obtained by the *Flint Voice* show that Rutherford, Captain James Mills and other Flint police officers formed a private firm called "Rutherford and Associates" that was supposed to provide "police consulting services and professional assistance". They claimed that their police consulting would be done in their off-duty time.

At a special meeting of the Flint Airport Commission on September 7, 1973, Rutherford submitted his proposal for a "security survey and study program to update and improve the Airport security force". He asked that the commission keep the cost of the

study confidential. His asking price was \$1000.

Rutherford, though, as Chief of Police, was already responsible for the security of Bishop Airport, a city-owned, city-run and tax supported organization.

On November 15, 1973, the Airport Commission submitted the bill for \$1000 to the city finance director, Frank Patitucci, for approval. Patitucci, thinking that there was something odd about Rutherford collecting a thousand dollars for work that he was already supposed to be performing as police chief, went to city manager Brian Rapp with the bill. Rapp was furious that Rutherford would dare to charge for something that was part of his job description—protecting a city owned institution.

Rapp called Rutherford in and told him—in no uncertain terms—that this

was considered "double-dipping" and a conflict of interest. He told Rutherford that he would not pay him \$1000.

Rutherford allegedly blew up and threatened Rapp if he didn't pay him his thousand dollars.

Rapp wouldn't relent and Rutherford never was paid.

Afterwards, apparently to "clear up" any alleged wrongdoing, Rutherford sent a letter to the Airport Commission stating that "...there is a possible conflict of interest, and like Caesar's wife, we must be above suspicion. We have spent 24-25 years building reputations which are above reproach. Because of even a remote possibility of conflict of interest being present we are withdrawing our billing for services rendered in our survey. The expenses incurred will be absorbed by us as a matter of small consequence."