



U.S. Department of Justice

*United States Attorney
Eastern District of New York*

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FOR IMMEDIATE RELEASE

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PRESS RELEASE

**DIRECTOR OF MOVABLE BRIDGES DIVISION OF NEW YORK CITY DEPARTMENT OF
TRANSPORTATION SENTENCED FOR HIS ROLE IN BRIBERY SCHEME**

***Defendant Rigged Settlement of Multi-Million Dollar Claim
Involving Reconstruction of Third Avenue Bridge***

BALRAM CHANDIRAMANI, also known as "Balu," the Director of Movable Bridges for the New York City Department of Transportation (NYC/DOT), was sentenced today to one year and a day imprisonment, two years of supervised release, and a fine of \$12,500 for his participation in a \$525,000 bribery scheme involving the reconstruction of the Third Avenue Bridge. CHANDIRAMANI pleaded guilty to the charge on March 24, 2008. The sentencing proceeding was held earlier today before United States District Judge Eric N. Vitaliano.

In 2001, the NYC/DOT contracted with a general contracting corporation ("the contracting corporation") for the reconstruction of the Third Avenue Bridge, a movable bridge located at 129th Street and Third Avenue. Work on the bridge began in 2001 and was completed in November 2006. In March 2007, the corporation submitted a claim for \$16,500,000 to the New York City Office of the Comptroller, arising from contract disputes it had with the NYC/DOT. Although the claim was submitted to the Comptroller's Office, the parties were still authorized to negotiate a settlement, subject to the approval of the Commissioner of NYC/DOT.

During a series of meetings beginning in late 2006, an executive of the contracting corporation and CHANDIRAMANI agreed that the executive would pay CHANDIRAMANI an amount equal to 10 % of any settlement amount exceeding \$2,500,000 – which CHANDIRAMANI represented was the highest amount that the corporation would likely receive if the claim was resolved by the Comptroller. CHANDIRAMANI also promised that he could work behind the scenes and guarantee a negotiated settlement of between \$6.5 million and \$6.6 million, in exchange for a bribery payment in excess of \$525,000. To ensure a settlement favorable to the corporation, CHANDIRAMANI gave the executive details about the City's negotiating position and coached the executive on how to handle the upcoming settlement

negotiations. During the course of the scheme, CHANDIRAMANI accepted two cash payoffs totaling \$60,000.

United States Attorney Benton J. Campbell thanked the United States Department of Transportation, Office of Inspector General; the United States Department of Labor, Office of Inspector General; The Port Authority of New York and New Jersey, Office of Inspector General; and the New York City Department of Investigation, the agencies responsible for leading the government's investigation.

The government's case was prosecuted by Assistant United States Attorney Sarah Coyne.

The Defendant:

BALRAM CHANDIRAMANI

Age: 65