



Former MTA manager pleads guilty to charges in construction bid-rigging case, could face prison time, ConstructionDive, ft. Erik Ortmann

Erik Ortmann, partner and vice chair of the KD Construction Law practice group, was quoted in an article written by Kim Slowey for ConstructionDive - March 18, 2020.

In January, the MTA's new inspector general, Carolyn Pokorny, along with the Manhattan Attorney General's Office, announced that a former Metro-North Railroad contract manager had been charged with bid-rigging and other fraudulent activity in connection with contract awards for the Metro-North commuter rail system. The investigation also resulted in the indictments of two private-sector executives.

Pokorny has been given the duty of rooting out fraud and inefficiencies at the MTA, but according to attorney Erik Ortmann, vice-chair of the construction law practice at Kaufman Dolowich Voluck LLP in New York, it will take some time to determine how effective these types of prosecutions are in reducing overall corruption in the MTA procurement process. Until then, it looks like they're moving in the right direction.

"In this case," Ortmann said, "the MTA-OIG was able to successfully identify fraud in what might have otherwise been an 'under the radar' subcontract, and they effectively collaborated with the DOT-OIG and U.S. Attorney's Office in the criminal prosecution."

Investigative and prosecutorial actions like these, he said, are important to the MTA's effort to reduce waste, but it is still unclear as to how much in savings these targeted efforts will net when compared to the measures laid out in the MTA's Transformation Plan, which speaks to bigger waste issues that the MTA is trying to address.