



Department of Justice

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BIG DIG CONTRACTOR SENTENCED IN FALSE STATEMENTS CASE

BOSTON, MA - A former Big Dig contractor was sentenced today in federal court for submitting false statements on a federal highway project.

United States Attorney Michael J. Sullivan, Theodore L. Doherty III, Special Agent in Charge of the Department of Transportation Inspector General's Office in New England, and Marjorie Franzman, United States Department of Labor, Office of Inspector General, Office of Labor Racketeering and Fraud Investigations and Warren T. Bamford, Special Agent-in-Charge of the Federal Bureau of Investigation, Boston Field Division announced today that MCCOURT CONSTRUCTION COMPANY, INC. d/b/a McCourt/Obayashi Joint Venture ("MCCOURT CONSTRUCTION") was sentenced by U.S. District Judge Richard G. Stearns. MCCOURT CONSTRUCTION was sentenced to a \$500,000 criminal fine, 3 years of probation, a \$400 mandatory special assessment and ordered to pay restitution to the Massachusetts Turnpike Authority in the amount of \$600,000.

At the earlier plea hearing, the prosecutor told the Court that had the case proceeded to trial the Government's evidence would have proven that MCCOURT CONSTRUCTION, along with two of its billing managers, engaged in a scheme of over-billing the Central Artery/Tunnel Project by falsely categorizing apprentice ironworkers, among other trades persons, as journeymen on work performed in the tunnel finishes contract. The work, which was overbilled, was performed on a time and materials basis, which meant MCCOURT CONSTRUCTION was paid for the time worked by each employee, as opposed to a fixed price for the work under contract. Beginning in 2002 through December 2005, the managers of MCCOURT CONSTRUCTION'S Claims and Changes Department, which handled the preparation and submission of time and materials bills to the Central Artery/Tunnel Project, conspired to and participated in the overbilling scheme described above. The billing managers were both sentenced at an earlier proceeding.

The case was investigated by the Department of Transportation, Inspector General's Office, the Department of Labor/Office of Labor Racketeering and the Federal Bureau of Investigation, New England Field Division with assistance from the Defense Contract Audit Agency. It was prosecuted by Assistant U.S. Attorneys Eugenia M. Carris, Fred M. Wyshak, Jr., Jeffrey M. Cohen and Anthony E. Fuller of Sullivan's Public Corruption Unit.