Phil Weiser COLORADO ATTORNEY GENERAL

FILE A COMPLAINT

Mortenson Company agrees to pay \$650,000 to Attorney General's Office, build a COVID-19 related project in Colorado Convention Center bid-rigging settlement

April 13, 2020 (DENVER, Colo.)— Attorney General Phil Weiser today announced an agreement with Mortenson Company and several individual employees to settle an investigation involving their alleged role in a bid-rigging scheme related to the City and County of Denver's plans to upgrade and expand the Colorado Convention Center.

For more than a year, the Office of the Attorney General has investigated whether Mortenson violated the Colorado Antitrust Act when it competed to become the general contractor of the convention center expansion project. The investigation uncovered strong evidence that employees from Mortenson and Trammell Crow, the City's program manager, exchanged non-public and confidential information about the project and procurement process that was not shared with other prospective bidders.

Weiser said the communications between Trammell Crow and Mortenson unfairly benefited Mortenson and disrupted the procurement process, violating the Colorado Antitrust Act.

expansion project. This egregious behavior caused Denver officials to cancel the procurement process and delay the project at significant cost to the City and to the residents of Colorado," said Weiser. "Today's announcement shows we will hold accountable those companies and individuals that undermine the competitive bidding process when they bid for public construction projects and put millions of taxpayer dollars at risk. The silver lining is Coloradans will benefit from additional resources to respond to needs we have from the COVID-19 pandemic in our state."

Denver Mayor Michael Hancock applauded the Attorney General's announcement. "The integrity of our procurement process is critical to ensuring the public's trust that their tax dollars are being invested in a manner that is completely above board and for the public's benefit. When companies attempt to circumvent that trust, it's in the people's interest that they be held accountable. This agreement not only secures our process and creates opportunities for our local women- and minority-owned businesses, it will also support our entire community during this public health crisis. On behalf of the city and our residents, I want to thank Attorney General Weiser and his team for their dedication in reaching a resolution in this investigation."

Under the agreement, Mortenson will pay \$650,000 to the Colorado Department of Law and will donate construction services for a project in the state related to needs that have arisen from the COVID-19 public health emergency. The construction project will be for a value of no less than \$650,000, and Mortenson will pay all of its own costs of service and construction costs, including building materials and costs of any subcontractor and design services contracted to complete the project. The State of Colorado, the Attorney General, or the City and County of Denver will not be responsible for any of these project costs.

The settlement also requires Mortenson to establish a comprehensive, internal compliance program and disclose the existence of the agreement when it bids on any public construction projects in Colorado for a period of two years.

The officers and employees of the company implicated in the alleged convention center bid-rigging scheme will be actively involved in the management and work of the COVID-19 project. Additionally, the settlement requires the officers and employees to do the following:

- Make a presentation on ethics and antitrust compliance issues related to public projects to a large construction conference within a year of the effective date of the agreement.
- Make an annual presentation on ethics and lessons learned from the convention center expansion project at a four-year college or university in Colorado as part of an ethics, corporate social responsibility, or business management program or class.
- Enroll and complete the Certificate in Corporate Social Responsibility offered by the University Of Colorado Leeds School Of Business within two years.

policies in Colorado to encourage Minority and Women-Owned Business Enterprises to work with Mortenson on public projects in Colorado, which includes hosting an informational open house or forum for these businesses to learn about maximizing opportunities in public projects. Each of the officers and employees of the company implicated in the alleged convention center bid-rigging scheme must participate in this forum and in related training.

This agreement fully resolves all of the civil and criminal disputes between the Office of the Attorney General and Mortenson. The office's investigation into Trammell Crow and its representative for the convention center expansion project is ongoing.

Attorneys in the Consumer Protection Division and the Criminal Justice Division of the Colorado Department of Law investigated the matter and advised the Attorney General on the settlement.

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