



*United States Attorney
Southern District of New York*

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CONTACT: U.S. ATTORNEY'S OFFICE
HERBERT HADAD,
YUSILL SCRIBNER,
REBEKAH CARMICHAEL,
JANICE OH
PUBLIC INFORMATION OFFICE
(914) 993-1900,
(212) 637-2600

**MIDDLETOWN SAFETY CONSULTING FIRM AND PRESIDENT
SENTENCED IN WHITE PLAINS FEDERAL COURT FOR CONSPIRING
TO FRAUD NEW YORK CITY DEPARTMENT OF ENVIRONMENTAL
PROTECTION AND U.S. ARMY CORPS OF ENGINEERS**

PREET BHARARA, the United States Attorney for the Southern District of New York, announced that JOSEPH MAZZURCO, 56, the President and part-owner of IMS Safety, Inc. ("IMS"), was sentenced yesterday to three years in prison for participating in a conspiracy to defraud the New York City Department of Environmental Protection ("DEP") and the United States Army Corps of Engineers. United States District Judge KENNETH M. KARAS, who imposed MAZZURCO's sentence, ordered IMS to serve a five-year term of probation and pay a fine of \$500,000. Judge KARAS also ordered MAZZURCO and IMS each to pay \$1,117,765 in restitution (representing \$1,035,000 to DEP and \$82,765 to the Army Corp of Engineers) and forfeiture of \$1,117,765.

According to the Information to which IMS and MAZZURCO pleaded guilty on June 8, 2009, and statements made during the guilty plea and sentencing proceedings:

**Scheme To Defraud The New York City
Department Of Environmental Protection**

IMS, which represented itself to be a firm specializing in regulatory compliance in the area of worker health and safety, was hired by DEP contractors to provide safety oversight at DEP construction sites. Safety oversight required by DEP contracts included requirements that safety oversight personnel be trained in rules and regulations relating to worker safety and be experienced in the construction industry and in construction safety.

Despite these regulations, however, from approximately 2006 through January 2008, IMS, MAZZURCO, and others engaged in a scheme in which they made false representations to DEP regarding the experience and training of IMS employees so that the employees' appointments to safety oversight positions would be approved. The false representations included those concerning employees' experience in the construction industry and with construction safety, and concerning employees' training on rules and regulations relating to worker health and safety.

As a result of the fraud, DEP paid over \$1 million for jobs performed by IMS employees about whom false representations had been made.

Scheme To Defraud The U.S. Army Corps Of Engineers

In addition, in 2004, IMS and MAZZURCO engaged in a scheme to defraud the U.S. Army Corps of Engineers by misrepresenting the qualifications of an IMS employee (the "Employee") assigned to provide safety oversight at a construction project located at the United States Military Academy in West Point, New York. IMS and MAZZURCO submitted invoices to obtain payment for the Employee's purported safety oversight. Based on those invoices, the Army Corps of Engineers paid over \$82,000.

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On July 8, 2009, in a related case, United States District Judge STEPHEN ROBINSON sentenced JOHN MEYER, a Vice President of IMS, to two years in prison for his participation in the conspiracy to defraud DEP. On September 9, 2009, Judge ROBINSON sentenced CHRISTOPHER ROTANTE, another Vice President of IMS, to one year and one day in prison for his participation in the conspiracy to defraud DEP.

Mr. BHARARA praised the efforts of the United States Environmental Protection Agency's Criminal Investigation Division, the United States Department of Labor Office of Inspector General, the New York City Department of Investigation, and the United States Department of Defense Criminal Investigative Service in connection with this investigation. Mr. BHARARA thanked the New York State Department of Health and the New York State Department of Labor for their assistance in the investigation.

Assistant United States Attorneys ANNE C. RYAN and MARCIA S. COHEN are in charge of the prosecution.

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