WHISTLEBLOWER DR. WALTER TAMOSAITIS SETTLES CASE AGAINST HANFORD CONTRACTOR URS FOR $4.1 MILLION

by Jack Sheridan on Wednesday, August 12th, 2015

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Richland, WA

Today Dr. Walter Tamosaitis agreed to a settlement of his federal whistleblower retaliation lawsuit against Hanford contractor URS for $4.1 million dollars. The settlement comes almost one year before the case was set for a jury trial in federal district court in Richland, WA.

Jack Sheridan, the Seattle attorney representing Dr. Tamosaitis, said, “We are very pleased that Walter can get on with his life after five years of litigation, and that he has been vindicated. This settlement sends a message to whistleblowers everywhere that integrity and truth are worth fighting for, and that you can win if you don’t give up.”

In 2010, Dr. Tamosaitis filed an administrative complaint with the U.S. Department of Labor (“DOL”) under the whistleblower provisions of the Energy Reorganization Act (“ERA”), an act designed by Congress to provide protection to whistleblowers working at federal nuclear facilities. Under the ERA, if DOL has not resolved the complaint within one year, the whistleblower can file the case in federal district court. Since DOL took no action on his case, Dr. Tamosaitis filed a federal complaint in 2011. In the complaint he alleged the following:

In the summer of 2010, Dr. Tamosaitis, a URS employee, was a lead engineer working at the Hanford Waste Treatment Plant (“WTP”). The purpose of the WTP is to turn the toxic and radioactive sludge stored in the more than 100 tanks at
Hanford, into glass rods, which can be safely stored. Dr. Tamosaitis and his research team were charged with trying to figure out how to keep the sludge mixed so it could be pumped into the WTP processors, which were under construction. Bechtel and URS were to receive and split a $6 million bonus if the mixing issue was resolved by the end of July 2010. As the deadline approached, Dr. Tamosaitis opposed Bechtel’s claims that mixing issues regarding the sludge had been resolved. Within a few days after voicing his opposition, he was removed from his management position at Hanford, escorted off the property, and assigned to a basement office at URS performing no meaningful work for fifteen months. He was only transferred to an aboveground office after testifying before Congress, but still he was given no meaningful work. In 2013, he was laid off for “lack of work.”

The case was assigned to Federal District Court Judge Lonny Suko. Judge Suko dismissed the case before trial finding that there was insufficient evidence to support Dr. Tamosaitis’ whistleblower retaliation claim since URS, as a subcontractor, was only doing what Bechtel, the prime contractor told them to do. He also found that Dr. Tamosaitis could not have his case heard by a jury under the ERA, because he found that the ERA did not provide for a jury trial.

In November of 2014, the 9th Circuit Court of Appeals overruled Judge Suko and found, “there is plenty of evidence that Bechtel encouraged URS E&C to remove Tamosaitis from the WTP site because of his whistleblowing, that URS E&C knew that Tamosaitis’ whistleblowing motivated Bechtel, and that URS E&C carried out the removal.”

In remanding the case back to the trial court, the 9th Circuit held that a reasonable jury could find, “that URS E&C ratified Bechtel’s retaliation by transferring Tamosaitis, despite knowledge of Bechtel’s retaliatory motive. Equally supported is the reasonable inference that URS E&C could have refused to carry out Tamosaitis’ removal but failed to do so.” This is a landmark case, because it extends potential liability to subcontractors who sanction retaliation by the prime contractor.

In ruling in Dr. Tamosaitis’ favor, the 9th Circuit also overturned Judge Suko’s holding that whistleblowers like Dr. Tamosaitis, who sue under the ERA, are not entitled to a jury. The 9th Circuit’s ruling definitively says that ERA whistleblowers are entitled to a jury.

After the 9th Circuit sent the case back to Judge Suko, he set it for a jury trial in July 2016. In 2014, AECOM acquired URS, and according to Sheridan, AECOM managers have driven the settlement negotiations, which have taken place over the last several months. The settlement agreement signed by the parties does not admit liability.

Tom Carpenter, Director of Hanford Challenge, a public interest group that helps whistleblowers from Hanford, commented, “This is great news for Walt and great news for the public. Walt is a hero who staked his career to raise nuclear safety issues that could have resulted in a catastrophe down the road. His issues were investigated and validated, and those safety issues are being scrutinized and corrected. This settlement brings justice to Walt, and is a necessary step in the quest to address a broken safety culture at Hanford that has historically punished employees for bringing forward concerns.”

See appeals page for copies of other relevant documents.

Tamosaitis Amended opinion v1

Click here to see URS signed settlement agreement

Click here to see Tamosaitis signature on settlement agreement

Click her to see 2015 amended complaint--not filed owing to settlement

Click here to see LA Times article

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