Justice News

Department of Justice
Office of Public Affairs

FOR IMMEDIATE RELEASE
Monday, April 11, 2022

Former Caltrans Contract Manager Pleads Guilty to Bid Rigging and Bribery

First Guilty Plea in Ongoing Investigation at the California Department of Transportation (Caltrans)

A former contract manager for the California Department of Transportation (Caltrans) pleaded guilty today for his role in a bid-rigging and bribery scheme involving Caltrans improvement and repair contracts.

According to a plea agreement filed today in the U.S. District Court for the Eastern District of California in Sacramento, Choon Foo "Keith" Yong and his co-conspirators engaged in a conspiracy, from early 2015 through late 2019, to thwart the competitive bidding process for Caltrans contracts to ensure that companies controlled by Yong's co-conspirators submitted the winning bid and would be awarded the contract. Yong is also charged with accepting bribes while working for Caltrans, a California state agency that receives significant federal funding. Yong received the bribes in the form of cash payments, wine, furniture and remodeling services on his home. The total value of the payments and benefits Yong received exceeded $800,000. In addition to his guilty plea, Yong agreed to pay restitution and cooperate with the ongoing investigation.

"Today's guilty plea is the first in the Antitrust Division's ongoing investigation into bribery and bid rigging at Caltrans," said Assistant Attorney General Jonathan Kanter of the Justice Department's Antitrust Division. "Given the Infrastructure Investment and Jobs Act's $1.2 trillion authorization and the critical role of transportation infrastructure in our nation, rooting out bid-rigging schemes that cheat the competitive bidding process remains a top priority for the division and its Procurement Collusion Strike Force partners."

Yong received more than $800,000 of bribes in the form of cash payments, wine, furniture, and remodeling services on his home.

Yong is scheduled to be sentenced on Aug. 22 by U.S. District Judge Kimberly J. Mueller. For the bid-rigging conspiracy, Yong faces a maximum statutory penalty of 10 years of incarceration and a fine of up to $1 million or twice the gross pecuniary gain or twice the gross pecuniary loss resulting from the offense. For bribery concerning programs receiving federal funds, Yong faces a maximum statutory penalty of 10 years of incarceration and a fine of up to $250,000 or twice the gross pecuniary gain or twice the gross pecuniary loss resulting from the offense. The actual sentence, however, will be determined at the discretion of the court after consideration of any applicable statutory factors and U.S. Sentencing Guidelines.

Today's guilty plea is the first to result from a joint investigation being conducted by the Antitrust Division's San Francisco office, the U.S. Attorney's Office for the Eastern District of California, and the FBI's Sacramento Field Office as part of the Justice Department's Procurement Collusion Strike Force (PCSF).

In November 2019, the Department of Justice created the Procurement Collusion Strike Force (PCSF), a joint law enforcement effort to combat antitrust crimes and related fraudulent schemes that impact government procurement, grant and program funding at all levels of government – federal, state and local. In fall 2020, the Strike Force expanded its footprint with the launch of PCSF: Global, designed to deter, detect, investigate and prosecute collusive schemes that target government spending outside of the United States. To learn more about the PCSF, or to report information on market allocation, price fixing, bid rigging and other anticompetitive conduct related to defense-related spending.