

U.S. Department of Justice

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FOR IMMEDIATE RELEASE

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PRESS RELEASE

DEFENDANT PLEADS GUILTY TO ACCEPTING MORE THAN \$500,000 IN BRIBES IN CONNECTION WITH A MULTI-MILLION DOLLAR NEW YORK CITY PUBLIC WORKS CONTRACT

<u>Defendant Oversaw Contracts for Company That Sells Warranties To New York City</u> <u>Homeowners Covering Repairs to Sewer And Water Pipes</u>

Earlier today in federal court in Brooklyn, George Djurasevic pled guilty to bribery, in violation of the Travel Act, admitting that he accepted more than half-a-million dollars in bribe payments in his role as a manager of a company (the "Company") contracted by the New York City Water Board (NYCWB) to provide sewer and water pipe repair services to New York City homeowners. Djurasevic also pled guilty to tax evasion. Today's proceeding was held before United States Magistrate Judge Peggy Kuo. When sentenced, Djurasevic faces a total of 10 years in prison.

Breon Peace, United States Attorney for the Eastern District of New York; Michael J. Driscoll, Jr., Assistant Director-in-Charge, Federal Bureau of Investigation, New York Field Office (FBI); Jocelyn E. Strauber, Commissioner of the New York City Department of Investigation; and Thomas Fattorusso, Special Agent in Charge, Internal Revenue Service Criminal Investigation, New York Field Office (IRS), announced the guilty plea.

"Motivated by greed, Djurasevic flushed away his integrity, accepting bribes and leaving New Yorkers to pay the bill, including when home repairs were not even completed," stated United States Attorney Breon Peace. "That the process of overseeing city contracts on warranties for costly repairs was corrupted is a betrayal to New York homeowners."

"As he admitted with today's plea, Mr. Djurasevic abused his position for personal gain and passed the tab on to New York City taxpayers. Those responsible for helping their fellow citizens obtain basic utility services have a duty to do so in an honest manner, not one motivated by greedy self-interest. The FBI and our partners remain dedicated to bringing those who take bribes at the expense of the public to justice," stated FBI Assistant Director-in-Charge Driscoll.

DOI Commissioner Jocelyn E. Strauber said, "As today's guilty plea establishes, instead of providing responsible oversight of City repair projects, the defendant used his status as a City contractor to line his own pockets with hundreds of thousands of dollars in bribe payments. DOI and its federal partners will continue to thwart those who corrupt City processes and victimize New Yorkers."

"Djurasevic lined his pockets with ill-gotten gains and left the people of New York City to pay the tab. He then underpaid his taxes by more than a hundred thousand dollars, revenue used to fund programs for Americans who need it. It is clear that Djurasevic had little regard for the collateral damage of his schemes, and with this guilty plea he is one step closer to justice," said Thomas M. Fattorusso, Special Agent in Charge for IRS:CI in New York.

According to court documents and facts presented at the guilty plea proceeding, the Company was awarded a multi-million-dollar contract by the NYCWB to sell warranties to New York City homeowners covering repairs to sewer and water pipes. Djurasevic was responsible for overseeing the Company's sewer and water line repair work carried out by the Company's plumbing sub-contractors in Staten Island, Queens and Brooklyn.

Djurasevic accepted approximately \$500,000 in bribes over five years from a subcontractor in exchange for, among other things, allowing the sub-contractor to overbill for work performed or to not perform certain repairs to the homeowners' sewer and water pipes, as well as for his review of the sub-contractor's determination as to whether repairs were covered by the Company's warranty. Djurasevic also failed to report his true income to the Internal Revenue Service, which resulted in his failure to pay more than \$114,000 in taxes. When sentenced, Djurasevic faces a total of 10 years in prison.

The government's case is being prosecuted by the office's Public Integrity Section. Assistant United States Attorneys Philip Pilmar, Robert Polemeni and Dana Rehnquist are in charge of the prosecution.

The Defendant:

GEORGE DJURASEVIC Age: 54 Armonk, New York

E.D.N.Y. Docket No. 21-CR-551 (LDH)