

Another Successful Plea Bargain

Written by Nick Sanders

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It's been a minor theme throughout the nearly 600 blog articles on this site that we are, occasionally, puzzled by the workings of our justice system. Take, for instance, [this recent press release](#) issued by the U.S. Attorney's Office in the Northern District of Texas. It announced that Assistant U.S. Attorney (AUSA) David Jarvis had successfully negotiated a plea agreement deal with John Torrance Gilmore III, Larry Thomas Ballard, John Carmon Freeman, and Miguel Angel Hughes. Gilmore and Ballard were former employees of Sheppard Air Force Base (SAFB), while Freeman and Hughes were contractors at SAFB.

Gilmore was employed as the Lead Civil Engineer in the SAFB Civil Engineering Squadron engineering department, where he "supervised several engineers, including Ballard." Hughes owned Hughes and Guzman Construction Services and Hughes Building Services, while Freeman owned Freeman Construction.

According to the press release, the four conspired together, along with others, to do various perfidies and suchlike. The press release said—

The purpose of the conspiracy ... was for Gilmore and Ballard to unlawfully provide sensitive source information to their friends, Freeman and Hughes, to provide Freeman and Hughes with a competitive advantage or financial benefit in connection with several government contracts. Over several years, Freeman and Hughes gave Gilmore and Ballard personal gifts and benefits in return for their preferential treatment in connection with several government contracts. In fact, sometime in the mid to late 1990's Freeman paid large sums of cash to Gilmore, and on at least one occasion, Freeman gave \$10,000 in cash to Gilmore. Freeman's plea documents indicated that Freeman paid Gilmore in appreciation for Gilmore approving and accepting Freeman's work on government contracts. Hughes' plea documents stated that during the period from 2004 through 2008, Hughes paid travel expenses and took Gilmore to several gun shows in order to curry favor with Gilmore. ... [and] when Gilmore became aware of this criminal investigation, he told Freeman to lie about his cash payments to him. After initially lying about them to investigators, Freeman later admitted that he had paid cash bribes to Gilmore.

So this would seem to be another tawdry story of government employees who provided bid information to contractors in return for cash and gifts. It's not the first such story, and undoubtedly it will not be the last.

How did AUSA Jarvis characterize the conspiracy? We quote—

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The indictment alleges that the four defendants conspired together to impair and obstruct the government's ability to have a competitive and unbiased selection of contractors — depriving the government of its right to exclusive use and control over sensitive source selection information, to include contractor bid information, government pricing and cost estimates and contractor proposal information. The indictment also alleges that the defendants conspired together to knowingly disclose and obtain sensitive source selection information related to several contracts' specifications, including those for roof and pothole repairs and the liquid oxygen maintenance facility.

According to plea documents filed in the case, the defendants conspired together and with others during the period from at least the mid 1990's through 2009, to defraud the 82nd Contracting Squadron and the Department of the Air Force by depriving the United States of the lawful right to exclusive use and control over sensitive source selection information, such as contractor bid information, government pricing and cost estimates, and contractor proposal information, on several contracts. They also conspired together and with others to disclose or obtain sensitive source selection information on several contracts.

Wow. It sounds so ... *trivial* ... the way AUSA Jarvis describes it. Note the omission of the terms "bribery," "Procurement Integrity Act," "gratuity," and other similar descriptions that might lead a casual reader to think that something illegal had actually taken place.

Gilmore and Ballard each pleaded guilty to "one count of conspiring to defraud the United States and conspiring to unlawfully disclose sensitive source information." Freeman and Hughes each pleaded guilty to "one count of conspiring to defraud the United States and conspiring to unlawfully obtain sensitive source information."

The press release stated that "each faces a maximum statutory sentence of five years in prison, a \$250,000 fine and restitution." Which is interesting, because had any of the four been found guilty of [bribery](#), they might have been facing *15 years in prison*, and a fine equal to three times the things of value that were given/received.

And this difference, we suspect, was the foundation of the successful plea bargain.

And now we have yet another example of the mysterious machinations of the modern U.S. justice system.

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