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FAA worker indicted on fraud charges

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P-I STAFF AND NEWS SERVICES

A man in charge of issuing contracts for the Federal Aviation Administration was indicted on fraud charges by a federal grand jury Friday for conspiring to unfairly award a multimillion-dollar contract at Sea-Tac Airport.

Robert Ferrell, 47, of Renton is on administrative leave from the FAA and will be arraigned on the charges next week.

The case revolves around the agency's award of a \$4.3 million contract to install a high-intensity approach lighting system at the airport to PCL Construction Services and not Donald B. Murphy Contractors, despite the fact Murphy had submitted the lowest bid.

After being approved by the FAA as able to do the work, the two companies submitted bids for the project. Murphy submitted the lowest bid for the job and on June 10, 2002, the FAA prepared a memo that would announce Murphy as the winner of the contract.

But two days later, according to the indictment, Ferrell removed the contracting officer from the project and appointed himself to the position. Ferrell then told PCL it needed to lower its bid by \$55,000 to win the contract. Murphy was not told of this arrangement. PCL then submitted a new bid of \$4.2 million and Ferrell falsified documents so the FAA could accept the lower number, the indictment says.

Ferrell's alleged co-conspirator, Vicki Lynn Olson, 51, of Kent pleaded guilty in U.S. District Court last week. She helped remove the original contracting officer and now faces up to 10 years in prison and a \$250,000 fine.

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