

UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY

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	:	Criminal No. <i>09-134</i>
UNITED STATES OF AMERICA	:	Filed:
v.	:	Violation: 18 U.S.C. § 371
CHRISTOPHER TRANCHINA,	:	
Defendant.	:	

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**INFORMATION**

The United States of America, acting through its attorneys, charges:

1. Christopher Tranchina ("Tranchina") is hereby made a defendant on the charge stated below:

**KICKBACK and FRAUD CONSPIRACY**  
(18 U.S.C. §371)

**I. RELEVANT PARTIES AND ENTITIES**

During the period covered by this Information:

2. Tranchina resided in Glassboro, NJ.
3. Tranchina was employed by a company that was located in Sewell, NJ ("Company-1"). Company-1 provided temporary electrical supplies and services ("temporary site utilities") as a sub-contractor to a prime contractor ("P-C") on an

environmental remediation project at the Federal Creosote Superfund Site in Manville, New Jersey ("Federal Creosote"). Tranchina had pricing and bidding authority for all sub-contracts between Company-1 and P-C at Federal Creosote during the period charged in this Information.

4. "CC-1" was a co-conspirator who was an employee of P-C at Federal Creosote and was influential in the award of sub-contracts. CC-1 owned and operated a shell company ("Vendor 1") during his employment with P-C. During the period covered by this Information, Vendor 1 operated out of addresses associated with CC-1's wife's flower shop, CC-1's home and CC-1's parents' home.

5. Whenever in this Information reference is made to any act, deed, or transaction of any corporation, such allegation shall be deemed to mean that the corporation engaged in such act, deed, or transaction by or through its officers, directors, agents, employees, or representatives while they were actively engaged in the management, direction, control, or transaction of its business or affairs.

6. Various other persons, not made defendants herein, participated as co-conspirators in the offense charged herein and performed acts and made statements in furtherance thereof.

## II. BACKGROUND

7. Federal Creosote was an environmental remediation site that was partly funded by the United States Environmental Protection Agency ("EPA"). Since late 1999, the

United States Army Corps of Engineers (“ACOE”) oversaw the procurement process for the remediation of the site. Pursuant to an interagency agreement between the EPA and ACOE, prime contractors were used to perform different functions at the site.

8. P-C was the prime contractor responsible for managing the remedial action at Federal Creosote. The remedial action was divided into separate phases by geographic boundaries. P-C awarded separate sub-contracts under each phase to various vendors. As the prime contractor, P-C was paid a fixed fee plus the cost of the remedial action by the EPA.

9. P-C was required to award sub-contracts at Federal Creosote subject to a competitive bidding policy under the Federal Acquisition Regulation system (“FAR”). The FAR’s bidding policy sought to ensure that P-C obtained supplies and services at competitive, fair market prices. P-C was required to solicit at least three competitive bids before entering into any sub-contract for supplies or services in excess of \$5,000, and award those sub-contracts to the bidder offering the best value, based on cost, quality and timeliness.

10. CC-1 was responsible for soliciting bids from vendors for sub-contracts in excess of \$5,000 and otherwise ensuring that P-C’s procurement process at Federal Creosote was in accordance with the FAR. In addition, CC-1 was responsible for acquiring supplies and services in connection with purchases less than \$5,000 at Federal Creosote, which were not subject to the FAR’s competitive bidding policy.

11. The FAR also prohibited any person from providing, attempting to provide, soliciting, or attempting to solicit any kickback, including any money, fee, commission, credit, gratuity, gift, thing of value or compensation of any kind for the purpose of improperly obtaining or rewarding favorable treatment in connection with a sub-contract relating to a prime contract.

### III. DESCRIPTION OF THE OFFENSE

12. From approximately the Spring of 2001 until approximately June 2005, the exact dates being unknown to the United States, in the District of New Jersey and elsewhere, Tranchina and his co-conspirators, and others known and unknown, unlawfully, willfully and knowingly did combine, conspire, confederate, and agree together and with each other to defraud the United States or an agency thereof, namely the EPA, and to commit offenses against the United States, to wit, to violate Title 41, United States Code, Sections 53(1) and (3), in violation of Title 18, United States Code, Section 371.

13. It was a part and an object of the conspiracy that Tranchina and his co-conspirators, and others known and unknown, unlawfully, willfully, and knowingly would and did conspire, combine, confederate, and agree to defraud the United States and the EPA, and to commit offenses against the United States, by providing and attempting to provide kickbacks to CC-1 and Vendor-1 at Federal Creosote and by including the amount of the kickbacks in the sub-contract prices charged to P-C by Company-1, thereby

causing P-C to charge those inflated prices to the EPA and the United States, in violation of Title 41, United States Code, Sections 53(1) and (3).

IV. THE MANNER AND MEANS BY WHICH THE  
CONSPIRACY WAS CARRIED OUT

The manner and means by which the conspiracy was sought to be accomplished included, among others, the following:

14. During some or all of the period from approximately the Spring of 2001 until approximately June 2005, Tranchina provided approximately \$138,000 in kickbacks to CC-1. Tranchina provided kickbacks to CC-1 in order to influence the award of sub-contracts for temporary site utilities at Federal Creosote. Tranchina and CC-1 agreed to fraudulently inflate the amounts of Company-1's sub-contracts at the site to include the cost of these kickbacks in invoices to P-C, and caused P-C to include the costs of the kickbacks in the amounts it charged to the EPA at Federal Creosote.

15. As part of the fraudulent scheme, CC-1 steered approximately \$1,200,000 in sub-contracts to Company-1 at Federal Creosote in return for Tranchina's payment of kickbacks to CC-1.

16. To conceal CC-1's receipt of kickbacks and their pre-arranged agreement to award sub-contracts to Company-1, CC-1 instructed Tranchina to pay the kickbacks by causing Company-1 to issue checks to Vendor-1 pursuant to false invoices issued by Vendor-1 to Company-1 on at least four occasions.

17. It was further part of the conspiracy that CC-1 kept approximately \$115,000 of the kickbacks for himself and gave approximately \$23,000 of the kickbacks to Tranchina in the form of a hot tub valued at \$13,674; \$4,800 in cash; an HVAC system valued at approximately \$1,000; and a Vendor-1 check to Tranchina in the amount of \$3,170.

#### V. OVERT ACTS

18. In furtherance of the conspiracy and to effect the illegal objects thereof, the defendant and others known and unknown, committed the following overt acts, among others, in the District of New Jersey and elsewhere:

(a) On or about August 8, 2001, in payment of a false and fraudulent Vendor-1 invoice, Tranchina caused Company-1 to issue a Company-1 check to Vendor-1 for \$25,920;

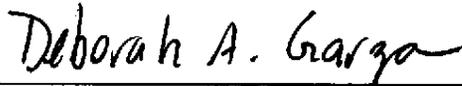
(b) On or about March 10, 2003, in payment of two false and fraudulent Vendor-1 invoices, Tranchina caused Company-1 to issue a Company-1 check to Vendor-1 for \$21,801.72;

(c) On or about August 7, 2003, in payment of a false and fraudulent Vendor-1 invoice, Tranchina caused Company-1 to issue a Company-1 check to Vendor-1 for \$33,785; and

(d) On or about April 20, 2005, in payment of a false and fraudulent Vendor-1 invoice, Tranchina caused Company-1 to issue a Company-1 check to Vendor-1 for \$56,715.

IN VIOLATION OF TITLE 18, UNITED STATES CODE, SECTION 371.

Dated: 12/16/2008



DEBORAH A. GARZA  
Acting Assistant Attorney General



RALPH T. GIORDANO  
Chief, New York Office



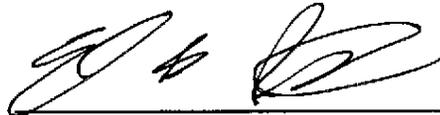
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