

Department of Justice

U.S. Attorney's Office

District of Connecticut

FOR IMMEDIATE RELEASE

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Virginia Company Pays \$137,500 to Resolve False Claims Act Allegations

Vanessa Roberts Avery, United States Attorney for the District of Connecticut, and Christopher Scharf, Special Agent-in-Charge, U.S. Department of Transportation – Office of Inspector General, Northeastern Region, today announced that McClain & Company, Inc. (“McClain”) has entered into a civil settlement agreement with the government and has paid \$137,500 to resolve allegations that it paid a third party to falsify certificates of inspection for vehicles used to inspect bridges and, after a Connecticut workplace fatality involving a McClain under bridge inspection (“UBI”) vehicle, provided the false inspection certificates for that vehicle to the Occupational Safety and Health Administration (“OSHA”) during the resulting investigation.

McClain, based in Culpeper, Virginia, rents and leases bridge access equipment to engineering companies and government agencies for use on bridge inspection and bridge maintenance projects. As part of its business, McClain provided UBI vehicles to various state departments of transportation and bridge inspection engineering firms under federal aid contracts funded in part by the U.S. Department of Transportation, including multiple contracts with the Connecticut Department of Transportation.

The government contends that, between January 2012 and January 2015, McClain paid Virginia-based Martin Enterprize, Inc. (“MEI”) to create 123 certificates of inspection falsely certifying that MEI had inspected the UBI vehicles in McClain’s fleet when, in fact, McClain knew that the UBI vehicles had not been inspected by a neutral third party. In addition, after OSHA opened a workplace fatality investigation into the death of one of McClain’s employees who had been operating a McClain UBI vehicle in Connecticut, McClain sent OSHA false certificates of inspection for the UBI vehicle that had been involved in the workplace fatality.

As part of its civil settlement agreement with the government, McClain has paid \$137,500.

“This settlement resolves allegations that a government contractor not only took shortcuts that put its own employees at risk, but it attempted to thwart a proper federal investigation of a workplace fatality involving its equipment,” said U.S. Attorney Avery. “This is unacceptable. Businesses and individuals who receive federal funds and then engage in such misconduct face both criminal and civil penalties.”

Since July 2019, McClain has been under an Interim Administrative Settlement and Compliance Agreement with the Federal Highway Administration.

In related criminal proceedings, McClain, McClain employee Kenneth Mix, and Carol “Casey” Smith, who was the president of MEI, each pleaded guilty to federal charges related to their conduct in this matter.

“The settlement announced today demonstrates our commitment to working with our law enforcement and prosecutorial colleagues to protect the integrity of Federal-aid programs,” said Christopher Scharf, Special Agent-in-Charge, U.S. Department of Transportation – Office of Inspector General, Northeastern Region. “Having a safe workplace is equally as important as

shielding taxpayer funds from fraud, waste, and abuse as we go about the business of building and maintaining the Nation's infrastructure.”

This investigation was conducted by the U.S. Department of Transportation – Office of Inspector General and the U.S. Department of Labor – Office of Inspector General. This matter was handled by Assistant U.S. Attorney Sarah Gruber, with the assistance of Auditor Susan N. Spiegel.

Topic(s):
False Claims Act

Component(s):
[USAO - Connecticut](#)