



## **Public Synopsis**

OIG Report #IG 2012-0032

DOT Supervisors Engaged in Off the Books Contract to Sell  
Valuable Scrap Metal for Personal Gain



**OFFICE OF THE INSPECTOR GENERAL  
BALTIMORE CITY**

100 N. Holliday Street, Rm 640  
BALTIMORE, MD 21202




**Public Synopsis**

**Synopsis of OIG Report #IG 2012-0032: DOT Supervisors Engaged in Off the Books Contract to Sell Valuable Scrap Metal for Personal Gain**

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FROM	NAME & TITLE	David N. McClintock – Inspector General <i>DNA</i>	CITY of BALTIMORE  <b>MEMO</b>	
	AGENCY NAME & ADDRESS	Office of Inspector General 640 City Hall		
	SUBJECT	Synopsis of OIG Final Report #2012-0032 (DOT)		

**TO** Hon. President and Members of the City Council  
400 City Hall

DATE: 12/17/2012

Please find the Office of Inspector General’s Public Synopsis of investigation #2012-0032 involving Please find our Draft Report of Investigation and Exhibits relating to Department of Transportation (hereinafter “DOT”) Superintendent Theodore Wojtas and Supervisor Lee Kane who conspired to personally profit from the sale of valuable City-owned scrap metal. The pair did so by permitting an unauthorized roll-off container to be placed into a City storage yard to collect significant amounts of scrap metal for sale to a non-City vendor.

The Office of Inspector General’s (hereinafter “OIG”) investigation began with information provided by a confidential source familiar with operations at the DOT Traffic Signal Maintenance Division located at 1701 Poncabird Pass. Based on the information, the OIG confirmed the presence of and contents of the container; determined that it was not owned by United Iron, the authorized vendor; and then established a process to permit tracking the container.

When the container became active, OIG staff tracked it to a non-authorized scrap metal vendor and documented the contents were the property of the City. Further, the OIG determined that payments were usually made in cash to either Mr. Wojtas or Mr. Kane. The matter was then turned over to the Baltimore City State’s Attorney’s Office and the Baltimore City Police Department who were able to document the transfer of cash to Mr. Wojtas and engaged in interviews of both individuals. Both men were indicted and pled guilty to conspiracy to commit theft between \$10,000 and \$100,000. Both Mr. Wojtas and Mr. Kane received a 10-year suspended sentence, a three-year term of probation, and an order to pay restitution. Mr. Kane was ordered to pay \$9,143 in restitution within three years, and Mr. Wojtas was ordered to pay \$20,000 in restitution in 15 days.

The Department of Transportation has provided a written response which is attached. In addition, the Baltimore City Police and the Baltimore City State’s Attorney’s Office were valuable partners in working towards a successful conclusion to his investigation. We look forward to continuing our partnership to strengthen policy, procedure, and internal oversight protocols.

- This report is available to the public in print or electronic format.
- To obtain a printed copy, please call or write:

Office of Inspector General  
100 Holliday Street  
Suite 640, City Hall  
Baltimore, MD 21202

- Baltimore City employees, citizens, and vendors or contractors doing business with the City should report fraud, waste, and abuse to the fraud hotline. Call 1-800-417-0430 24 hours a day, 7 days a week.

## Public Synopsis



**OFFICE OF THE INSPECTOR GENERAL  
BALTIMORE CITY**

100 N. Holliday Street, Room 640  
BALTIMORE, MD 21202



**Public Synopsis**

**Synopsis of OIG Report #IG 2012-0032: City Supervisor Conspired to Personally Profit from the Sale of Valuable Scrap Metal - DOT**

**ISSUE**

A City Superintendent and a City Supervisor conspired to personally profit from the sale of valuable City-owned scrap metal by placing an unauthorized roll-off container into a City storage yard to collect significant amounts of scrap metal to sell to a non-City vendor.

**SUMMARY**

On 02/29/2012, the Office of Inspector General (hereinafter “OIG”) received an anonymous complaint from an individual familiar with operations at the Department of Transportation’s (hereinafter “DOT”) Traffic Signal Maintenance Division (hereinafter “Maintenance Division”) located at 1701 Poncabird Pass, Baltimore, MD. The complainant alleged that unauthorized roll-off containers were being used for the collection and sale of scrap metal and that City employees were profiting from these sales. The complainant explained that when the unauthorized container is full, it is picked up and replaced with an empty container and that this has happened as least three times. The complainant also specified it was Mr. Theodore Wojtas and Mr. Lee Kane who were receiving the cash from the scrap metal sales. In an effort to corroborate or refute the complainant’s allegations, the OIG began gathering information on the Poncabird facility as well as the City’s scrap metal disposal process.

**Traffic Signal Maintenance Division – 1701 Poncabird Pass**

The Maintenance Division is responsible for the construction and maintenance of traffic signals across the city. This division has approximately 35 employees who work out of the building at 1701 Poncabird Pass. The building is adjacent to the DOT Signal Electronics Division (hereinafter “Electronics Division”), which is located at 1620 Rappolla Street, Baltimore, MD. Both the Maintenance Division and the Electronics Division share an outdoor storage yard. The outdoor storage yard is surrounded by a barbed wire fence. The gates are kept locked when no one is accessing the storage yard.

Theodore Wojtas is the Superintendent of the Maintenance Division. Other management at the location includes: Traffic Signal Maintenance Supervisors Lee Kane.

**City Scrap Metal Disposal Process**

The City, through the Bureau of Purchases, has an existing contract with United Iron and Metal, LLC (hereinafter “United Iron”) for the removal of and payment for scrap metal from the City, regardless of agency or department. This contract is based on Solicitation B50000650, Request for Bids for Scrap Metal Pick-Up & Removal. United Iron is a subsidiary of Atlantic Recycling

Group, LLC. Other companies owned by Atlantic Recycling Group, LLC include Montgomery Scrap Corporation; Atlantic Metals, LLC; and M-Scrap Transportation Services, LLC. This contract's term is 10/01/2008 through 09/30/2010 with two 2-year renewal options.

Under this contract, United Iron places roll-off containers at requested City locations. These roll-off containers are to be filled with valuable scrap metal by City employees based on direction from area supervisors.<sup>1</sup> The containers are then picked up at the request of facility or operation specific supervisors. At the end of each month, United Iron is required to submit a Monthly Scrap Metal Report to the City for review and approval. After approval of the Monthly Scrap Metal Report by City personnel, United Iron is directed to forward payment to the Department of Finance based on the value of the material as determined by weight.

The payment amounts are based on the most recent weekly American Metal Scrap Price Index for Philadelphia Number 2 Bundles at the time of the monthly submission. Under the current contract agreement, United Iron pays 66.5% of the applicable weekly American Metal Scrap Price Indexes for scrap metal, white goods with refrigerants, and white goods without refrigerant.

While many of the City's departments have property disposal coordinators, it is generally the management at each City facility that makes notifications regarding pick up of a scrap container. Management personnel then schedule a pick up of a full container and the placement of a new container with United Iron. To do this, management will generally call United Iron directly, rather than going through the department's property disposal coordinator.

#### Corroboration of Complaint

Information gathering by the OIG revealed that United Iron uses black and yellow roll-off containers that are painted with the name and telephone number of either United Iron or another subsidiary of Atlantic Recycling Group, LLC. Further inquiry revealed that United Iron rarely uses subcontractors for trucking services or scrap processing. Initial observations of the Poncabird facility by OIG personnel revealed that there were two roll-off containers inside the storage yard.

One container was a black roll-off owned by the City which contained miscellaneous waste. The other container was a gray roll-off that had no identifying company information. This roll-off contained traffic signal poles and other valuable scrap metal. The OIG then requested a list of all City locations that currently had roll-off containers from United Iron. The Poncabird facility was not listed. United Iron had only placed a container inside the Poncabird facility once on 07/11/2011 and that was picked up on 07/15/2011.

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1 The contract specifies the three types of scrap metal to be picked up by United Iron as 1) scrap metal, 2) white goods with refrigerants, and 3) white goods without refrigerants. The contract defines scrap metal as steel, cast iron, copper, aluminum, and brass. White goods are defined as, but not limited to, refrigerators, freezers, air conditioners, stoves, ranges, ovens, washers, dryers, water heaters, etc.



After confirming that the gray roll-off container located inside the Poncabird facility did not belong to United Iron or one of its subcontractors, the OIG attempted to determine if the Maintenance Division was authorized to have and utilize a different scrap metal processor. Inquiries with DOT General Superintendent of the Maintenance Division revealed that they used the same City contract with United Iron. However, it was believed that DOT only had scrap containers at the 6400 Pulaski Highway location and the 6201 E. Lombard Street location, and all scrap metal was to be taken and placed into the roll-off containers at those locations.

In early March 2012, the anonymous complainant called the OIG and stated that the roll-off container had been picked up that morning, and a new container had been placed in the storage yard. The complainant stated that the truck used to pick up the container said "JS Trucking, PG County" on the sides. JS Trucking was determined to be a subsidiary of Smith Industries, Inc., which owns four scrap metal processing locations in the Baltimore area. Further analysis led the OIG to believe that the next time the roll-off container is picked up, it would likely be going to their Halethorpe location, which operates as Recovermat Mid-Atlantic (hereinafter "Recovermat").

#### OIG Actions

The OIG developed a plan to electronically track the roll-off container the next time it was picked up from the Poncabird facility. On 4/11/2012, OIG placed equipment on the roll-off container numbered "R4149" and located within the Poncabird yard. At that time, photos of the container's contents were taken and a number of items were marked.

The container was picked up on 4/26/2012 at approximately 9:45am. Electronically alerted to the movement, OIG personnel monitored the roll-off container and determined it was destined for the Recovermat facility. At 10:20am, OIG personnel arrived at Recovermat and witnessed what appeared to be container R4149 leaving the yard on a JS Trucking truck. Presuming that the container had already been emptied, OIG personnel went inside the Recovermat yard. Once inside, OIG personnel saw a large pile of traffic signal poles and a front-end loader starting to process the load. OIG personnel were able to stop the process before any traffic signal poles or other scrap metal in the pile was fed into the processing equipment. The nature of the yard operations and the debris evidenced led the OIG to believe that the material observed was exclusively that which had been off loaded from the container in question.

OIG personnel met with the Recovermat Plant Manager and requested the scale ticket for all of the traffic signal poles that had just been received. The Plant Manager provided Scale Ticket No. F350054 which identified the customer as "Traffic Division" and listed 1701 Poncabird Pass as the address. The ticket stated that 18,380 pounds had been brought in at 10:12am. For this load, the Traffic Division would receive \$2,256. See Exhibit#1.

When asked who receives the payments for the Traffic Division, the Plant Manager reviewed the records and stated that Lee Kane receives the payments. The OIG also requested an account history for the Traffic Division that would list all previous transactions, dates, and dollar



amounts. The Plant Manager further stated that additional questions could be better answered by the Recovermat Buyer (hereinafter “the Buyer”) who handles the Traffic Division account.

The Buyer, who was on site, was called to the Plant Manager’s office and arrived shortly thereafter. The Buyer explained that he was the third employee at Recovermat to handle this account and had been handling it since June or July 2011. He stated that he would pay Mr. Kane in cash, usually the same day as the pick up or the next business day. He also stated that the payments usually occurred at the Royal Farms near the Poncabird facility; however, on one occasion he had gone to the Poncabird facility and left the cash with Ted Wojtas. The Buyer also stated that he did not give Mr. Kane or Mr. Wojtas receipts because the previous employees at Recovermat who handled the account had told him that either Mr. Kane or Mr. Wojtas had refused to sign a receipt before crumpling it up and throwing it away. Since then, Recovermat employees had not attempted to get Mr. Kane or Mr. Wojtas to sign receipts for the cash payments.

While at Recovermat, OIG personnel had all of the scrap metal received from container R4149 placed into a separate area of the Recovermat yard. The OIG then coordinated the seizure of the scrap metal by having it loaded into a DPW roll-off container and placing the container in the locked storage area at the Back River Wastewater Treatment Plant.

The list of transactions that Recovermat had with the Traffic Division went back to 01/13/2010 and included 16 transactions prior to the one on 04/26/2012. The total weight and dollar amount paid for all 16 completed transactions was 285,340 pounds and \$29,143. See Exhibit#2. Including the uncompleted 17<sup>th</sup> transaction, the total weight and dollar amount paid would have been 303,720 pounds and \$31,399.

At this time, the OIG requested the City Finance Department to search deposit records to determine if Mr. Kane or Mr. Wojtas had deposited any funds received into City custody. The Finance Department found no records of deposits made by Mr. Kane or Mr. Wojtas.

Based on the information received from Recovermat personnel, the OIG then coordinated with the Baltimore City Police Department (hereinafter “BPD”) and the Baltimore City State’s Attorney’s Office (hereinafter “ASA”). The case was assigned to a BPD Detective and an Assistant State’s Attorney. It was then determined that the BPD would conduct a controlled payment to Mr. Kane on 04/30/2012 at approximately 2:00pm.

Between 04/27/2012 and the morning of 04/30/2012, BPD and ASA staff gathered additional information from the Buyer and met with the previous two Recovermat buyers who had previously handled the Traffic Division account. The information gathered revealed that scrap metal sales began after one of the prior Buyers had observed a large amount of scrap metal contained in the storage yard outside the Poncabird building. Through inquires with the City, a previous Buyer found that Mr. Wojtas was the superintendent at that location. Mr. Wojtas was then contacted with an offer to buy the metal for \$275 per gross ton. The Buyer who structured

the original deal dealt with Mr. Wojtas exclusively until Mr. Wojtas missed a few weeks of work in early 2010. After that, Mr. Kane was the primary contact person for the Traffic Division account.

BPD Southeastern District detectives completed the controlled payment to Mr. Kane on the afternoon of 04/30/2012. After completion of the payment, Mr. Kane was detained and questioned at the Southeastern District Police Station. Approximately an hour later, Mr. Wojtas was also questioned at the Southeastern District Police Station. Mr. Wojtas and Mr. Kane were both released later that evening.

On 05/29/2012, Mr. Kane and Mr. Wojtas were each charged with the following counts:

- Theft scheme between \$10,000 and \$100,000;
- Conspiracy to commit theft between \$10,000 and \$100,000;
- Attempted theft between \$1,000 and \$10,000.

On 10/09/2012, Mr. Kane and Mr. Wojtas both pled guilty to conspiracy to commit theft between \$10,000 and \$100,000. Both individuals received a 10-year suspended sentence, a three-year term of probation, and an order to pay restitution. Mr. Kane was ordered to pay \$9,143 in restitution within three years, and Mr. Wojtas was ordered to pay \$20,000 in restitution in 15 days.

## CHRONOLOGY OF RELEVANT EVENTS

- 01/13/2010: First transaction between Recovermat and “Traffic Division” occurs.
- 01/14/2010 – Fourteen more transactions occur between Recovermat and the “Traffic  
12/05/2011: Division.”
- 02/29/2012: Anonymous complaint received.
- 03/06/2012: Roll-off container is picked up from Poncabird storage yard and replaced with an empty container. Additional information received about JS Trucking.
- 04/11/2012: Roll-off container equipped to track movement by OIG while inside the Poncabird storage yard.
- 04/26/2012: Roll-off container is picked up and taken to Recovermat. OIG initiates contact and secures documents and valuable City scrap.
- 04/30/2012: Controlled payment to Mr. Kane is completed. Mr. Kane and Mr. Wojtas are detained and questioned by BPD.

- 05/01/2012:     OIG field inspections were made of 1701 Poncabird Pass and 1620 Rappolla Street.
- 05/29/2012:     Mr. Kane and Mr. Wojtas are indicted.
- 10/09/2012:     Mr. Kane and Mr. Wojtas pled guilty to conspiracy to commit theft between \$10,000 and \$100,000.

### DOCUMENT/REPORT EXAMINATION

In the course of the investigation, the OIG obtained and reviewed the following documents and/or reports:

1. City Solicitation B50000650, Request for Bids for Scrap Metal Pickup and Removal
2. United Iron's Bid for Solicitation B50000650.
3. United Iron's Transaction Reports by City locations for 2011 and 2012.
4. Recovermat Scale Ticket F350054. See Exhibit#1.
5. Recovermat Vendor Activity Details for the "Traffic Division" from 01/01/2010 to 04/25/2012. See Exhibit#2.
6. DOT Cash Deposit Records: 01/01/2010 – 05/01/2012.

### FIELD INSPECTION

On 05/01/2012, the OIG conducted field inspections of the Maintenance Division at 1701 Poncabird Pass and the Traffic Electronics Division at 1620 Rappolla Street. The purpose of the visit was to conduct general facility inspections and to gather additional information about the scrap metal sales. Upon arrival at the Poncabird facility, contact was made with the Traffic Signal Maintenance Supervisor. OIG Agents conducted inspection of Mr. Kane's and Mr. Wojtas' offices, security systems, oversight mechanisms, and general facility conditions.

A review of Mr. Kane's and Mr. Wojtas' office spaces revealed that both individuals had business cards from Recovermat personnel located in their desks. No other supervisors in the Poncabird facility were found to have Recovermat business cards or information on/in their desks or in their business card collections. Several supervisors were interviewed in order to assess additional information about operations, management, and the scrap metal process. The remainder of the inspection inside the Poncabird facility did not yield additional information pertaining to scrap metal sales.

Upon arrival at the Rappolla facility, initial contact was made with the Supervisor and Superintendent. Discussions with these individuals provided information about operations, the outdoor storage yard, the scrap metal process, and their relationship with the Poncabird facility. The inspection of the Rappolla facility did not reveal any evidence of fraud, waste, or abuse occurring within that building.

The inspection of the shared outdoor storage yard revealed that unauthorized access into the yard could be gained through multiple points despite the six foot high chain link and barbed wire fence. In one area, a rug is draped over the fence in a position that allows the fence to be climbed without danger from the barbed wire. In other areas, the fence is loose or has almost fallen over to the point where access to the yard can be gained without difficulty. After noting the condition of the fence, the Rappolla Street supervisors informed OIG personnel that they have had problems with individuals breaking into the yard and stealing items. He also stated that individuals will try to place non-city trash into the City's roll-off containers. To do this, many individuals will just throw their trash over the fence in the direction of the roll-off container. This results in a significant amount of personal and commercial trash in and around the container which can be hazardous to Poncabird personnel, as well as requiring additional staff time for proper disposal.

Considering the physical state of the yard, it was observed that a total of 14 light fixtures were present - 8 of them were located on the columns supporting the overpass above and 6 were on traditional wooden poles. Based on previous nighttime operations, it had been determined that none of the 14 lights were functional.

During the inspection, the new roll-off container that had been placed there on the previous day by Recovermat personnel was observed. Further, OIG staff observed that a small amount of scrap metal had already been placed into the container. Arrangements were made with Recovermat to have the roll-off container emptied and picked up. Additionally, the OIG has informed Poncabird supervisors that United Iron is the correct City vendor for scrap metal removal. A United Iron roll-off container is now located within the Poncabird storage yard.

The combination of fencing failures, due to disrepair and intentional efforts to defeat the barbed wire, and the complete failure of after-hours lighting presented minimal preventive barriers to intrusion.

## INTERVIEWS

Several Interviews were conducted with staff from the Poncabird Pass and Rappolla Street facilities. Interview detail has been omitted in accordance with our standard reporting policy.

## FINDINGS and VIOLATIONS

### Findings

#### **Contract**

1. The City has contracted with United Iron and Metal, LLC for scrap metal pickup and removal under Solicitation B50000650.
  - a. The contract term is 10/01/2008 through 09/30/2010 with two 2-year renewal options at the City's discretion.
  - b. The contracted services are available to all City agencies.

### **DOT/ Poncabird Facility and Staff**

1. The City has not authorized the DOT, or more specifically the Maintenance Division, to utilize a different vendor for scrap metal pickup and removal.
2. The storage yard shared by the Maintenance Division and the Electronics Division is not adequately secured.
  - a. The barbed wire fence surrounding the storage yard has multiple areas of weakness that permit access into the yard.
  - b. During night time visits to the storage yard by OIG personnel, it was observed that none of the light fixtures were operational.
3. On 04/26/2012, the OIG tracked a roll-off container of scrap metal from the Maintenance Division storage yard to Recovermat.
  - a. The roll-off container was found to contain 18,380 pounds of scrap metal.
  - b. The established account under which the container was assigned was the “Traffic Division,” referring to the DOT Maintenance Division.
  - c. The value of the material was determined to have been \$2,256.
  - d. Recovermat was not acting as an agent or subcontractor for United Iron and Metal, LLC in this transaction.
  - e. The established process called for delivery of the proceeds in cash directly to either Mr. Kane or Mr. Wojtas.
4. From 01/13/2010 to 03/08/2012, there were 16 completed transactions between Recovermat and either Mr. Kane or Mr. Wojtas, purportedly on behalf of the “Traffic Division” at 1701 Poncabird Pass.
  - a. The total weight of scrap metal received by Recovermat over those 16 transactions is 285,340 pounds.
  - b. Mr. Kane and/or Mr. Wojtas received \$275 per gross ton of scrap metal which totaled \$29,143 over the 16 transactions identified.
  - c. Mr. Kane and/or Mr. Wojtas were not acting as agents of the City or of the DOT regarding the transactions.
  - d. The Department of Finance has no records of any cash deposits from Mr. Wojtas, Mr. Kane, or any deposits related to scrap metal sales from the Maintenance Division.

**Violations**

**1. Standards of Conduct and Performance – Civil Service Commission (hereinafter “CSC/Department of Human Resources (hereinafter “DHR”) Rule 40, Part I**

CSC/DHR Rule 40, Part I, states the following: *“Employees shall observe and protect the City’s property rights, and shall follow all rules requiring authorization for the use of City funds, labor, and property.”*

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Superintendent Wojtas and Supervisor Kane violated this rule through their actions in conspiring to sell, and profiting from, the sale of valuable scrap metal owned by the City of Baltimore from 01/13/2010 through 04/26/2012. During this period, Superintendent Wojtas and/or Supervisor Kane received \$29,143 in personal gains from the sales of City property, which constitutes a violation of Rule 40, Part I. Said actions were in violation of CSC/DHR Rule 40, Part I.

**2. Standards of Conduct and Performance – CSC/DHR Rule 40, Part L**

CSC/DHR Rule 40, Part L, states the following: *“Employees shall conduct themselves at all times in a manner becoming of a City employee, and shall not bring scandal, expense, or annoyance upon the City through crime, conflict of interest, failure to pay just debts, or other improper or notorious behavior.”*

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Superintendent Wojtas and Supervisor Kane violated this rule through their actions in conspiring to sell, and profiting from, the sale of valuable scrap metal owned by the City of Baltimore from 01/13/2010 through 04/26/2012. During this period, Superintendent Wojtas and/or Supervisor Kane received \$29,143 in personal gains from the sales of City property, which resulted in their indictment and conviction for conspiracy to commit theft between \$10,000 and \$100,000. Said actions have brought scandal, expense, and annoyance upon the City in violation of Rule 40, Part L.

**3. Cause for Discharge, Demotion, or Suspension – CSC/DHR Rule 56, Part 1(C)**

CSC/DHR Rule 56, Part 1(C), states the following: *“Discharge, demotion, or suspension of an employee in the Civil Service shall be for any just cause. Discharge shall be only for . . . (C) conduct which causes an irreparable breach of trust.”*

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Given their supervisory positions over the Maintenance Division and its facility, the City had placed significant trust in Superintendent Wojtas and Supervisor Kane to maintain proper conduct and protect the City’s property rights. Superintendent Wojtas and Supervisor Kane violated CSC/DHR Rule 56, Part 1(C) by irreparably breaching this trust through their actions in conspiring to sell, and profiting from, the sale of valuable scrap metal owned by the City of Baltimore.

**4. Cause for Discharge, Demotion, or Suspension – CSC/DHR Rule 56, Part 2(I)**

CSC/DHR Rule 56, Part 2(I), states the following: *“That the employee has been engaged in fraud, theft, misrepresentation of work performance, misappropriation of funds, unauthorized use of City property, obstruction of an official investigation, or other act of dishonesty.”*

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Superintendent Wojtas and Supervisor Kane violated this rule through their actions in conspiring to sell, and profiting from, the sale of valuable scrap metal owned by the City of Baltimore from 01/13/2010 through 04/26/2012. During this period, Superintendent Wojtas and/or Supervisor Kane received \$29,143 in personal gains from the sales of City property, which resulted in their indictment and conviction for conspiracy to commit theft between \$10,000 and \$100,000. Said actions were in violation of CSC/DHR Rule 56, Part 2(I).

**5. Cause for Discharge, Demotion, or Suspension – CSC/DHR Rule 56, Part 2(K)**

CSC/DHR Rule 56, Part 2(K), states the following: *“That the employee has been convicted of a criminal offense or misdemeanor involving moral turpitude.”*

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Superintendent Wojtas and Supervisor Kane violated this rule through their actions in conspiring to sell, and profiting from, the sale of valuable scrap metal owned by the City of Baltimore, which resulted in their subsequent convictions for conspiracy to commit theft between \$10,000 and \$100,000. Said actions were in violation of CSC/DHR Rule 56, Part 2(K).

**RECOMMENDATIONS**

The primary goal of the OIG is to identify areas of weakness or inefficiency that can be eliminated or improved. The OIG believes that a more purposeful effort to recycle valuable scrap metals is both the responsible thing to do and will also provide additional and increasing revenue in the future. As such, the OIG has made a series of recommendations that, if enacted, would reduce the opportunity for the theft of City property and increase the City’s revenue from scrap metal sales.


1. The OIG recommends that DOT establish department- wide policy addressing the collection, storage, and management of the valuable scrap metal the department generates. The policy should establish the generation and collection of valuable scrap metal as a quantifiable process upon which employees and supervisors have certain responsibilities and obligations. Further, the policy should provide guidelines for the handling, security, and oversight of the material that can implemented within the various operational environments.



2. The OIG recommends that DOT review the physical status of the Poncabird outdoor storage yard. The current state of the fencing and lighting presents no effective deterrence to trespass or theft. The OIG facility inspection revealed that the security fence surrounding the yard is in significant disrepair. Some areas were partially collapsed while others were devoid of barbed wire. Additionally, after-hour reviews revealed that virtually all of the lighting was not functional, rendering it difficult for DOT employees or the police to observe activity in the yard and presenting no additional deterrence.

# Report Response

## Department of Transportation

<b>F M</b>	NAME & TITLE	Khalil Zaied, Director	CITY of BALTIMORE <b>MEMO</b>	
	AGENCY NAME & ADDRESS	Department of Transportation 417 E. Fayette Street, 5 <sup>th</sup> Floor		
	SUBJECT	OIG Report: 2012-0032		

**TO** David McClintock  
 Inspector General  
 640 City Hall

DATE:  
 December 10, 2012

Thank you for the Draft Report of Investigation regarding personal profit from the sale of valuable City-owned scrap metal by Theodore Wojtas and Lee Kane. As a result of the investigation and ultimately the criminal case, both Mr. Wojtas and Mr. Kane have been terminated.

Staff was sent to the Ponca Bird Pass Yard and repairs have been completed on the fencing; several of the lights are now in working order and ten new lights and wiring have been ordered; a meeting has been scheduled with the vendor for new cameras at that location also. The standard operating procedures for City-owned scrap have been reviewed although it does not appear that current staff at this Yard improperly handling scrap. We will have three small carts to put all scrap wiring into which will be kept in a secure room with cameras. The manager of the Yard will be the only one with a key to this room. Inventory of these carts will also be the responsibility of the manager. The Yard now houses the roll-off container from the proper vendor as selected through the City's procurement process. Inventory of supplies on hand has been completed and will be maintained.

The Department of Transportation will continue to look for ways to enhance security and eliminate opportunities for theft in all of our worksites.

Sincerely,

  
 Khalil Zaied  
 Director

cc: Hon. Stephanie Rawlings-Blake  
 Mr. Alexander Sanchez  
 Mr. George Nilson  
 Mr. Harry Black