Trammell Crow agrees to pay $250,000 to Attorney General’s Office, make compliance and ethics reforms in Colorado Convention Center bid-rigging investigation

April 29, 2020 (DENVER, Colo.)— Trammell Crow will pay $250,000 to the Colorado Office of the Attorney General and make corporate compliance and ethics reforms to settle an investigation into its alleged role in the Colorado Convention Center expansion project bid-rigging scheme.

For more than a year, the Office of the Attorney General has investigated whether Trammell Crow, acting as the City and County of Denver’s program manager for the expansion project, and its former employee, Michael Sullivan, improperly exchanged confidential information about the project and procurement process with Mortenson Company that they did not share with other prospective bidders.

From the investigation, the Attorney General’s Office found evidence that Trammell Crow’s former employee, Sullivan, sought Mortenson’s help on certain aspects of the procurement related to his work for the city, including the estimations for the preliminary design and interview questions. After Mortenson responded to Sullivan’s requests, he used the Mortenson analyses and
responding to Sullivan’s requests. Sullivan in return shared confidential information with Mortenson related to the procurement that other prospective bidders did not receive.

The Attorney General said that by giving Mortenson preferential treatment—and then benefitting from Mortenson’s work—Trammell Crow and Sullivan compromised the fairness of the bidding process and violated the Colorado Antitrust Act.

“The actions of Trammell Crow’s former employee, Michael Sullivan, substantially undermined the integrity of the city’s procurement process at a significant cost to the city and Colorado residents. By sharing confidential information related to the convention center expansion with Mortenson, Sullivan sought to personally benefit from Mortenson’s assistance, which gave Mortenson an unfair advantage over its competitors. We are pleased that Trammell Crow has taken ownership for the actions of its former employee, and the settlement takes into account the company’s early cooperation in our investigation,” said Weiser.

The settlement requires Trammell Crow to establish a comprehensive, internal compliance program and must forward complaints to the Attorney General. Trammell Crow must also disclose the agreement to any Colorado governmental or public entity that asks for or requests information relating to whether the company has ever been investigated by or entered a settlement with a Colorado government entity.

Additionally, the settlement requires Trammell Crow to make an annual presentation over the next three years on lessons learned in ethics and compliance issues at the University of Colorado Leeds School of Business, Colorado State University School of Construction Management, or a conference or program sponsored by the Colorado Association of General Contractors (AGC). At least one presentation must be made to the AGC during the three-year period that the agreement is in effect.

The agreement also requires Trammell Crow to continue to support minority and women business programs as part of its ongoing commitment to ensure that minority-owned and women-owned businesses are treated fairly and have every opportunity to bid for public projects.

This agreement fully resolves all civil and criminal disputes between the Office of the Attorney General and Trammell Crow. Under the settlement, Trammell Crow must cooperate fully with the Attorney General on any ongoing legal proceeding related to the convention center bid-rigging scheme. The office’s investigation into Michael Sullivan’s conduct is ongoing.

This is the second settlement that the Attorney General has announced in the convention center bid-rigging scheme. Earlier this month, Mortenson agreed to pay $650,000 to the Office of the Attorney General, and to donate at least $650,000 in construction services for a project in the state related to needs that have arisen from the COVID-19 public health emergency. The Attorney General and Mortenson are still in the process of selecting a construction project.
“The Colorado Convention Center is one of our most important public assets and the center point of one our most critical industries. When we look to improve these public assets, the integrity of the city’s procurement process is vital, and my administration and the people of Denver have an expectation that we conduct this business in a way that upholds the public’s trust and benefits our residents and our community. This is about accountability, and I want to thank Attorney General Weiser and his office for working diligently to not only support Denver’s procurement process but reach a settlement that continues to support our local M/WBE businesses,” Mayor Hancock said.

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.

###

Contact: Lawrence Pacheco
Director of Communications
Mobile: (720) 245-4689
lawrence.pacheco@coag.gov

Most Recent

**Attorney General Phil Weiser vows to defend Colorado campus sex assault policies from weaker federal mandate**

May 6, 2020 (DENVER, Colo.)— Attorney General Phil Weiser today released the following statement opposing the U.S. Department of Education’s new policies for how colleges and universities handle sexual assault and harassment under Title IX of the Education Amendments.