

Many Twists and Turns

Los Alamos National Laboratory whistleblower lawsuit took six years to settle

By Carol A. Clark

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Editor's Note: This is the second of a multi-part series.

It took years to reach closure on the court case former Los Alamos National Laboratory auditor Charles (Chuck) Montaño launched against his employers alleging whistleblower retaliation.

Montaño filed the retaliation lawsuit in March 2005 against the regents of the University of California, d/b/a Los Alamos National Laboratory and LANL officials Richard Marquez, John Bretzke, the estate of Vernon Brown and William Barr.

The lawsuit was settled late last year. The terms of the settlement were sealed except that Montaño agreed to resign his employment at the laboratory, which was effective Dec. 31. Steve Montiel from the Office of the Secretary and Chief of Staff to the Regents of UC did not return a request for comment. Toni Chiri of the NNSA Los Alamos Site Office said this morning that NNSA would not be commenting on the settlement.

In a related wrongful termination case in which settlement terms were disclosed, LANL security officials Glenn Walp and Steve Doran were paid nearly \$1 million each and three and a half month's salary in mid 2003 by UC.

As LANL's internal auditing and security functions were coming under increasing public scrutiny and as part of its response, LANL hired Walp and Doran in early 2002 to head up the Office of Security Inquiries.

They discovered many issues with the lab's internal security and were fired after less than one year on the job.

The long litigation ordeal for Montaño began when he was working as an auditor and in January 2003, as another part of its response to increased scrutiny from congress, the lab tasked auditor Tommy Hook with creating the Self Assessment and Procurement Review Team (SAPR.) SAPR was responsible for auditing, reviewing and assessing that division's finance and procurement operations. Hook hired Montaño to join SAPR.

Montaño's allegations of retaliation centered on the work he performed, and the lack of work he later received, while working within SAPR.

According to Montaño's testimony, by April 2003, Marquez and other laboratory management retaliated against SAPR by removing finance issues from SAPR, limiting its work related to procurement problems and downgrading Hook's reporting relationship.

By May 2003, "management announced another initiative, the Business Process Improvement Program (BPIP), which they publicly proclaimed as 'validation' that all problems were being resolved."

Montaño and Hook released an internal report expressing concern with laboratory accounting practices and detailing millions of dollars in fraudulent billing at the lab.

By July 2003, Montaño claimed that, "senior lab management buried SAPR through a bureaucratic reorganization."

Following the release of his audit report, Montaño was removed from his duties and allegedly left to sit in a LANL basement with no work to perform.

Former LANL engineer Joe Gutierrez testified in a Sept. 1, 2010 affidavit that he also was a whistleblower. He was tasked with audit assessments of the lab's activities and operations and said he made protected disclosures related to the violations of the Federal Clean Air Act.

“After making protected disclosures, I experienced retaliation,” he said. “Among other acts of retaliation, my roles and responsibilities changed dramatically as duties were removed from me and my employment classification changed to unassigned (unfunded) status.”

Gutierrez also testified that he knew Pete Bussolini, a former facilities maintenance manager at the lab and that Bussolini told him he intended to participate in the management of a ranch and hunting operation with LANL Deputy Director of Operations Richard Burick.

Sierra County Clerk records show Burick purchased a 40-acre spread he named the Rocking Sigma Ranch in Sierra County in June 2000, then he sold the ranch for \$1 to hunting guide Sterling Carter in November 2002. Just two months later, Burick was found dead.

In 2004, Bussolini and Scott Alexander, a purchaser who worked under him at LANL were indicted on 28 counts of fraud, theft, embezzlement and making false statements. They publicly apologized for what they said was a terrible mistake and the two men, accused of illegally buying more than \$300,000 worth of hunting equipment, outdoor gear and television sets on a LANL account were each sentenced to prison.

In February 2005, U.S. District Judge James Parker sentenced Bussolini to six months in prison followed by six months of house arrest and \$30,000 in fines.

Alexander was sentenced to one year and a day in prison.

According to the autopsy report, Burick was also under investigation. He was found dead with a gunshot wound to his head on Pajarito Mountain in Jan. 2003, which police and the Office of the Medical Investigator ruled a suicide. However, questions continue to swirl around the circumstances of Burick's death.



Susan Walsh/Associated Press

Former LANL security officials from left, Glenn A. Walp, Steven L. Doran and contract employee Jaret McDonald testify at a congressional hearing in Washington, D.C., Feb. 26, 2003. “We were there for one reason, Walp said, and that was to tell the truth.”