



**DEPARTMENT OF JUSTICE**

**United States Attorney Brendan V. Johnson  
District of South Dakota**

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United States Attorney for the District of South Dakota, Brendan V. Johnson, announced that the United States reached a settlement with Hayward Baker, Inc., (“Hayward Baker”) in a civil case involving the Buy American provision of the American Recovery and Reinvestment Act of 2009 (“ARRA”). Hayward Baker paid \$120,216 to the United States to settle allegations that it improperly billed the Environmental Protection Agency (“EPA”) for steel pipe that was manufactured in Taiwan and South Korea. Hayward Baker cooperated with the investigation in this matter.

According to the Settlement Agreement, Hayward Baker denies the allegations made by the United States, but the parties settled the case without admitting liability to avoid the delay, uncertainty, inconvenience, and expense of protracted litigation.

ARRA made federal funds available for certain projects to help stimulate the American economy. ARRA contained a provision requiring recipients of the funds to use domestic construction materials, including steel pipe. Hayward Baker received ARRA funds under a subcontract involving the environmental cleanup of the Gilt Edge Mine located just outside of Lead, South Dakota. The project required that steel pipe be used during the construction phase of the project. Hayward used some steel pipe manufactured in Taiwan and South Korea, all in violation of the Buy American provision contained in ARRA.

“This settlement demonstrates my office’s determination to ensure that precious federal resources made available to stimulate the economy are actually used for that purpose,” US Attorney Johnson said. “I also want to thank the EPA Office of Inspector General for its investigation of this matter.”

EPA Inspector General Arthur A. Elkins, Jr. said: “My office will continue to vigorously pursue recipients of EPA ARRA funds who fail to comply with the law so that these limited resources are used as intended.”

The case was investigated by the EPA Office of Inspector General, Office of Investigations. The United States was represented by Assistant United States Attorney Robert Gusinsky.

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