

Department of Justice
U.S. Attorney's Office
District of Idaho

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Virginia Businessman Pleads Guilty to Bribery of FBI Official

Robert Bailey Paid \$128,128 in Exchange for Help with FBI Contracts

POCATELLO – Robert Bailey, 63, of Centreville, Virginia, pleaded guilty to paying a bribe to a public official, U.S. Attorney Bart M. Davis announced today. Bailey pleaded guilty to a one-count criminal information filed in connection with his plea agreement. Sentencing is set for December 16, 2020, before U.S. District Judge B. Lynn Winmill at the federal courthouse in Pocatello.

According to court records, in 2001, Bailey purchased L-1, a construction management and operations company located in Chantilly, Virginia. In 2008, Bailey became a business acquaintance of an FBI employee when they worked together on a FBI construction project. The FBI employee was a Management and Program Analyst with the United States Department of Justice, Federal Bureau of Investigation (FBI). In that position, the FBI employee was responsible for managing construction and services contracts for FBI buildings across the country.

According to court records, in 2017, the FBI broke ground on the construction of a data center in Pocatello, Idaho (the Pocatello Data Center project). The Pocatello Data Center project involved construction of a two-building, 140,000 square-foot complex that would accommodate data halls containing computer equipment and office space. The purpose was to consolidate multiple FBI data centers from across the country and improve efficiency and cyber-security. In 2017, the FBI employee became the Contracting Officer Representative (COR) for the Pocatello Data Center project. In that position, the FBI employee had management and oversight responsibilities over the construction of the Pocatello Data Center.

According to court records, in 2016 through 2018, Bailey and L-1 made payments, and gave items of value, to the FBI employee. These payments included 18 deposits totaling \$120,000 into a bank account controlled by the FBI employee. From this account, the FBI employee made payments on a personal loan, home mortgage, car, credit card, and vacation travel costs, among other personal expenditures at retail stores, such as a pair of diamond earrings that cost \$5,300. In addition, Bailey and L-1 provided the following items of value to the FBI employee: a fiftieth birthday party in Dallas,

Texas, including first-class airfare, hotel accommodations, and tickets to a Dallas Cowboys football game; a beach house rental in Nags Head, North Carolina; first-class Amtrak train tickets; invitations to a L-1 company holiday party; and tickets to a Washington Nationals baseball game, among other gratuities. The total value of the payments and gratuities was \$128,128.

According to court records, Bailey and L-1 made these payments, and gave these items of value, to the FBI employee with the intent to influence the FBI employee in performing official acts at FBI to benefit L-1 on the Pocatello Data Center project. These official acts included the following: the FBI employee seeking and receiving authorization for approximately \$16,000 monthly per diem payments from the FBI to Bailey for L-1 employees who stayed at Bailey's house instead of a hotel; the FBI employee soliciting and including Bailey's edits in the statement of work to a \$12.2 million construction and services bridge contract (related to the Pocatello Data Center project) that the FBI later awarded to S-1 (as general contractor) and L-1 (as subcontractor); and the FBI employee convincing his FBI superiors to pay L-1 for its work on the bridge contract at higher Washington, D.C. metropolitan-area labor rates, rather than lower Idaho labor rates.

"Public officials who are responsible for administering government contracts bear a great responsibility to do so fairly and with integrity," U.S. Attorney Davis stated. "Individuals who seek to entice these public officials to reap an unfair advantage in the contracting process will be held accountable and prosecuted to fullest extent of the law."

"Bailey sought to bribe an FBI official – with direct deposits, sports tickets, travel, and gifts – in order to personally benefit from the FBI's contracting process. Bailey, like all others who try to undermine the integrity of government contracting, will be held accountable for his selfish actions," said Douglas B. Bruce, Special Agent in Charge of the Department of Justice Office of the Inspector General Denver Field Office.

The charge of paying a bribe to a public official is punishable by up to 15 years in federal prison, a \$250,000 fine or not more than three times the monetary equivalent of the thing of value, whichever is greater, disqualification from any office of honor, trust, or profit under the United States, and up to three years of supervised release.

This case was investigated by the Department of Justice Office of the Inspector General.

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