



The City of New York
Department of Investigation

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Release # 37-2004
nyc.gov/html/doi

FOR IMMEDIATE RELEASE
MONDAY, JUNE 28, 2004

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DOI ARRESTS PHONY "EXPERT WITNESS"

--Man claimed to be a "professional engineer" and billed NYCHA \$22K for his services--

ROSE GILL HEARN, Commissioner of the Department of Investigation (DOI), announced today the arrest of a purported professional engineer who was hired by the New York City Housing Authority ("NYCHA") to serve as an expert witness in a civil lawsuit involving an apartment fire in one of their buildings in the Bronx.

MICHAEL NEWMAN, 67, of Woodcliff Lake, NJ has been charged with Grand Larceny in the Third Degree, Attempted Grand Larceny in the Third Degree and Offering a False Instrument for Filing in the First Degree and Second Degree. If convicted, he faces up to seven years in prison.

To defend itself in a civil lawsuit filed after a 1999 fire in the Bronx, NYCHA hired outside counsel, who, in turn, sought an expert on matters related to electrical engineering and the NYC Building Code. NYCHA's outside counsel consulted "The Blue Book of Building and Construction," a trade book in which companies and/or individuals in that field register and list their particular expertise. Outside counsel requested a resume and interviewed NEWMAN, who said he was the Managing Partner of Dunn, McNeil and Ramsay, Inc., ("DMR") and that DMR was a functioning consulting firm of engineers with a suite at Two Pennsylvania Plaza in Manhattan. He also said he was a Professional Engineer licensed in the State of New York and New Jersey and required a \$5,000 retainer fee. Outside counsel recommended NYCHA hire and pay NEWMAN a \$5,000 retainer for his expert opinion on matters related to electrical engineering and the NYC Building Code.

DOI's investigation began when NYCHA reported that NEWMAN, an engineer hired to help the agency defend itself in a civil lawsuit, had misrepresented his skills. Investigators at DOI discovered that NEWMAN is not an engineer, DMR is defunct and the suite NEWMAN rented in DMR's name consists of nothing more than a mail drop and a telephone answering service. NEWMAN, who returned the retainer to NYCHA once he was exposed as a phony, also tried to collect in excess of \$22,000 from NYCHA when he submitted an invoice for services rendered related to the work he performed as a Professional Engineer/expert witness on this same matter.

Based on NEWMAN's misrepresentations to NYCHA and outside counsel, a *Motion for Summary Judgment* was filed in Bronx County Supreme Court, Civil Division, wherein NEWMAN swore and deposed that he is a "professional engineer licensed in the State of New York and New Jersey." That motion was subsequently withdrawn when NEWMAN's scheme came to light. The lawsuit was settled in May 2004.

Commissioner Rose Gill Hearn said, "Mr. NEWMAN thought he could engineer an easy get-rich scheme at NYCHA's expense. He now faces serious charges for his so-called expertise."

The investigation was conducted by DOI Assistant Commissioner and NYCHA Inspector General Steven A. Pasichow and members of his staff, including Counsel to the Inspector General Judith Abruzzo and Deputy Counsel to the Inspector General Karen

Cohen. The Office of Robert T. Johnson, District Attorney, Bronx County, is prosecuting the matter. Assistant District Attorney Bert Oberlander is handling the matter under the supervision of Assistant District Attorney Richard O. Baker, Chief of the Arson, Auto, Economic Crime Unit.

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Criminal complaints are merely an accusation. Defendants are presumed innocent until proven guilty.

DOI is one of the oldest law-enforcement agencies in the country. The agency investigates and refers for prosecution City employees and contractors engaged in corrupt or fraudulent activities or unethical conduct. Investigations may involve any agency, officer, elected official or employee of the City, as well as those who do business with or receive benefits from the City.

***Get the worms out of the Big Apple.
To report someone ripping off the city, call 311 or DOI directly at (212) 825-5959.***