



Department of Justice

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TEXAS ROOFING COMPANY CHARGED WITH FRAUD RELATED TO ASBESTOS REMOVAL AT FEDERAL PRISON IN WISCONSIN

MADISON, WIS. - Timothy M. O'Shea, United States Attorney for the Western District of Wisconsin, announced the filing of a criminal information and deferred prosecution agreement on February 7, 2024, charging Brazos Urethane, Inc. Texas City, Texas, with conspiracy to defraud the U.S. Department of Justice, Federal Bureau of Prisons (BOP).

Brazos contracted in 2014 with the BOP to replace roofs on buildings located at the Oxford Federal Correctional Institution (FCI Oxford) located in Oxford, Wisconsin, at a contract price of nearly \$4,000,000. The roofing project involved the abatement of asbestos containing materials that required the use of special removal and disposal procedures to guard against asbestos contamination. As part of the BOP contract, Brazos certified that it would maintain a safe work environment, follow all federal and state laws regarding the removal and disposal of hazardous waste materials, and obtain all necessary permits from the Wisconsin Department of Natural Resources (DNR).

"Brazos dumping hazardous material on a residential property wasn't just dangerous for the community, it was defrauding the United States government. The public can rest assured that the asbestos has been properly removed and disposed of, and that Brazos is being held accountable for its actions," said William J. Hannah, Special Agent in Charge of the Department of Justice Office of the Inspector General Midwest Region.

"The United States requires contractors like Brazos to comply with regulations for the proper removal and disposal of materials containing asbestos," said U.S. Attorney Timothy M. O'Shea of the Western District of Wisconsin. "When contractors fail to comply, they not only defraud the United States, they also endanger their employees and the community." This charge is meant to hold Brazos accountable and deter other contractors from engaging in similar conduct.

Brazos dumped roofing waste materials from the FCI Oxford worksite onto a property he purchased near the prison in early 2015. The roofing waste materials were

subsequently found to contain asbestos by Wisconsin DNR regulators on November 4, 2015, and by Environmental Protection Agency regulators on December 16, 2021. Brazos concealed this illegal dumping from the BOP and Wisconsin DNR, then lied about its cleanup efforts once the company was caught.

In 2022, Brazos was ordered by the Wisconsin DNR to properly and completely clean up the roofing waste. The cleanup project cost Brazos \$480,000, and took three weeks to accomplish.

As part of the deferred prosecution agreement, Brazos agrees to immediately pay a monetary penalty of \$300,000 which represents the amount of money Brazos attempted to save by engaging in the illegal dumping conduct. Brazos also agrees to enter into a three-year corporate compliance program designed to prevent further violations of contract fraud and federal environmental laws. At the end of the three-year program, the charge against Brazos will be dismissed.

The case against Brazos was the result of an investigation conducted by the U.S. Department of Justice, Office of Inspector General. The prosecution of the case was handled by Assistant U.S. Attorney Daniel J. Graber.

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