August 16, 2005

Bechtel Corporation
Attn: General Counsel’s Office
50 Beale Street
San Francisco, CA 94105-1895

Dear General Counsel of Bechtel Corp.:

The Project On Government Oversight (POGO) is overhauling and renewing its Federal Contractor Misconduct Database (www.pogo.org/db/index.cfm), a compilation of information from public resources regarding government contractors, including Bechtel. I have enclosed the findings relevant to Bechtel and am requesting verification or refutation of the data from you.

Any response would be greatly appreciated, as the accuracy of this information is in the best interest of all parties. Out of fairness to Bechtel, please be assured that any response received by POGO will be posted on the website along with the data.

Changes to the database include: the addition of more current instances, removal of Superfund cleanup costs, and removal of information that could not be verified with official documents. Additionally, pending cases will still be included, but this information will be kept separate from the resolved cases and will not be included in any totals.

If you have any questions, I can be reached at (202) 347-1122. Thank you for your time and consideration.

Sincerely,

Kevin L. Phelps
Project Director

Enclosure
Instances of Misconduct

   Date: 3/1/1997
   Misconduct Type: Labor
   Contracting Party: N/A
   Court Type: Civil
   Amount: $1,347,975
   Disposition: Judgment Against Defendant
   Synopsis:
   In this age discrimination case, the plaintiff “had been with Bechtel for 27 years when management reorganized his department and selected a 30 year old male as the new supervisor. Not long after, based on Keiffer's reduced workload and high salary, Bechtel terminated him as part of a reduction in force.”
   Documents to include:
   http://www.sfgate.com/cgi-bin/article.cgi?f=/c/a/1997/03/01/BU67279.DTL&hw=keiffer+bechtel&sn=001&sc=1000

2. Case Name: N/A
   Date: 10/29/2001
   Misconduct Type: Environment
   Contracting Party: N/A
   Court Type: Administrative
   Amount: $30,383.50
   Disposition: Fine
   Synopsis:
   Bechtel was fined for violations of federal asbestos and CFC emission laws at the Idaho National Engineering and Environmental Laboratory. “EPA found that at various times from June 15, 1997, to July 1, 2000, no records were kept of what service was performed and how much refrigerant was added to comfort cooling systems at the Idaho Nuclear Technical and Engineering Center (INTEC) at INEEL. In addition, EPA found that comfort cooling systems with annualized leak rates greater than 15% were not repaired within 30 days.”
   Documents to include:
   http://yosemite.epa.gov/r10/homepage.nsf/bcd405ea472282c08825674a0067c667/98ca6619d4940bc588256af40078d593!OpenDocument
3.
Case Name: N/A
Date: 5/19/2000
Misconduct Type: Environment
Contracting Party: N/A
Court Type: Administrative
Amount: $82,500
Disposition: Fine
Synopsis:
In violation of EPA safety procedures, “workers [at the 105B Transfer Bay] unwrapped a highly contaminated Filter Press without utilizing appropriate engineering and/or administrative controls. As a result, an Airborne Radioactivity Area was created which was not adequately recognized, posted, or controlled.”

Documents to include:

4.
Case Name: N/A
Date: 1/20/2004
Misconduct Type: Environment
Contracting Party: N/A
Court Type: Administrative
Amount: $41,250
Disposition: Fine
Synopsis:
Bechtel BWXT was fined for... “noncompliances associated with the July 17, 2003, waste stack-toppling event at the Subsurface Disposal Area (SDA). During the event, a column of low-level radioactive waste containers toppled over, with several coming to rest on the forklift being used to stack the waste. In addition to the potential radiological consequences of the event, the event had serious occupational safety implications and constituted a “near-miss.”

Documents to include:
http://www.energy.gov/engine/content.do?PUBLIC_ID=14820&BT_CODE=PR_PRESSRELEASE&TT_CODE=PRESSRELEASE

5.
Case Name: N/A
Date: 11/10/2003
Misconduct Type: Environment
Contracting Party: N/A
Court Type: Administrative
Amount: $192,500
Disposition: Fine
Synopsis:
Bechtel Jacobs was fined for nuclear safety violations of the Price-Anderson Amendments Act (PAAA) Quality Assurance Rule (10 CFR 830.122). These violations include:
1. radioactive material inventory control deficiencies in the waste storage facilities,
2. weaknesses in the BJC software quality assurance program,
3. failure to correct long-standing problems with maintaining differential pressure at some of the Isotope Circle Facilities,
4. failure to identify in a timely manner the unanalyzed storage of radioactive waste containers near nuclear facilities, and
5. inadequacies in the ultrasonic testing measurements of cylinders.
Documents to include:

6.
Date: 1/22/2003 Date of Settlement
Misconduct Type: Labor
Contracting Party: N/A
Court Type: Administrative
Amount:
270 days of personal leave, confirmation of plaintiff as a Project Planner, reimbursement for out of his out-of-pocket expenses, travel, and 80 hours of time attending trial and depositions, plus attorney fees.
Disposition: Settlement
Synopsis:
Bechtel Babcock and Wilcox settled a case that alleged retaliation against a worker who complained of hazardous working conditions at INEEL. Clint Jensen “raised concerns that he was exposed to Depleted Uranium and other substances at work that may have caused his own Gulf War Syndrome-like symptoms. He suggested that the Industrial Hygiene program was deficient, that he had been ordered to burn substances other than DU in the oxidation oven – in violation of the oven’s permit, and that his uranium exposure levels soared after he looked down to find himself standing in DU-laden water…. Rather than truly investigating Mr. Jensen’s concerns or compensating him for his illness, his employer attempted to silence him and keep him out of the workplace.”
Documents to include:
http://ens-newswire.com/ens/nov2002/2002-11-26-09.asp#anchor4
http://www.oalj.dol.gov/public/wblower/decsn/00tsc04a.htm

7.
Date: 12/8/2004
Misconduct Type: Labor
Contracting Party: N/A
Court Type: Civil
Amount: $90,000
Disposition: Settlement
Synopsis:
“The Philadelphia District Office filed a Title VII lawsuit alleging that Bechtel, an international construction company, subjected charging party to a hostile work environment and discriminatory terms and conditions of employment because of his Iraqi national origin, and discharged him because of his national origin. Defendant hired charging party into a Site Acquisition Specialist position in June 2001 and he worked at construction projects in Illinois, Massachusetts, New Jersey, and New York. The Commission alleged that following the September 11, 2001, terrorist attacks charging party was harassed by coworkers (including physical attacks and offensive and degrading comments about his national origin), excluded from meetings, isolated, and denied work assignments. Charging party's complaints were ignored and he was discharged in June 2002.”

Documents to include:
http://www.eeoc.gov/litigation/settlements/settlement12-04.html

8.
Case Name: N/A
Date: 11/15/1999
Misconduct Type: Environment
Contracting Party: Government Civilian
Court Type: Administrative
Amount: $90,000
Disposition: Fine
Synopsis:
Bechtel paid a fine for violating New Hampshire’s wetlands and water quality laws in the construction of a gas pipeline. “PNGTS began building the 68-mile-long gas pipeline through Coos County in the spring of 1998, with Bechtel acting as general contractor for the project. During construction, DES inspectors discovered many violations of state environmental laws and permit conditions, mostly involving the discharge of sediment into streams and wetlands. Sedimentation and turbidity impair water quality and can damage fish and wildlife habitat as well as wetlands vegetation.”

Documents to include:

9.
Case Name: N/A
Date: 1/23/1996
Misconduct Type: Environment
Contracting Party: N/A
Court Type: Administrative
Amount: $5,000
Disposition: Fine
Synopsis:
Bechtel and the DOE were fined by the Washington Department of Ecology for hazardous waste violations. “The U.S. Department of Energy and a Hanford contractor have been fined $5,000 for hazardous waste violations including an incident when pressure built up inside a drum resulting in the drum lid popping into the air, narrowly missing workers. The violations by Energy and Bechtel Hanford Inc. were based on Washington Department of Ecology inspections last fall of cleanup involving the four 183-H Solar Evaporation Basins, located along the southern shore of the Columbia River in the Hanford Site's north-central area.”


Pending

1. Case Name: N/A
   Date: 3/2005
   Misconduct Type: Government Contract Fraud
   Contracting Party: Government Civilian
   Court Type: N/A
   Amount: N/A
   Disposition: Pending
   Synopsis:
Bechtel/ Parsons Brinckerhoff’s construction work on the Boston Central Artery/ Tunnel Project (aka the “Big Dig) has been the subject of 11 Massachusetts Inspector General investigations over the past several years. The investigations focus on faulty waterproofing, poor design, paving, and many other examples of construction mismanagement that have increased the cost of the project.

Documents to include:
http://www.mass.gov/ig/publ/catair.pdf
http://www.mass.gov/ig/publ/catwater.pdf
http://www.mass.gov/ig/publ/catpave.pdf
These 3 are the most recent reports—to find the others, go to the MA IG publications page: http://www.mass.gov/ig/igpubl.htm