

# OFFICE OF THE INSPECTOR GENERAL



## INVESTIGATIVE REPORT

### OIG CASE 331

**Issued: June 3, 2025**

*Jon T. Rymer, OIG Inspector General*



## OFFICE OF INSPECTOR GENERAL

### REPORT OF INVESTIGATION

CASE NUMBER: #331

Jon T. Rymer

Inspector General

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### SUBCONTRACTOR PAYMENT/WAGES

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#### EXECUTIVE SUMMARY

The Office of the Inspector General (OIG) was established in 2018 by Maryland law as an independent entity within the Washington Suburban Sanitary Commission (WSSC). Its mission is to promote integrity, accountability, and transparency throughout the Commission's operations. Pursuant to the Maryland Public Utilities Article § 17-604 and Chapter 2.60 of the WSSC Code of Regulations, the OIG is authorized to prevent, detect, and investigate fraud, waste, and abuse involving Commission resources, and to recommend improvements that enhance compliance with applicable laws, policies, and ethical standards.

The OIG recently completed an investigation into a contract awarded for street repair services. The review focused on compliance with the *Maryland Prevailing Wage Statute* and its implementing regulations under the Code of Maryland Regulations. The contract, valued at \$258 million and executed in 2021, was distributed among multiple awardees over a four-year term.

The investigation was initiated following reports alleging that during the period 2022 through 2023, a subcontractor failed to pay prevailing wages to workers providing traffic control services on behalf of a WSSC contractor under this contract. The OIG's findings confirmed that while the subcontractor had been engaged by the WSSC contractor, it was not properly disclosed to WSSC, as required by terms and conditions of the contract. However, based on available documentation and corroborating information, the OIG determined that the workers referenced in the complaints did not perform work on WSSC-related projects. The workers performed work for the subcontractor on non-WSSC projects and for other entities. ***Accordingly, the wage-related allegations could not be substantiated.***

To address these oversight lapses and prevent recurrence, the OIG recommended that WSSC adopt a standardized process for reporting and verifying subcontractor participation across all divisions that oversee construction contracts. Additionally, mandatory training should be implemented for project managers and contract administrators to ensure awareness of reporting obligations, prevailing wage requirements, and the responsibilities of staff in monitoring compliance.

A detailed report of the OIG's findings and recommendations was provided to the appropriate WSSC departments. In response, the departments acknowledged the findings and are taking corrective action, including implementing internal staff training in FY26 on contract administration and subcontractor compliance, as well as reviewing contract terms for clarity and enforceability. These measures are intended to address the OIG's findings and enhance compliance, oversight, and accountability in contract management.

The OIG extends its sincere appreciation to the complainants, as well as to the staff from WSSC's Procurement Office, Pipeline Construction Division, and Office of the General Counsel, for their cooperation and collaboration. Their assistance was essential in facilitating a thorough and impartial investigation.