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FOR IMMEDIATE RELEASE

Wednesday, March 2, 2016

## URS Corporation AES to Pay \$580K to Resolve Allegations it Overcharged on Niantic River Bridge Contract

Deirdre M. Daly, United States Attorney for the District of Connecticut, today announced that URS CORPORATION AES ("URS") has entered into a civil settlement agreement with the federal government in which URS will pay \$580,000 to resolve allegations that the Rocky Hill-based construction company violated the federal False Claims Act and the common law in overbilling the federal government on a bridge reconstruction project in Niantic that was funded by the National Railroad Passenger Corporation ("Amtrak").

In 2007, Amtrak awarded a contract to Washington Group, International, Inc. ("WGI") to provide construction management services for the replacement of the Niantic River rail bridge. WGI was acquired by URS in 2008, and URS assumed responsibility for the contract. The contract provided that the construction management company would be compensated for its services according to a specific pricing schedule that was incorporated into the contract. The pricing schedule stated that labor efforts pursuant to the contract would be paid at the fixed labor rates listed in an attachment to the pricing schedule. The attachment, in turn, provided that the labor rates were maximum rates per hour for each employee work classification and that the contractor should bill the appropriate rate for each employee up to the maximum rate contained in the attachment.

The federal government contends that in most instances during the time that URS provided construction management services for the bridge reconstruction project, the company charged the maximum labor

rates, rather than the actual labor rates, for the employee positions listed on the attachment to the pricing schedule and, as a result, that the federal government was overbilled.

"Federal contractors must abide by the billing requirements set forth in government contracts so that taxpayer dollars are not wasted," stated U.S. Attorney Daly. "I thank Amtrak OIG and the U.S. Department of Transportation OIG for thoroughly investigating this matter, and URS for cooperating with the government's investigation."

"This was a significant civil recovery for Amtrak, and one that sends an important message for contractors regarding their obligation to properly bill for services," said Amtrak Inspector General Tom Howard."

"As evidenced by this settlement agreement with URS Corporation AES, we remain steadfast in our commitment to ensuring the integrity of the programs designed to maintain and improve our nation's transportation infrastructure," said Todd Damiani, regional Special Agent-in-Charge, U.S. Department of Transportation Office of Inspector General. "Working with the Secretary of Transportation, Amtrak, and our law enforcement and prosecutorial colleagues, we will continue to protect the taxpayers' investment in our nation's infrastructure from fraud, waste, abuse and violations of law."

This case was investigated by Amtrak's Office of Inspector General and the U.S. Department of Transportation's Office of Inspector General.

The matter was handled within the U.S. Attorney's Office by Assistant U.S. Attorney William A. Collier and Auditor Susan N. Spiegel.

**USAO - Connecticut** 

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