

FOR IMMEDIATE RELEASE



City of Duluth - Police Department

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DATE: 1/26/2022

SUBJECT: Multiple Individuals Charged in Multi-State Drug Trafficking Investigation

BY: Mattie Hjelseth, Duluth Police Department Public Information Officer

NATURE OF INCIDENT:

CASE NO.:

INCIDENT DATE:

INCIDENT TIME:

INCIDENT LOCATION:

Multiple Individuals Charged in Multi-State Drug Trafficking Investigation

Criminal complaints filed in St. Louis County District Court earlier this month charged 21 alleged members of a Chicago-based Drug Trafficking Organization (DTO) with participating in a criminal organization that transported substantial quantities of fentanyl and heroin from Chicago, Illinois, to Duluth, Minnesota. The fentanyl and heroin were then distributed by DTO members to local dealers who sold the drugs throughout Duluth, Cloquet, St. Louis County, Carlton County, Fond Du Lac Reservation, Bad River Indian Reservation, Wisconsin, Illinois, and Minnesota.

The criminal activity conducted by the DTO was uncovered by an investigation from members of the Lake Superior Drug and Violent Crime Task Force (LSDVCTF). Task Force members have been investigating the DTO since June 2021.

"I am very proud of the selfless service performed day and night by the Lake Superior Drug and Violent Crime Task Force," said Commander Jeff Kazel. "Cases like these are time and labor-intensive but are essential to removing drug trafficking organizations and lethal opioids from our neighborhoods. Our community is fortunate to have the men and women of this team working to save lives through law enforcement and victim outreach efforts."

"In 2021, there were 42 opioid overdose deaths and another 346 non-lethal opioid overdoses in St. Louis County," said St. Louis County Attorney Kim Maki. "One reason for these staggering numbers is the increasing prevalence of fentanyl, a synthetic opioid that is extremely addictive and lethal in tiny doses. Fentanyl is frequently laced with other substances, so users often have no knowledge they are ingesting a substance that could result in grave health consequences, including death."

23-year-old Chicago resident Nicholas Calloway was the leader of this Drug Trafficking Organization. Calloway directed the transportation of heroin and fentanyl from Chicago where it was distributed to midlevel drug dealers in the area. Investigators identified Calloway's source of supply as 34-year-old Chicago resident Demetrius McCafferty. Both Calloway and McCafferty are currently being held in the Cook County Jail in Chicago, awaiting extradition to Minnesota.

The Task Force utilized undercover investigators to infiltrate the organization. Investigators would contact Calloway, who primarily ran the organization from Chicago. Calloway orchestrated pickup times and meeting locations between buyers and local dealers. Investigators made 20 undercover purchases from various DTO members during the investigation.

During the month-long investigation, law enforcement discovered that between June 2021 and December 2021, the Drug Trafficking Organization was responsible for transporting and selling over ten pounds of heroin and fentanyl, which has a street value of \$725,600 and is approximately 18,140 doses.

"My deepest gratitude to the members of the Lake Superior Drug and Violent Crime Task Force and prosecutor Nichole Carter for their outstanding work in building a case that will bring these drug traffickers and dealers to justice and prevent over 500 seized grams of illegal opioids from being distributed in our communities," said St. Louis County Attorney Kim Maki.

Arrests were carried out earlier this month in Minnesota, Illinois, and Wisconsin as part of the multi-state arrest operation. So far, 14 members of the organization have been arrested. Felony Arrest Warrants have been issued for the remaining seven involved conspirators.

The following individuals have been arrested; 23-year-old Chicago resident Nicholas Calloway, 34-year-old Chicago resident Demetrius McCafferty, 24-year-old Chicago resident Jerome Falkner, 26-year-old Duluth resident Michael Berg, 22-year-old Cloquet resident Jolisa Henagin, 25-year-old Cloquet resident Madison Pallin, 37-year-old Cloquet resident, Amber Wait, 27-year-old Eveleth resident Jonas Treston Starkey, 23-year-old Ashland resident Hailie Pralle, 33-year-old Duluth resident Michelle Jacobson, 24-year-old Duluth resident Brock Jensen, 24-year-old Duluth Resident Brodey Jensen, 33-year-old Duluth resident Mark Scharnott, and 24-year-old Duluth resident Alexis Steltz.

Arrest Warrants have been issued for; 22-year-old Chicago resident Chad Mims, 25-year-old Chicago resident Melvin Little, 22-year-old Chicago resident Terry Sallay, 24-year-old Pickens, Mississippi resident Montavian Oliver, 22-year-old Minneapolis resident Zachery Morris Jr., 38-year-old Duluth resident Ryan Vincent, and 39-year-old Gilbert resident Leonard Kochevar. If you have any information on their whereabouts, call the LSDVCTF at (218)-730-5750.

During the course of the investigation, law enforcement seized one firearm, \$9,101.00 in cash, and over 500 grams of heroin and fentanyl mixture, which has a street value of \$80,000 and is approximately 2,000 doses. These seizures were made in Duluth.

This investigation uncovered that the DTO used violence and threats as a means of intimidation to control their hold on the heroin and fentanyl trafficking in this area. They used physical violence and threats of violence to collect outstanding drug debts.

Two of the defendants, Calloway and Scharnott, are charged with robbing another DTO member of heroin and cash.

Three of the defendants, Calloway, Scharnott, and Henagin, are charged with Conspiracy to Commit Arson in the First Degree. Calloway and Scharnott plotted to burn down a duplex in the East Hillside neighborhood of Duluth. Duluth Police and Task Force Investigators learned of the plot and derailed the attempted arson.

Additionally, Calloway and Henagin are charged with Arson in the First Degree. This is a result of an arson that occurred in October 2021, at an apartment building in the Gary New Duluth neighborhood. The fire caused extensive damage to an apartment and resulted in the death of a resident's cat. The resident of the apartment was assaulted and threatened during the arson because of a drug debt owed to Calloway.

Details on the charges filed against each individual can be found in their criminal complaints. Drug charges were filed in related cases against 21 individuals.

"Dismantling a DTO of this scale limits the source of supply of these poisons to the people of St. Louis County and the City of Duluth and undoubtedly saved lives," said Chief Mike Tusken. "Our talented and substantial coalition of dedicated Law Enforcement partners time and time again demonstrate that the people peddling these poisons cannot hide in the shadows and cause harm to the people of our community without detection and accountability."

After significant disruptions in the sources of supply of opioids, there is a trend for those facing addiction to seek help. Confidential help is available through the Substance Use Response Team (SURT). You can contact SURT at their hotline at (218)-730-4009.

The Duluth Police Department wants to acknowledge and recognize the Lake Superior Drug and Violent Crime Task Force, the St. Louis County Attorney's Office, St. Louis County Sheriff's Office, Carlton County Sheriff's Office, Superior Police Department, Cloquet Police Department, the U.S. Marshall's Office, the Drug Enforcement Administration, the Bureau of Alcohol, Tobacco, Firearms and Explosives, Department of Homeland Security Investigations, and other agencies involved in this extensive investigation to take drugs off our streets and continue to provide a safe community for all.

"Homeland Security Investigations is extremely appreciative of its partnerships with federal, state and local law enforcement and is proud to be a member of the Lake Superior Drug and Violent Crime Task Force conducting narcotics trafficking investigations across the Northland," said Acting Special Agent in Charge Jamie Holt of HSI St. Paul.

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