

UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Hon.  
 :  
 v. : Crim. No.  
 :  
 : 18 U.S.C. §§ 371;  
 : 41 U.S.C. §§ 8702(1) and 8707  
 GEORGE GRASSIE :

**INFORMATION**

The defendant having waived in open court prosecution by indictment, the United States Attorney for the District of New Jersey charges:

**COUNT 1**

(Conspiracy to Defraud the United States and to Commit Bribery)

**Defendant and other Individuals and Entities**

1. At times relevant to Count 1 of this Information:
  - A. Defendant George Grassie ("defendant GRASSIE") was the proprietor of a construction, excavation and landscaping business that did subcontracting work at Picatinny Arsenal ("PICA") in Morris County, New Jersey and at the Joint Base McGuire-Dix Lakehurst ("Fort Dix") in Burlington, New Jersey.
  - B. PICA was a United States Army installation. Personnel at PICA, among other things, conducted research, development, acquisition and lifecycle management of advanced conventional weapons systems and ammunition. PICA provided products and services to all branches of the United States armed forces.

C. Fort Dix was a United States Army post. Among other things, Ft. Dix served as a training post for United States Military Reserve units and the National Guard.

D. There was an individual employed by the U.S. Army Contracting Command New Jersey ("ACC-NJ") as a Contract Specialist who represented the Army customer with reference to renovation projects at PICA and Fort Dix (hereinafter, the "Government Employee"). The Government Employee also owned private businesses that sold equipment and provided snow plowing services.

### THE CONSPIRACY

2. From at least as early as in or about December 2010 through in or about December 2013, in Morris and Burlington Counties, in the District of New Jersey, and elsewhere, defendant

GEORGE GRASSIE

did knowingly and intentionally combine, conspire, and confederate with the Government Employee and others to:

a. Defraud the United States Department of the Army ("United States Army") by impairing, impeding, and obstructing the lawful function of the United States Army to procure and manage the procurement of goods and services for PICA and Fort Dix.

b. Commit an offense against the United States, specifically to corruptly give, offer, and promise things of value to the Government Employee with intent to influence official acts and to induce the Government employee to do or omit to do acts in violation of the Government Employee's lawful duties, contrary to Title 18, United States Code, Sections 201(b)(1)(A) and (C).

**PURPOSE OF THE CONSPIRACY**

3. It was a purpose of the conspiracy for defendant GRASSIE to provide things of value to the Government Employee, including but not limited to money, construction material, and free labor, intending to influence the Government Employee to take official actions for the benefit of defendant GRASSIE, and to induce the Government Employee to violate his lawful duties as a Contract Specialist by exercising influence outside of his duties with respect to the award of contracts to subcontractors.

**MANNER AND MEANS OF THE CONSPIRACY**

4. It was a part of the conspiracy that defendant GRASSIE would confer upon the Government Employee things of value, including by:

- paying money directly to the Government Employee;
- purchasing equipment that defendant GRASSIE did not need from the Government Employee's company at inflated prices;
- allowing the Government Employee to accept payment for a paint job performed by defendant Grassie's company; and
- paying for construction work performed by another contractor at the Government Employee's personal property;

all to influence and induce the Government Employee to assist defendant GRASSIE in continuing to obtain subcontract work and other favorable official assistance at PICA and Fort Dix for the benefit of defendant GRASSIE's company.

5. It was further a part of the conspiracy that the Government Employee would obstruct the lawful function of the United States Army to procure and manage construction projects at PICA and Fort Dix in a conflict free manner by influencing the awarding of subcontracts in exchange for defendant GRASSIE's payment of items of value.

6. It was further a part of the conspiracy that the Government Employee created false invoices which the Government Employee provided to defendant GRASSIE in order to conceal the true nature of bribe payments that defendant GRASSIE gave to the Government Employee.

**OVERT ACTS**

7. In furtherance of the conspiracy and to accomplish its purposes, defendant GRASSIE and his conspirators, including the Government Employee, committed the following overt acts, in the District of New Jersey and elsewhere:

A. On or about August 29, 2011, the Government Employee caused a \$21,750 invoice under the name of the Government Employee's company to be submitted to a Pennsylvania company requesting payment for a paint job that was performed by defendant GRASSIE's company.

B. On or about September 9, 2011, defendant GRASSIE wrote a check to the Government Employee for \$28,250, which was thereafter deposited into a bank account belonging to the Government Employee.

C. In or about the Fall 2011, defendant GRASSIE and the Government Employee had a project meeting at PICA during which the Government Employee stated that defendant GRASSIE would be compensated for an approximately \$445,000 loss that defendant GRASSIE suffered from a construction project at PICA through a subcontract for construction work at Fort Dix.

D. In or about May 2012, the Government Employee and defendant GRASSIE had a meeting at Fort Dix during which the Government Employee discussed the timing and amount of payments that defendant GRASSIE needed to make to the Government Employee with respect to the Fort Dix subcontract.

E. In or about April 2013, defendant GRASSIE and the Government Employee had a conversation during which the Government Employee solicited defendant GRASSIE for \$300,000 to pay off the Government Employee's mortgage.

F. On or about September 24, 2013, defendant GRASSIE issued a credit of \$40,000 to a contractor that owed defendant GRASSIE's company money on a PICA construction job to compensate that contractor for performing construction work on the Government Employee's personal property.

In violation of Title 18, United States Code, Section 371.

COUNT 2

(Providing and Offering to Provide Kickbacks)

1. Paragraphs 1 (A) - (D) of Count 1 of this Information are hereby incorporated and realleged as if fully set forth herein.

2. There was a construction company (the "Construction Company") that provided construction services to government and private businesses. The Construction Company's headquarters were in Tulsa, Oklahoma. Between in or about 2010 and in or about 2013, the Construction Company served as a Job Order Contractor ("JOC"), or prime contractor, on construction projects at PICA and Fort Dix. A JOC or prime contractor is a contractor that provides construction services to the U.S. government under multi-year job order contracts that use certain methodologies to reduce procurement costs.

3. Since at least in or about 2010, James Conway (hereinafter "Conway") was an individual who was employed as a Regional Project Manager for the Construction Company. Conway managed projects for the Construction Company, including hiring subcontractors, allocating resources, reviewing estimates and creating and maintaining budgets for the projects. At times relevant to Count 2 of this Information, Conway managed the Construction Company's projects at PICA and at Fort Dix.

4. Between in or about 2010 and in or about April 2013, in Morris County, in the District of New Jersey, and elsewhere, defendant

GEORGE GRASSIE

knowingly and willfully did provide, attempt to provide, and offer to provide more than approximately \$40,000 but less than approximately \$95,000 in kickbacks for the benefit of Conway to improperly obtain and reward favorable treatment involving the award of subcontracts, the amounts of subcontracts, and the modification of subcontracts related to construction work at PICA and Fort Dix, including, but not limited to, subcontracts for construction work at Buildings 9 and 10 at PICA, the refinishing of cabinets at PICA, and renovation work at Building 5418 at Fort Dix.

5. The benefits conferred by defendant GRASSIE to Conway in exchange for the favorable treatment included, but were not limited to:

- the payment of approximately \$48,000 in checks and cash to Conway between in or about January 2012 and in or about January 2013 to help Conway pay his mortgage, and
- the construction of a pond and grading work free of charge on personal property belonging to Conway between in or about September 2012 and in or about April 2013.

In violation of Title 41, United States Code, Sections 8702

(1) and 8707, and Title 18, United States Code, Section 2.

  
PAUL J. FISHMAN  
UNITED STATES ATTORNEY

**CASE NUMBER: 17-**

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**United States District Court  
District of New Jersey**

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**UNITED STATES OF AMERICA**

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**GEORGE GRASSIE**

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**PAUL J. FISHMAN**  
*U.S. ATTORNEY NEWARK, NEW JERSEY*

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