

# **Summary: Investigation of Carlsbad Caverns Construction Contract Problems**

**Report Date: May 8, 2015**

OIG investigated allegations that National Park Service (NPS) contracting officials mismanaged a construction contract to replace deteriorating, lead-paint-coated steel members, which support the rails, cables, weights and elevator cars at the visitor center at Carlsbad Caverns National Park (CCNP) in Carlsbad, NM. Specifically, the complainant alleged that the officials failed to provide project oversight and quality control, which led to price increases, project delays, unsafe construction practices, and faulty workmanship. We also investigated allegations of an improper relationship between an NPS contracting official and the contractor's vice president that led to a cover-up of the allegations of mismanagement. Finally, we investigated an alleged romantic relationship between an NPS employee and a subcontractor, and allegations of a post-employment ethics violation.

Our investigation substantiated that NPS contracting personnel did not provide adequate construction management oversight for the project. Our investigation also revealed substandard performance by the contractor that led NPS to issue the contractor several letters of rejection for poor workmanship and requests for corrective action. We also substantiated that an NPS employee assigned to the project had a short-term romantic relationship with a subcontractor.

We found no evidence of an improper relationship between NPS and contractor personnel or misconduct by contracting officials. We did not substantiate an allegation of a post-employment ethics violation by a former NPS employee.

As a result of a contract dispute regarding remediation work, on July 25, 2013, NPS agreed to pay the contractor \$1 million to resolve damages the contractor claimed were a result of work requested outside the scope of the initial contract.

Prior to closing our investigation, we learned that the elevators at CCNP had been shut down because an elevator car was stuck in the hoistway. We contacted CCNP, but we were unable to determine if the more recent issues were related to the contract. NPS is inspecting the hoistway to determine the cause of current problems and will report its findings to OIG.

This is a summary of an investigative report that was issued to the Director of NPS for any action deemed appropriate.

