



THE UNITED STATES ATTORNEY'S OFFICE  
EASTERN DISTRICT *of* PENNSYLVANIA

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**Department of Justice**

U.S. Attorney's Office

Eastern District of Pennsylvania

FOR IMMEDIATE RELEASE

Friday, March 1, 2019

## **U.S. Attorney's Office Reaches \$260,000 Civil Settlement with HNTB, Inc.**

PHILADELPHIA - United States Attorney William M. McSwain announced today that the United States reached a \$260,000 civil settlement with HNTB, Inc. concerning HNTB's alleged improper billing under a contract to provide catenary services (i.e., overhead electrical wires) with Amtrak.

HNTB provided services as part of the New Jersey High Speed Rail Improvement Program under Amtrak Architectural & Engineering Services Contract. The Contract required that HNTB bill actual labor and overhead rates for the employees working on this project. The United States contends that it has certain civil claims against HNTB arising from HNTB's billing under the Contract during the period December 5, 2012 through July 28, 2017. This conduct included HNTB overbilling Amtrak by not adjusting its overhead rates in subsequent contract years to match actual overhead rates. Instead, HNTB continued to bill overhead at a maximum rate listed in the Contract.

"Our Office is dedicated to helping Amtrak and our other federal partners maintain the integrity of their contracts," said U. S. Attorney McSwain. "The excellent work of the Amtrak Office of Inspector General laid the groundwork for a fair and speedy resolution of this matter and reinforces the duty of contractors to ensure compliance with the terms of their federal contracts."

"We remain committed to investigating any case where there are credible indicators of a contractor overbilling Amtrak," said Tom Howard, Amtrak Inspector General. "This settlement is indicative of that commitment and was the result of hard work by dedicated staff coupled with seamless collaboration with the U.S. Attorney's Office."

Amtrak's Office of Inspector General initiated an investigation after discovering discrepancies in HNTB's billing during a review of select Amtrak contracts. Assistant United States Attorney Colin Cherico and Auditor Dawn Wiggins supported the OIG's investigation and handled the settlement for the United States Attorney's Office for the Eastern District of Pennsylvania.

The claims settled by this settlement agreement are allegations only and there has been no determination of liability.

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### **Component(s):**

USAO - Pennsylvania, Eastern

Updated March 1, 2019