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To: The Honorable Perla Tabares Hantman, Chairwoman  
and Members, Miami-Dade County School Board  
Alberto M. Carvalho, Superintendent, Miami-Dade County Public Schools

From: Mary T. Cagle, Inspector General

Date: April 2, 2019

Subject: *OIG Final Report of Inspection - D. Stephenson's Construction, Inc.'s Substitution of Electrical Subcontractors on Selected GOB-funded Projects; GOBIG-0015*

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Attached please find a copy of the Miami-Dade County Public Schools (M-DCPS) Office of the Inspector General (OIG) Final Report of Inspection. This inspection was initiated as a follow-up to a prior OIG investigation involving Complete Power Systems, an M-DCPS electrical subcontractor. In that investigation, the OIG found that Jubert Lowe, the supposed 51% owner of Complete Power Systems, was used as a "front" in order to qualify it for M/WBE certification. The investigation also revealed that Mr. Lowe was associated with two other companies that received electrical work on the same projects managed by D. Stephenson Construction, Inc. at one time or another. This inspection looked at the substitution from one electrical subcontractor to another electrical subcontractor.

This report revealed that D. Stephenson was not compliant with established M-DCPS procedures and contract requirements pertaining to the substitution of electrical subcontractors. Additionally, one of those electrical subcontractors, State Building Contractors, LLC, was not a State of Florida licensed electrical contractor at the time that D. Stephenson hired it to replace another firm that was duly licensed.

This report, as a draft, was provided to D. Stephenson and M-DCPS for their discretionary response. Written responses were received from D. Stephenson and the M-DCPS Office of School Facilities on behalf of the Superintendent's Office. These responses are summarized in the Final Report and are attached as Appendices. The OIG would like to thank D. Stephenson and M-DCPS staff for their cooperation and for the courtesies extended to the OIG during this review.

Attachment

cc: Walter J. Harvey, School Board Attorney  
Maria T. Gonzalez, Chief Auditor, Office of Management & Compliance Audits  
Jaime G. Torrens, Chief Facilities Officer  
Jennifer D. Andreu, Interim, Economic Equity & Diversity Compliance Officer, OEO  
Yoni Markhoff, Chair, and Members, Small Business Advisory Committee  
Roberto Martinez Chair, and Members, 21<sup>st</sup> Century Schools Bond Advisory Committee  
D. Stephenson Construction, Inc. (under separate cover)

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**MIAMI-DADE COUNTY PUBLIC SCHOOLS OFFICE OF THE INSPECTOR GENERAL  
OIG FINAL REPORT OF INSPECTION**

*D. Stephenson Construction, Inc.'s Substitution of  
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**I. INTRODUCTION**

The Miami-Dade County Public Schools (M-DCPS) Office of the Inspector General (OIG) performed an inspection of D. Stephenson Construction, Inc.'s (DSC) project records related to the substitution of electrical subcontractors performing work on several M-DCPS renovation projects under the General Obligation Bond (GOB) Program. The purpose of this inspection was to review DSC's subcontractor substitution practices to determine compliance with M-DCPS construction procedures and M-DCPS policies and procedures pertaining to its Small/Micro, Minority/Women-Owned Business Enterprise (S/MBE and M/WBE) Programs.

The basis of this inspection stems from a prior OIG investigation involving Complete Power Systems (Complete Power), an M-DCPS electrical contractor. In that case, the OIG found that Jubert Lowe, the purported 51% owner of Complete Power, was used as a "front" in order to qualify the company for M/WBE certification (Complete Power was also a certified S/MBE firm). The investigation revealed that Complete Power and other companies, co-owned by Mr. Lowe, were the electrical subcontractors on several DSC projects at one time or another. That investigation also revealed that DSC's project manager and Mr. Lowe had a prior business relationship. As such, we performed this inspection to assure that the selection of Mr. Lowe's firm and/or the substitution of one Mr. Lowe-owned firm for another Mr. Lowe-owned firm was compliant with established procedures and duly authorized.

In the aftermath of the OIG's report on Mr. Lowe and Complete Power, M-DCPS debarred Complete Power and its principals (three individuals including Mr. Lowe) from contracting with the School District for three years. Two other firms owned or co-owned by Mr. Lowe (RNH Electric LLC and State Building Contractors, LLC) were also debarred. Additionally, all certifications held by Complete Power and the other Mr. Lowe-owned firms were revoked for 18 months, and all work performed has been excluded from utilization goals.

**II. SUMMARY OF INSPECTION RESULTS**

This inspection focused on four M-DCPS GOB renovation projects awarded to DSC from 2014 through 2016. DSC was the Construction Manager At-Risk (CMR) on each project and, as such, was responsible for bidding out all of the various scopes of work, entering into agreements with the subcontractors, and managing construction.<sup>1</sup>

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<sup>1</sup> CMR is a procurement method used by M-DCPS, where the CMR is chosen based on qualifications. Through the bidding and letting of subcontracts for all the various scopes of work comprising the project (e.g., demolition, roofing, plumbing, electrical, etc.), the CMR determines a guaranteed maximum price (GMP) for the project, which must then be approved by the Board. During construction, the CMR

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These four projects were selected because at least one company affiliated with Mr. Lowe worked on the project as the electrical subcontractor. The four projects selected were: Miami Southridge Senior High School (Project No. 01338200), Oak Grove Elementary School (Project No. 01337300), South Miami Heights Elementary School (Project No. 01306600), and Miami Southridge i-Prep Lab (Project No. 01541600).

Our inspection revealed non-compliance with established M-DCPS procedures and contract requirements for the substitution of electrical subcontractors in all three projects where there was at least one substitution. First, project management personnel from the Office of Capital Improvement Projects (OCIP) were not involved in the request and approval process (this oversight was recently rectified in January 2018 with the implementation of new procedures). However, we found that in two projects (where the original electrical subcontractor was slated to meet an S/MBE utilization goal) OCIP was notified of the anticipated substitution, but the approval responsibility rested solely with the Office of Economic Opportunity (OEO). In those two projects, OEO did not approve the substitution request (because the replacement firm was not a certified S/MBE) but the substitution took place regardless.

More troubling however, is that Mr. Lowe's firm—State Building—was not a State of Florida licensed electrical contractor but was being utilized by DSC to replace another one of Mr. Lowe's firms— Complete Power, who was duly licensed. Further, as DSC did not have its own electrical license, the electrical work performed by State Building was non-compliant with Florida Statutes.<sup>2</sup>

We recognize that the electrical work on these projects have passed their final inspections; however, it does not absolve the fact that the work was performed by an unlicensed entity. The OIG is well aware of the improvements that have been made to the substitution process, from request to approval. Similarly, these process improvements neither release nor minimize the responsibility of the CMRs to sufficiently vet their subcontractors' licensure statuses prior to engaging them on M-DCPS projects.

### **III. TERMS USED IN THIS REPORT**

Board	Miami-Dade County School Board
CMR	Construction Manager at-Risk
Complete Power	Complete Power Systems
DPOs	Direct Purchase Orders
DSC	D. Stephenson Construction, Inc.

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coordinates all subcontracted work and manages the project. The CMR is paid a fee for managing the project, which is separate from the project's construction cost.

<sup>2</sup> See Section 489.113(2) and (3), Florida Statutes.

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Facilities	Office of School Facilities
GMP	Guaranteed Maximum Price
M-DCPS	Miami-Dade County Public Schools (a.k.a. the School District)
M/WBE	Minority/Women Business Enterprise
OCIP	Office of Capital Improvement Projects
OEO	Office of Economic Opportunities
OIG	Office of the Inspector General
RNH	RNH Electric, LLC
S/MBE	Small/Micro Business Enterprise
State Building	State Building Contractors, LLC

**IV. OIG JURISDICTIONAL AUTHORITY**

The OIG provides inspector general services to M-DCPS pursuant to an Interlocal Agreement (ILA) between Miami-Dade County and the Miami-Dade County School Board (Board). The ILA governs the scope and jurisdiction of the OIG's activities. Among the authority, jurisdiction, responsibilities and functions conferred upon the OIG through the ILA is the authority and jurisdiction to investigate M-DCPS affairs, including the power to review past, present, and proposed programs, accounts, records, contracts and transactions. The OIG shall have the power to require reports and the production of records from the M-DCPS Superintendent, Board members, School District departments and allied organizations, and School District officers and employees, regarding any matter within the jurisdiction of the OIG.

**V. BACKGROUND**

**A. M-DCPS OFFICES ADMINISTERING THE GOB PROGRAM**

***Office of School Facilities (Facilities) and the  
Office of Capital Improvement Projects (OCIP)***

Facilities oversees all design and construction-related activities at M-DCPS as well as maintenance, operations, emergency management, and planning functions. Since 2013, Facilities has been administering the GOB Program, which comprises of new construction, renovations, technology upgrades and other enhancements throughout the School District.

OCIP is a division within Facilities that is primarily charged with managing all of the GOB-funded construction and renovation projects. OCIP is involved in the negotiation of subcontract scopes and prices with the project-assigned CMR. OCIP is also the first-level approver of the GMP, which is ultimately forwarded to the Board for its approval.

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OCIP staff is comprised of project managers who work in tangent with the project architect to oversee daily construction activities by the CMR and its subcontractors.

***Office of Economic Opportunities (OEO)***

OEO's primary function is to promote the economic development of small/micro, minority/women-owned, and veteran businesses desiring to do business with M-DCPS. OEO oversees certification, compliance and monitoring, contractor prequalification, and community outreach. OEO currently operates under School Board Policy 6320.02, *Small/Micro and Minority/Women-Owned Business Enterprise Program*.

**B. CMR CONTRACT REQUIREMENTS GOVERNING THE QUALIFICATION OF SUBCONTRACTORS**

The standard boilerplate language found in the CMR contracts is very clear that the responsibility to vet the qualifications of the subcontractors lies with the CMR. Article 6.5.1 of the Contract pertains to the CMR's prequalification of the subcontractors that the CMR intends to solicit bids from.<sup>3</sup> It states:

The CM<sup>[4]</sup> shall be solely responsible for prequalifying all Subcontractors utilized in the performance of the work in accordance with Board Policy and the Construction Documents, The CM shall submit to the BOARD the CM's list of preapproved Subcontractors for each element of the work to be subcontracted by the CM. The BOARD reserves the right to reject any Subcontractor proposed for any bid to be considered by the CM. This CM shall hold harmless, Indemnify, and defend the BOARD, its employees, agents, and representatives in any matter arising out of the CM's prequalification of its Subcontractors.

As to the work being performed, the School Board's General Conditions for the Contract for Construction is very clear: "All subcontractors, sub-subcontractors, and other levels of service providers shall be properly licensed or registered."<sup>5</sup>

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<sup>3</sup> See Article 6.5.1 - Bid and Award Phase, Prequalification, of the Miscellaneous Construction Manager At-Risk Agreement. This same provision is also found in the project-specific (i.e., non-miscellaneous) CMR agreements.

<sup>4</sup> While the term CM (Construction Manager) is used in the document, the term is interchangeable with CMR. The "R" refers to the fact that the CM is at-risk when there is a Guaranteed Maximum Price.

<sup>5</sup> General Conditions of the Contract for Construction, Article 3.3.6; Rev. 12/05/2011.

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**C. SUBSTITUTION PRACTICES**

M-DCPS construction procedures require that the CMR request and obtain written approval from the Board prior to changing or substituting any subcontractors included in the accepted GMP.<sup>6</sup> (For many of the construction procedures requiring Board approval, OCIP is identified as the entity delegated this responsibility.) The procedures also require that the reasons for the request be accompanied by a signed and notarized release from the subcontractor or accompanied by an affidavit from the CM.

Additionally, and prior to its revisions in 2018, School Board Policy 6320.02 required that the CMR notify and obtain OEO's written approval in advance for any reduction in scope, substitution or termination of any S/MBE or M/WBE participating on a project whereby that participation is meeting a construction utilization goal.<sup>7</sup>

As further described below, until fall 2017, when the OIG met with Facilities and OCIP staff on the issue of substitutions, approvals were handled exclusively by OEO—OCIP project managers were not actively involved in the review and approval process. In furtherance of its duty to approve substitution requests, the *OEO Approval Request Form* was created. This form, which was to be completed by the CM, would state the request to reduce the work scope, substitute or terminate the S/MBE or M/WBE. OEO also implemented the *MBE/SBE-M/WBE Verification Form*, which was to be completed by the subcontractor to comment on the proposed action by the CM. Both forms identified OEO as the only reviewer and approver of the forms.

Beginning in the fall of 2017 through early 2018, as a result of concerns arising from multiple sources, including the OIG investigation into Complete Power, OIG staff met with Facilities/OCIP staff and OEO staff, both in separate and in joint meetings. The OIG learned from Facilities and OCIP that their project managers were not actively involved in the review and approval of substitution requests. They relied on OEO to vet the requests, and formally approve them. The OIG strongly urged OCIP to take a more proactive role in receiving, reviewing, and approving all requests to substitute subcontractors comprising of a project's GMP. We believed that OCIP project managers were in the best position to evaluate the reasons for the substitution request, and what impact it might have, if any, on the project schedule and price. Only if an S/MBE and/or M/WBE subcontractor's participation was counted towards meeting a utilization goal, would OEO's approval be required.

The OIG learned from OEO staff that, while they were responsible for approving substitution requests, they were aware of instances where substitutions occurred

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<sup>6</sup> General Conditions of the Contract for Construction, Article 5.2.5; Rev. 12/05/2011.

<sup>7</sup> School Board Policy 6320.02, Revised March 9, 2016; Mandatory Subcontracting, Item 6, page 25.

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without OEO's approval. OEO also advised that not all subcontractors were being properly notified of a substitution request prior to the substitution taking place.

Through these meetings, the M-DCPS offices agreed to modify the substitution review and approval process, and implement new forms that corresponded to the revised process. As a result, in January 2018, the *OEO Approval Request Form* was revised and renamed *Request for Subcontractor Substitution (FM-7686)*. This new form formally delineates Facilities/OCIP's and OEO's roles, and also includes an attachment for the prime contractor's reasons for substitution and its notarized signature.

**D. ELECTRICAL COMPANIES OWNED/AFFILIATED WITH JUBERT LOWE**

As previously mentioned, this inspection grew out of a prior OIG investigation into Complete Power, an electrical subcontractor that worked on several M-DCPS GOB-funded projects. That investigation, which determined that fronting had taken place, also developed supplemental information about other electrical firms that Mr. Lowe either owned or co-owned, and these companies' participation on the same projects that Complete Power had been working on. The investigation also revealed a prior business relationship between Mr. Lowe and DSC's former project manager, Roger Reyes. Mr. Reyes was the project manager for the four projects that are the subject of this inspection.<sup>8</sup>

The OIG investigation revealed that Mr. Lowe applied for and was awarded S/MBE and M/WBE certification for a second company, RNH, four months after Complete Power was certified. Mr. Lowe also applied for S/MBE and M/WBE certification for a third company, State Building, but was denied twice (in May 2016 and February 2017), due to him not holding an electrical license. Moreover, State Building did not have another individual as its electrical qualifier—until January 31, 2017—and, thus, the company was not a licensed electrical contractor for the work performed on the projects identified herein.

Mr. Lowe's affiliation with all three firms (Complete Power, RNH, and State Building) all overlapped in time. These three firms, through Mr. Lowe's direct involvement, participated in the bid, award and construction activities for the four construction projects that are the subject of this inspection. Table 1, on the next page, provides a timeline of Mr. Lowe's association with each company, and their overlaps with each other.

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<sup>8</sup> Mr. Roger Reyes was DSC's senior project manager on the four projects selected for inspection. Mr. Reyes separated from DSC in February 2017. Prior to being employed by DSC, Mr. Reyes was a managing member, along with Mr. Lowe and two other individuals, in another company also named State Building Contractors, LLC. This company was voluntarily dissolved by all its members in 2013 and did not participate on any M-DCPS project.



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**Table 1: Timeline of Jubert Mr. Lowe's Overlapping Ownership Status with Electrical Firms**

Firm Name	Date Firm Incorporated	Mr. Lowe's Time Period with Firm	Mr. Lowe's Position with Firm	Mr. Lowe's Current Status with Firm	Overlap Period
RNH	8/14/14	8/14/14 - 9/22/17	Managing Member	Dissolved	CPS: 1/07/15 - 8/01/16
					State Building: 3/08/16 - 9/22/17
Complete Power (CPS)	9/17/09	1/07/15 – 8/01/16	Managing Member	Removed	RNH: 1/07/15 - 8/01/16
					State Building: 3/08/16 -8/01/16
State Building*	3/08/16	3/08/16 - present	Manager	Active	RNH: 3/08/16 to 9/22/17
					CPS: from 3/08/16 to 8/01/16

Source: State of Florida, Division of Corporations

\* Previously, another company by the same name, listed Mr. Lowe, Mr. Roger Reyes (DSC Senior Project Manager), and two other individuals as managing partners. This earlier company was dissolved in 2013 and did not provide electrical services on M-DCPS GOB projects.

Supplemental information about each firm's corporate history and the S/MBE and M/WBE certifications accorded by M-DCPS are found in OIG Schedule A.

**VI. OBJECTIVES, SCOPE, AND METHODOLOGY**

This inspection was conducted in order to obtain assurances that DSC's practices of substituting electrical subcontractors were done in compliance with established M-DCPS practices and procedures. The OIG initially selected three DSC projects to be reviewed. These projects were selected because of Mr. Lowe's participation with them—through one or more of his companies—as the electrical subcontractor. In the course of our review, we became aware of a fourth project where Mr. Lowe's firm, State Building, was contracted to provide electrical work. As such, this fourth project was added to our inspection. Our inspection included substitutions made on the electrical scope of work only and does not include other scopes of work included in the project GMP. The four selected DSC projects, and their electrical scopes, are shown in the table below.

**Table 2: GOB-funded Projects Selected for Inspection**

Project Name & Number	Date Project Awarded	Project Total Amount (GMP)	Electrical Amount per GMP	Electrical S/MBE Goal %	Electrical Subcontractor Substitutions	Project Status
Miami Southridge Senior High School # 01338200	8/04/2014	\$4,993,927	\$315,550	8.23%	1	Open

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<b>Project Name &amp; Number</b>	<b>Date Project Awarded</b>	<b>Project Total Amount (GMP)</b>	<b>Electrical Amount per GMP</b>	<b>Electrical S/MBE Goal %</b>	<b>Electrical Subcontractor Substitutions</b>	<b>Project Status</b>
Oak Grove Elementary School # 01337300	8/06/2014	\$2,942,144	\$245,850	9.67%	2	Open
South Miami Heights Elementary School # 01306600	9/19/2014	\$1,689,291	\$94,700	None*	1	Completed
Miami Southridge i-Prep Lab # 01541600	2/24/2016	\$544,227	\$79,800	None**	None	Open
<b>Total Amounts</b>		<b>\$10,169,589</b>	<b>\$647,670</b>			

\* This project did not have an established S/MBE construction goal.

\*\*This project's electrical scope was not identified as one of the scopes to meet the S/MBE construction goals.

OIG personnel requested and reviewed procurement, construction, subcontractor substitutions, and payment records maintained by DSC on all four projects. We also met with M-DCPS staff, including OCIP and OEO, and requested certified electrical subcontractors listings, the firms' certification status, each project's electrical inspection reports, subcontractor substitution documents submitted by DSC, and each project's completion and payment status. Notwithstanding the above-listed documents, our inspection included reviewing the following documents:

- Guaranteed maximum price (GMP) books, including bid proposals, bid tabulations and final GMPs
- DSC's subcontractor agreements
- Direct purchase orders (DPOs), change orders, and scope changes
- Project construction payments from M-DCPS to DSC
- DSC's payments made to its participating electrical subcontractors
- DSC's subcontractor substitution records provided to M-DCPS
- OEO subcontractor substitution records received from DSC
- M-DCPS project's inspection reports
- Board meeting and approved agenda items
- State of Florida corporate filings and licensing records

As this inspection was primarily constructed as an inspection of project records, and not an investigation into the actions of certain individuals, the OIG deliberately chose not to interview Mr. Lowe and DSC's former project manager, who, as we stated earlier, were former business partners.

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**VII. INSPECTION RESULTS PER CONSTRUCTION PROJECT**

**A. Miami Southridge Senior High School – Project #01338200**

On August 4, 2014, the Board approved the award of DSC as the CMR firm for the GOB-funded renovation project at Miami Southridge Senior High School (Miami Southridge). Thereafter, as part of the GMP process, DSC invited eight electrical firms to provide bids. Complete Power and RNH were both shown on the list of invited electrical firms. At the time of this project, Mr. Lowe was a co-owner of both Complete Power and RNH.

On August 10, 2015, DSC received four electrical bids, which included a bid from Complete Power. RNH did not submit a bid. Complete Power had the lowest bid of \$312,500 and was awarded the electrical scope of work.<sup>9</sup> Due to adjustments to account for subcontractor payment and performance bonds, the total electrical value in the final GMP (approved by the Board on October 14, 2015) was \$315,500. In the GMP Board item, Complete Power's electrical scope amounted to 8.23% of the overall project's S/MBE construction participation goal of 26.99%.<sup>10</sup>

This project had one electrical contractor substitution. Complete Power was terminated by DSC for failure to perform and for lack of manpower. Complete Power was replaced with State Building, who had not been an original bidder on this project—or even a firm invited to bid on the project.

Correspondence found in the project files showed that in February 2016 issues arose between Complete Power and DSC on the status of work being performed by Complete Power. On March 24, 2016, DSC sent a letter to Complete Power advising of Complete Power's failure to comply with the construction schedule. The next day, on March 25, 2016, Mr. Ashford, co-owner of Complete Power, advised several DSC representatives of Mr. Lowe's departure from Complete Power. DSC later terminated Complete Power on April 4, 2016, via a letter addressed to Mr. Ashford. Complete Power was paid a total of \$44,808 of the original agreement amount of \$315,500. According to DSC, Complete Power has been fully compensated for its work.

The OIG's review of project files revealed that DSC completed the required *OEO Approval Request Form* and included supporting documents for the termination of

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<sup>9</sup> The second lowest bid of \$315,000 came from Electrical Alliance Corp. The third and fourth lowest bidders were Universal Electric of Florida at \$325,604; and AGC Electric Inc. at \$626,570.

<sup>10</sup> The contract utilization achieved by DSC exceeded the required goal of 20%.

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Complete Power, along with paperwork justifying its replacement, State Building.<sup>11</sup> However, the Substitution Form was not approved by OEO. In an attached e-mail, dated March 30, 2016, DSC's Senior Project Manager referred to previous meetings held between DSC, OEO and OCIP staff, regarding the substitution of State Building for Complete Power. That same email thread, however, noted that the substitution request would not be approved until State Building obtained its S/MBE certification. (Subsequently, in May 2016, OEO denied State Building's application for S/MBE certification due to Mr. Lowe not having an electrical license.<sup>12</sup>)

The inspection did not reveal any documentation to confirm that State Building was approved to work on the Miami Southridge project. State Building did not obtain S/MBE certification status, yet it was meant to substitute for an S/MBE certified firm.<sup>13</sup> Later documentation obtained by the OIG showed that State Building only received its State of Florida electrical license on January 31, 2017.<sup>14</sup> Thus, State Building performed work beginning on or about May 2016 through December 2017 without being duly licensed by the State of Florida.<sup>15</sup> A check with the Florida Department of Business and Professional Regulations (DBPR) shows that DSC, a Certified General Contractor, did not have an electrical license, which it would have needed to properly supervise the electrical work due to State Building's non-licensure status.

Table 3, which follows on the next page, summarizes DSC's subcontractor substitution for electrical work performed on the Miami Southridge project.

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<sup>11</sup> DSC provided one set of substitution documents to support the replacement of Complete Power with State Building for both the Oak Grove and the Miami Southridge projects. Both projects were identified on these documents.

<sup>12</sup> State Building's S/MBE application was again denied on February 6, 2017, for the same reason, even though the firm eventually obtained an electrical license on January 31, 2017; see footnote 14 below. It is not clear whether the company later resubmitted after it got all of its paperwork in order.

<sup>13</sup> While Complete Power was an S/MBE certified firm, the OIG challenged that status in our investigative report on fronting. The School District agreed with our conclusion and stripped the firm of both its S/MBE and minority certifications.

<sup>14</sup> Records show that Jose Barreto is the licensed electrician named to qualify State Building. It is noted that Mr. Barreto is not listed on State Building's corporate records filed with the State of Florida.

<sup>15</sup> The first two payments (totaling \$25,565) were made in June 2016. Eventually, State Building would be paid of \$98,462, with the last payment made on or about January 19, 2017.

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**Table 3: Miami Southridge Electrical Subcontractor Substitutions**

Firm Name	Agreement Date	Date of Substitution Notification to M-DCPS	Date of Replacement/Withdrawal Reason for Replacement/Withdrawal	Subcontractor Agreement Amount	Amount Paid by DSC	Balance on Subcontractor Agreement
Complete Power	10/19/15	3/30/16*	4/04/16 Terminated for lack of manpower	\$315,550**	\$44,808	\$1,744
State Building	5/5/16	N/A	2/12/18 Debarred by M-DCPS	\$167,093***	\$98,462	\$26,036

Source: DSC's project files.

\*DSC's e-mail to several M-DCPS staff advised that Complete Power was being terminated and would be replaced with State Building.

\*\* Complete Power agreement of \$315,500 was adjusted down to \$46,552, due to scope changes, change orders and DPOs. A balance of \$1,744 remains on Complete Power's agreement; however, according to DSC, Complete Power was fully paid.

\*\*\*State Building's agreement was reduced to \$124,498 after \$42,595 was deducted for DPOs.

As noted in the above table, a balance of \$26,036 remains on DSC's agreement with State Building. The OIG contacted DSC on the status of the remaining balance, and on May 21, 2018, DSC's President stated that no additional payments have been made to State Building. He explained that State Building had not completed the remaining fire alarm scope on the project.

A review of the M-DCPS Inspect System, a code compliance tracking system used to track project's construction, reviews and inspections shows that completed electrical work has been inspected and approved by M-DCPS. According to OEO, the project is currently open and final construction goals have yet to be determined.

Summary of Concerns and Deficiencies noted on the Miami Southridge project:

1. The request to substitute Complete Power with State Building was never approved by OEO, yet DSC had State Building working on the project.
2. State Building was not an S/MBE certified firm, even though it was being substituted for one that was marked to meet an 8.23% utilization goal.<sup>16</sup>
3. State Building was not a State of Florida licensed electrical firm, and DSC had constructive knowledge of that when OEO explained why it could not

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<sup>16</sup> The goal intended to be achieved by Complete Power, represented 8.23% (or \$315,500) of the project's total construction value.

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certify State Building as an S/MBE. State Building performed work while unlicensed for which it received approximately \$98,000 in payments.

4. Both Complete Power and State Building were co-owned or fully-owned by Mr. Lowe at the time of the project.
5. DSC's Senior Project Manager overseeing the project had a prior business relationship with Mr. Lowe.
6. In February 2018, the School Board approved the debarment of Complete Power and State Building, and its principals, for a period of three years. Further, Complete Power's S/MBE and/or M/WBE certifications were also revoked, and work performed by Complete Power was not counted towards meeting any utilization goal.<sup>17</sup>
7. The project is still open and the final construction goals have yet to be determined. (See M-DCPS' response to the Draft Report, which addresses this issue.)

**B. Oak Grove Elementary School – Project #01337300**

On August 6, 2014, the Board approved the award of DSC as the CMR firm for the GOB-funded renovation project at Oak Grove Elementary School (Oak Grove). Thereafter, as part of the GMP process, DSC invited eight electrical firms to provide bids. Complete Power and RNH were both on the list of invited electrical firms. At the time of this project, Mr. Lowe was a co-owner of both Complete Power and RNH.

On May 22, 2015, DSC received four electrical bids, which included bids from RNH and Complete Power. RNH had the lowest bid of \$245,850 and was awarded the electrical scope of work.<sup>18</sup> In the GMP Board item, the value of RNH's electrical scope of work equated to 9.67% of the overall project's S/MBE construction participation goal of 36.32%.<sup>19</sup>

This project had two electrical contractor substitutions. RNH voluntary withdrew before construction commenced and was replaced with Complete Power. Complete Power was terminated by DSC for failure to perform and for lack of manpower. Complete Power was replaced with State Building, who had not been a bidder on this project—or even a firm invited to bid on the project. RNH, Complete Power and State Building were co-owned by Mr. Lowe during the time of this project.

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<sup>17</sup> Again, we note that State Building never obtained S/MBE or M/WBE status.

<sup>18</sup> The second lowest bid of \$265,250 came from Complete Power. The third and fourth lowest bidders were Electric Alliance at \$270,000; and Universal Electric of S. Florida at \$319,000.

<sup>19</sup> The contract utilization achieved by DSC exceeded the required goal of 20%.

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Correspondence found in the project files showed that in August 2015, Mr. Lowe advised DSC that RNH “cannot man the job” and was withdrawing from the project. This e-mail was included with DSC’s request to OEO for the substitution of RNH for Complete Power. The *OEO Approval Request Form* was approved by OEO. RNH was the S/MBE firm, listed in the project’s GMP, to meet a 9.67% utilization goal. Complete Power was also an S/MBE firm. Complete Power’s agreement with DSC assumed the low bid price submitted by RNH—even though Complete Power’s bid was originally \$20,000 more. Both RNH and Complete Power were co-owned by Mr. Lowe. Based on records reviewed, it appears that RNH neither performed work nor received payment on this project. DSC concurred that RNH did not perform work or receive payments.

In February 2016, the same issues that arose in the Miami Southridge project related to Complete Power’s on-the-job performance came into play here. Eventually, Complete Power was terminated by DSC from both Southridge and Oak Grove at the same time. Complete Power was paid a total of \$52,828 of the original agreement amount of \$245,850. According to DSC, Complete Power has been fully compensated for its work.

The OIG’s review of the project files revealed the same set of documentation found in the Miami Southridge files.<sup>20</sup> DSC completed the required *OEO Approval Request Form* but the request was never approved. OEO’s response on this project was the same as its response on Miami Southridge. As in the case of Miami Southridge, notwithstanding that the substitution request was not approved, DSC had State Building, a non-licensed contractor, working on the project. State Building worked on the project beginning on or about August 2016 through December 2016.<sup>21</sup>

Table 4, on the next page, summarizes DSC’s subcontractor substitution for electrical work performed on the Oak Grove project, as well as payments made to Mr. Lowe’s companies.

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<sup>20</sup> DSC provided one set of substitution documents to support the replacement of Complete Power with State Building for both the Oak Grove and the Miami Southridge projects. Both projects were identified on these documents.

<sup>21</sup> The first payment (totaling \$13,500) was made in August 2016. Eventually, State Building would be paid a total of \$40,571, with the last payment made on or about December 21, 2016.

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**Table 4: Oak Grove Electrical Subcontractor Substitutions**

Firm Name	Agreement Date	Date of Substitution Notification to M-DCPS	Date of Replacement/Withdrawal Reason for Replacement/Withdrawal	Subcontractor Agreement Amount	Amount Paid by DSC	Balance on Subcontractor Agreement
RNH	7/02/15	8/17/15	8/17/15 Withdrawn for lack of manpower	\$245,850	\$0	\$0
Complete Power	8/17/15	3/30/16*	4/04/16 Terminated for lack of manpower	\$245,850**	\$52,828	\$0
State Building	8/01/16	N/A	2/12/18 Debarred by M-DCPS	\$48,496	\$40,571	\$7,925

Source: DSC's project files.

\*DSC's e-mail to several M-DCPS staff advised that Complete Power was being terminated and would be replaced with State Building.

\*\* Complete Power agreement of \$245,850 was adjusted down to \$58,828, due to scope changes, change orders and DPOs. According to DSC, Complete Power was fully paid.

As noted in Table 4, a balance of \$7,925 remains on DSC's agreement with State Building. The OIG contacted DSC on the status of the remaining balance; however, a response was not received.

A review of M-DCPS' Inspect System showed that completed electrical work has been inspected and approved by M-DCPS. According to OEO, the project is currently open and final construction goals have yet to be determined.

Summary of Concerns and Deficiencies noted on Oak Grove project:

1. While OEO had approved the substitution of Complete Power for RNH, OEO had not approved the request to substitute Complete Power with State Building, yet DSC had State Building working on the project.
2. State Building was not an S/MBE certified firm, even though it was being substituted for one that was marked to meet a 9.67% utilization goal.<sup>22</sup>
3. State Building was not a State of Florida licensed electrical firm, yet DSC had constructive knowledge of that when OEO explained why it could not certify State Building as an S/MBE. State Building performed work while unlicensed for which it received approximately \$40,000 in payments.

<sup>22</sup> The goal intended to be achieved by Complete Power, represented 9.67% (or \$245,850) of the project's total construction value.



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4. One Mr. Lowe-owned firm (RNH) was substituted for another Mr. Lowe-owned firm (Complete Power), and then again for another Mr. Lowe-owned firm (State Building). Mr. Lowe's ownership interest in these firms overlapped with each other.
5. DSC's Senior Project Manager overseeing the project had a prior business relationship with Mr. Lowe.
6. In February 2018, the School Board approved the debarment of Complete Power and State Building, and its principals, for a period of three years. Further, Complete Power's S/MBE and/or M/WBE certifications were also revoked, and work performed by Complete Power was not counted towards meeting any utilization goal.<sup>23</sup>
7. The project is still open and the final construction goals have yet to be determined. (See M-DCPS' response to the Draft Report, which addresses this issue.)

**C. South Miami Heights Elementary School – Project #01306600**

On September 19, 2014, the Board approved the award of DSC as the CMR firm for the GOB-funded renovation project at the South Miami Heights Elementary School (South Miami Heights).<sup>24</sup> Thereafter, as part of the GMP process, DSC invited 11 electrical firms to provide bids. RNH and CEI Electric (CEI) were shown on the list of invited electrical firms. Mr. Lowe was identified as the contact person for both RNH and CEI.<sup>25</sup>

On December 4, 2014, DSC received three electrical bids, which included a bid from RHN. CEI did not provide a bid. RNH was the lowest bid at \$94,700 and was awarded the electrical scope of work.<sup>26</sup> There was no S/MBE utilization goal assigned to this project.

This project had one electrical subcontractor substitution. RNH voluntarily withdrew before construction commenced and was replaced with Complete Power, who

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<sup>23</sup> Again, we note that State Building never obtained S/MBE or M/WBE status.

<sup>24</sup> DSC, along with 22 other construction firms, were commissioned by the Board, in January 2012, to provide CMR services for miscellaneous construction projects with construction values of up to \$2 million. This commission (pool) runs for four years with an option for extensions at the Board's discretion.

<sup>25</sup> A review of CEI's annual corporation filing records did not identify Mr. Lowe as a registered agent or officer. Mr. Lowe's partner in RNH, William Harmon, was identified as the president of CEI at the time of the bids. In the OIG investigation report of Complete Power, Mr. Lowe, when interviewed by OIG agents, stated that he is employed with CEI, where he works as a manager and an estimator.

<sup>26</sup> The second and third lowest bides were C&F Electric, Inc. at \$107,770; and Julianna Enterprises, Inc. at \$117,422.

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was not an original bidder on this project. Both RNH and Complete Power were co-owned by Mr. Lowe. Based on records reviewed, it appears that RNH neither performed work nor received payment on this project. DSC concurred that RNH did not perform work or receive payments.

Correspondence found in the project files showed that in November 2015 DSC advised the OCIP project manager, via letter, that RNH was ceasing operations and was withdrawing from the project. The inspection did not reveal any documentation to confirm that DSC requested OEO's approval to substitute RNH with Complete Power on the South Miami Heights project.<sup>27</sup>

DSC's files, however, showed that it established an agreement with Complete Power in January 2015—approximately 10 months before it notified OCIP of RNH's withdrawal. Complete Power's contract with DSC was for the same amount as RNH's contract—\$94,700. DSC issued its first payment to Complete Power in April 2015 for \$5,942 (six months before notifying OCIP) and later paid Complete Power a total amount of \$175,681, after added change orders and scope adjustments. All monies have been paid, and the project is closed. There were no S/MBE utilization goals assigned to this project.

Table 5 summarizes DSC's subcontractor substitution for electrical work performed on the South Miami Heights project as well as payments made to Mr. Lowe's companies.

**Table 5: South Miami Heights Electrical Subcontractor Substitution**

Firm Name	Agreement Date	Date of Substitution Notification to M-DCPS	Date of Replacement/Withdrawal Reason for Replacement/Withdrawal	Subcontractor Agreement Amount	Amount Paid by DSC	Balance on Subcontractor Agreement
RNH	None Noted	None Noted	11/3/15* Withdrew due to ceasing operation	None Noted	\$0	\$0
Complete Power	1/12/15*	N/A	N/A	\$94,700**	\$175,681**	\$0

\* DSC notified OCIP of RNH's withdrawal in November 2015; nearly ten months after DSC entered into an agreement with Complete Power.

\*\* Complete Power's agreement amount equaled RNH's electrical GMP value. This amount later increased due to scope changes, which was approved by M-DCPS.

<sup>27</sup> As there was no S/MBE goal on this project, it is understandable why DSC did not attempt to obtain OEO's approval. In light of the revised practices implemented in January 2018, OEO's approval would not be required. As it relates to this project, we are troubled by the fact that the OCIP project manager was not timely notified. We hope this type of lapse will be addressed with the new subcontractor substitution procedures that require OCIP's notification and approval prior to any substitution taking place.

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DSC's files further reflected that Complete Power was the only electrical firm that performed work and received payments on this project. Complete Power completed its scope of work and was fully paid before it was terminated from other DSC projects. A review of M-DCPS' Inspect System showed that completed electrical work has been inspected and approved by M-DCPS.

Summary of Concerns and Deficiencies noted on the South Miami Heights project:

1. DSC failed to timely advise M-DCPS (either OCIP or OEO) of RNH's withdrawal from the project and its replacement by Complete Power. No office of M-DCPS approved the substitution.
2. One Mr. Lowe-owned firm (RNH) replaced by another Mr. Lowe-owned firm (Complete Power).
3. DSC's Senior Project Manager overseeing the project had a prior business relationship with Mr. Lowe.

**D. Miami Southridge i-Prep Lab – Project #01541600**

On February 24, 2016, DSC was issued a work order to provide CMR services for the GOB-funded renovation project at the Miami Southridge i-Prep Lab (i-Prep Lab). As part of the GMP process, DSC invited eight electrical firms to provide bids. State Building was shown on the list of invited electrical firms. On May 26, 2016, DSC received three electrical bids. State Building was the lowest bid at \$79,800, and was awarded the electrical scope of work.<sup>28</sup>

The i-Prep Lab project has an S/MBE construction participation goal of 20%; however, State Building's electrical scope of work was not identified to meet the project's construction utilization goal.<sup>29</sup> The GMP was approved on June 6, 2016.

There were no electrical substitutions on this project. DSC's files reflected that State Building was paid \$46,697 of its agreement amount of \$79,800—the last payment was made on or about January 12, 2017. With deductions for DPOs, a balance of \$17,322 remains.<sup>30</sup>

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<sup>28</sup> The second and third lowest bids were Electric Alliance Corp at \$82,500; and CEI, at \$125,000. CEI was not noted on the list of invited firms; however, as previously noted in footnote 23, Mr. Lowe worked for CEI as an estimator and manager, even though the bid proposal identified Mike Keller, Project Manager, as the contact person.

<sup>29</sup> Flooring, painting, plumbing, and site work were identified as the scopes of work to be performed by S/MBE firms that would be counted towards meeting the project's S/MBE construction goals. State Building was not a certified S/MBE, as its application had been denied by OEO.

<sup>30</sup> There were two DPOs totaling \$15,781.

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The OIG contacted DSC on the status of the remaining balance, and on May 21, 2018, DSC's President stated that no additional payments have been made to State Building. He explained that State Building had not completed the remaining fire alarm scope on the project. A review of the M-DCPS Inspect System revealed that whatever electrical work had been completed was inspected and approved by M-DCPS. For the work that was performed, State Building was not a state-license electrical contractor. Mr. Lowe and his company, State Building, were debarred in February 2018 due to his involvement in the fronting misrepresentations in the certifications obtained by Complete Power.

Summary of Concerns and Deficiencies noted on the I-Prep Lab project:

1. Of the three bids received for the electrical scope of work, Mr. Lowe was associated with providing bids for two entities: State Building (where he was the principal) and CEI (where he was employed as an estimator and manager).
2. State Building provided electrical services on this project and was paid \$46,697 while not being a licensed electrical contractor.
3. DSC's Senior Project Manager overseeing the project had a prior business relationship with Mr. Lowe.
4. The project remains open, and the fire alarm scope of work is still incomplete. (See M-DCPS' response to the Draft Report, which addresses this issue.)

**VIII. RESPONSES TO THE DRAFT REPORT & OIG COMMENTS**

This report, as a draft, was provided to DSC for its review and provision of a discretionary written response. The OIG received a response from DSC, which included numerous exhibits. The OIG questioned the integrity of some of the exhibits, and was obligated to conduct additional investigative work. This resulted in additional findings that were later discussed with DSC's executives. As such, the OIG afforded DSC the opportunity to provide a supplemental response, which it did. Both DSC's initial and supplemental responses are summarized below and are fully attached to the final report as Appendix A-1 and Appendix A-2.

The draft report was also provided to M-DCPS Facilities and OEO through the Superintendent's Office. A response from Facilities, on behalf of the administration, is included in Appendix B.

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***Summary of DSC's Initial Response (Appendix A-1)***

DSC provided a 36-page response consisting of an 8-page letter and twelve exhibits (A – L). The response begins by stating that no one on DSC's leadership team knew of Mr. Reyes' prior business relationship with Mr. Lowe and that if Mr. Reyes did anything nefarious on Mr. Lowe's behalf, they were not aware of it. The response went on to say that Mr. Reyes and Mr. Lowe "duped" both the firm and the School District into certifying one of Mr. Lowe's firms as a minority business enterprise. DSC further added that M-DCPS' internal issues concerning its subcontractor substitution process, as noted in the draft report, impacted its ability, as well as other construction managers, to comply with "strict expectations." DSC later emphasized that the revised M-DCPS subcontractor substitution form, created in January 2018, is still not available on OEO's website.

DSC's response also describes, and attaches by way of an exhibit, its self-developed, on-line form titled, "Subcontractor Prequalification Form," as a form that it requires all potential subcontractors to complete. The response also states that all potential subcontractors are required to submit their licenses with their applications.

DSC responded that State Building provided it with information that "indicated" that a Mr. Juan Jaime was the qualifier for the firm. DSC supported this statement by including several documents in its response, which it stated was provided by Mr. Lowe, owner of State Building. Some of these documents included the following:

1. A licensee information page obtained from DBPR website, dated March 15, 2016, noting Mr. Jaime as bearer of the electrical license EC13005980 and qualifying Simply Electrical, LLC, an unrelated electrical contractor. (See Exhibit G of initial response.)
2. A notarized affidavit, allegedly executed by Mr. Jaime on March 15, 2016, stating that he was currently in the process of qualifying State Building with his electrical contractor's license EC13005980 and authorized State Building to conduct electrical work under his license. (See Exhibit F of initial response.)
3. A DBPR's *Certified Contractor Application for Transfer, Additional Business, or Reactivation* (DBPR Application) allegedly executed by Mr. Jaime on May 31, 2016, requesting DBPR to add State Building to his electrical contractor license EC13005717. (See Exhibit E of initial response.)

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4. A Local Business Tax Receipt with an expiration date of September 30, 2016, in the name of State Building and bearing Mr. Jaime's electrical license number EC13005717. (See Exhibit C of initial response.)

DSC further stated that "As far as we know, all work performed by SBC [State Building] on [the] Oak Grove Elementary and [the] Miami Southridge Senior High was done under Mr. Jaime's license." Later in its response, DSC made reference to incomplete paperwork for State Building and/or the State of Florida.

DSC ends its response by describing some of the measures that the company is/will be implementing to strengthen its own internal processes. Further, the response notes that based on "valuable lessons from [its] experience working on the School District's GOB program for the past five years," DSC offers "to sponsor a one-day training" to include topics such as substitution processes, subcontractor vetting, construction ethics, and key contract requirements.

***OIG Comments on DSC's Initial Response***

Naturally, DSC would want to distance itself from any wrongful actions and decisions made by Mr. Reyes, its former Senior Project Manager, and his prior business partner, Mr. Lowe, but unfortunately, as Mr. Reyes' employer, DSC is vicariously responsible for those wrongful actions and decisions. The OIG agrees that Mr. Lowe clearly misrepresented his ownership interest in Complete Power to the School District to obtain a minority business certification, but DSC, through Mr. Reyes, should have known that to be a sham. That knowledge of a continuing sham should have been readily evident when Mr. Lowe's three companies were successively substituted for one another. On the Oak Grove project, all three of Mr. Lowe's companies were successively contracted to render electrical subcontractor services as one company was substituted for the next in a daisy-chain effect.

DSC also mentioned that it has developed a subcontractor prequalification form as a measure to increase compliance in its prequalification process. However, when asked to provide completed forms submitted by any of Mr. Lowe's companies, DSC responded that it was not able to locate any of these forms for Mr. Lowe's companies and that the forms were either not submitted or were misplaced.

As for the OIG's finding that State Building was not a licensed electrical contractor during the time it was contracted to perform work, the bulk of DSC's response and accompanying exhibits address this issue. DSC states that it relied on documentation that was provided by Mr. Lowe showing that Mr. Juan Jaime was the licensed electrician who qualified State Building at the time that the work was being performed.

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However, later in its response to the OIG, DSC noted that the paperwork was incomplete. DSC did not clearly identify what incomplete paperwork meant.

In carefully examining all of the exhibits accompanying the response, specifically exhibits E and F, as described above, the OIG made several observations that gave rise to additional questions about Mr. Jaime's qualifier status for State Building. First, the notarized affidavit (Exhibit F) allegedly signed by Mr. Jaime stating that he was "in the process" of qualifying State Building with his DBPR license EC13005980 is dated March 15, 2016, whereas the DBPR Application (Exhibit E), which logically should have preceded the affidavit, was not signed by Mr. Jaime until May 31, 2016, over 2 months after the execution of the affidavit. Second, the electrical license number (EC13005980) referred to in the affidavit is not consistent with the electrical license number (EC13005717) noted in the DBPR Application. Third, there are pronounced dissimilarities in the signatures executed by Mr. Jaime on the affidavit and that on the DBPR Application. Upon noticing these irregularities, it became evident that further investigation was required.

***OIG Follow-up Work upon Reviewing DSC's Response***

A search of DBPR online records did not show Mr. Jaime as ever being a qualifier for State Building. As such, the OIG contacted Mr. Jaime to confirm whether he was a qualifier for State Building, and whether those were his signatures on the DBPR Application and affidavit that were provided to the OIG by DSC. During the interview, Mr. Jaime stated that he had no association or business dealings with State Building; however, he did agree to become the qualifier for a new company through another individual<sup>31</sup>—but it was not Mr. Lowe.<sup>32</sup> According to Mr. Jaime, this business venture never came to fruition, he was never aware of the name of the company, and was not provided any paperwork to fill out in furtherance of being the qualifier.

As for the dissimilarities in the signatures, Mr. Jaime categorically denied that the signatures on the State Building's documents were his. He documented this fact to the OIG in his own handwriting on the DBPR Application (OIG Exhibit 1) and on the affidavit (OIG Exhibit 2). It is clear that the signatures on the DSC submitted documents do not match Mr. Jaime's genuine signature.

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<sup>31</sup> Mr. Jaime stated that he was asked by Roberto Lopez, a business acquaintance, to be the qualifier for a company that Mr. Lopez was planning to establish.

<sup>32</sup> Mr. Jaime was asked if he was familiar with a man named "Jubert Lowe." Mr. Jaime said he did not know a person by that name, but after being shown a photograph of Mr. Lowe by the OIG Special Agent, Mr. Jaime acknowledged that he had previously seen this man, but he did not recall his name. Mr. Jaime recalled being hired by this man [Jubert Lowe] to secure a permit for a demolition job, however, Mr. Jaime could not recall the job location nor any specifics about the job itself. Mr. Jaime recalls being introduced to this man by Roberto Lopez.

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As for the different electrical licenses noted on these documents, Mr. Jaime stated that the EC13005717 is currently active and that he is the qualifier for Machin Signs, Inc. As for the EC13005980, Mr. Jaime stated that he previously held that license and was the qualifier for another company named Simply Electric, LLC; however, he has since voluntarily surrendered this license. A search of DBPR online records showed that Mr. Jaime's EC13005980 license was deactivated in August 2016.

The OIG contacted DBPR to verify the genuineness of DBPR Application provided to the OIG by DSC in its response. DBPR informed the OIG that an application from Juan Jaime, bearing a signature dated May 31, 2016, was received by DBPR on August 29, 2016; however, it was rejected for being incomplete and Mr. Jaime never followed-up on its completion. DBPR provided the OIG with a copy of the rejected application. (OIG Exhibit 3). Upon review of the DBPR-provided application, it is an exact match to the DSC-provided application, except for the signature found on the last page of the document. The signature on the rejected application matched Mr. Jaime's true signature. However, oddly enough, the rejected application (provided to the OIG from DBPR) shows that Mr. Jaime was seeking to qualify State Building as an additional business entity on his electrical license. But because the application was rejected, from the standpoint of DBPR, Mr. Jaime was never a qualifier for State Building.

Last, as pertaining to DBPR, the OIG also inquired about Mr. Jaime's deactivated electrical license EC13005980—not the license number used on the DBPR Application to add business entities. Records provided by DBPR disclosed that Mr. Jaime executed a DBPR Voluntary Null and Void Status request form on March 14, 2016. The paperwork bears a DBPR received date stamp of March 17, 2016. However, this license (EC13005980) is the number identified in the notarized affidavit, provided to the OIG, alleging that Mr. Jaime was in the process of qualifying State Building. It is also worth noting that the notarized affidavit is dated March 15, 2016—one day after Mr. Jaime signed the Null and Void request.

Next, the OIG also contacted Ms. Lazara Laurez-Llerena, a former DSC employee<sup>33</sup> who notarized the affidavit allegedly signed by Mr. Jaime, and took her sworn statement. The OIG showed Ms. Laurez-Llerena the affidavit, and she confirmed that based on her signature and notary stamp she notarized the affidavit.<sup>34</sup> The OIG informed her that the signature of Juan Jaime was not genuine. Ms. Laurez-Llerena stated that as part of her job, she notarizes documents on a daily basis and could not recall the specifics of this particular document. During the interview, Ms. Laurez-Llerena acknowledged knowing that Jubert Lowe was associated with three companies: RNH, Complete Power and State Building, and that Mr. Lowe and Mr. Reyes had a

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<sup>33</sup> Ms. Laurez-Llerena was employed with DSC from 2012 through 2017, and held the positions of Project Coordinator and Project Engineer.

<sup>34</sup> The Florida Division of Corporations Notary Commission website identified Ms. Laurez-Llerena with an active notary license that is valid until April 25, 2020.



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previous business relationship (prior to Mr. Reyes being employed by DSC). She surmised that Mr. Reyes probably brought her the affidavit to notarize, but she emphatically maintained that she would not have notarized the affidavit without the individual being present and that person providing identification if the person was not known to her.

***OIG Meeting with DSC and its Supplemental Response (Appendix A-2)***

Based on learning the foregoing, the OIG met with DSC executives to show them these discrepancies. We advised that the documents that were submitted, as part of the response to the draft report, were not genuine. We also advised them of the statements taken from Mr. Jaime and Ms. Laurez-Llerena, DSC's former employee. We also advised them that, if they wanted to, they could submit a supplemental response, which they did.

DSC provided a one-page letter and 21 pages of exhibits. Most of these exhibits were previously included in DSC's initial response. New to the supplemental response exhibits are two emails, both dated October 19, 2017, from Jubert Lowe to Joseph Sanches (President of DSC), which show Mr. Lowe's transmission of various licenses, the aforementioned affidavit, and the DBPR Application as email attachments. Also newly included in the supplemental response is a copy of a W-9 form for State Building.

The supplemental response letter categorically denies any knowledge or involvement by DSC owners or executive management in lies and deception of Mr. Lowe. The supplemental response further states that Mr. Reyes, a former employee, may have known or assisted Mr. Lowe; however, such action was not that of DSC or its management. Further any misdeed by Ms. Laurez-Llerena having notarized the phony affidavit was also not done with the knowledge of DSC's senior management. DSC assures that the misconduct described herein is "antithetical to the morals, values, and principals of our company." Last, DSC pledges continued support for any OIG investigative effort into these individuals.<sup>35</sup>

***OIG Comments on DSC's Supplemental Response***

Notwithstanding DSC's efforts to distance itself from the misdeeds of their former employees and subcontractor, we poignantly observe that the email transmittals contained in the supplemental response were both sent on October 19, 2017. This was subsequent to the OIG issuing its draft report on Complete Power Systems, but prior to the publication of the final report. It also demonstrates to the OIG that DSC did not

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<sup>35</sup> The OIG will forward a copy of this final report to the Florida Department of State, Division of Corporations for its review and determination of whether any action will be taken against Ms. Laurez-Llerena and her notary license.

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have any of these documents in its possession when it actually contracted with State Building to perform electrical work—but obtained them when issues involving State Building came to light in the OIG's investigation of Complete Power Systems.

DSC, in both responses, has maintained that it relied on the documentation provided by Mr. Lowe to show that State Building was duly licensed. That reliance—even if it was based on phony paperwork—however, was after the fact. It was well after State Building was contracted to perform the electrical work. If Mr. Lowe's late-submitted paperwork was supposed to provide assurance that all of State Building's licenses were in order, they surely missed the mark. A cursory glance at these documents showed conflicts and discrepancies on the face of them. As opposed to providing any assurance, it triggered additional investigation demonstrating their phoniness.

***Summary of M-DCPS Administration Response (Appendix B)***

The OIG provided a copy of the draft report to Facilities and OEO through the Superintendent's Office. Facilities on behalf of the M-DCPS Administration provided a 2-page response with a 112 pages of attachments. One of those attachments is a table showing the final utilization goals for the four projects that are the subject of this report. The 2-page memo and the 1-page table are attached as Appendix B; the remaining 111 pages are not attached due to its volume, but may be made available by contacting the OIG.<sup>36</sup> The response is broken out into four areas: Subcontractor Substitution, Electrical Work Concerns, Recalculation of S/MBE Goals, and Actions for D. Stephenson Construction, Inc.

First, the response restates the substitution request process prior to and subsequent to the implementation of the new Request for Subcontractor Substitution Form (FM-7686). The response also states that the new form "provides current licensure information that may be required depending on the nature of the trade that is being substituted." Last, as to this topic, the response states that Facilities project managers have been trained on the new procedures, and "[c]ontractors have also been provided with this information when substitution requests arise."

Next, the response addresses the actual electrical work performed. The response incorrectly states that "the OIG is extremely troubled by the inspection results of the four projects," and goes on to describe that all of the projects have actually passed their final electrical inspections. Oak Grove and South Miami Heights have obtained their Certificate of Occupancy and/or Completion, and the two Miami Southridge projects are

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<sup>36</sup> M-DCPS' supplemental documents are a compilation of electrical inspection reports and certificates of occupancy and/or completion.

**MIAMI-DADE COUNTY PUBLIC SCHOOLS OFFICE OF THE INSPECTOR GENERAL  
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in the process of obtaining their final certificates. The response references all the electrical inspections (progress and final) that were included as attachments.

Third, at the recommendation of the OIG, the Administration provided a recalculation of S/MBE goals for the Miami Southridge and Oak Grove projects, both of which Mr. Lowe's companies were meeting electrical goals. For these two projects, the District's Goal Setting Committee (GSC) set a 20% construction goal. DSC's commitments at the time of GMP award were 26.99% for Miami Southridge and 36.32% for Oak Grove. The recalculated participation, based on our findings, are 18.76% for the Miami Southridge project and 27.23% for the Oak Grove project. The response finds that the GSC's goal for the Miami Southridge project has not been met.

Last, the response states that notwithstanding the serious sanctions imposed against DSC's subcontractors (i.e., the Lowe-owned companies, predicated on the OIG's earlier report), it is currently considering appropriate actions against DSC.

***OIG Comments on M-DCPS' Response***

The OIG appreciates that the projects have passed their final electrical inspections, but the inspections and the quality of the work performed was never the issue. The fact that work was performed by unlicensed entities was the concern. Nevertheless, we appreciate M-DCPS gathering all the inspection reports for our review.

The OIG also appreciates M-DCPS recalculating the S/MBE participation goals. The failure to achieve the GSC goal on the Miami Southridge should be addressed by the Administration, either separately or as a part of its overall determination of what actions it will take against DSC.

**IX. CONCLUSION AND RECOMMENDATIONS**

We recognize that the owners and senior executive managers of DSC have been placed in a difficult situation having to face the consequences for the actions of its employees and subcontractors. But as the CMR, it is the firm's job—regardless of which employee is its project manager—to actively manage the project, especially the work of the subcontractors. Even if senior management was under the impression that Mr. Lowe's third firm, State Building, was duly licensed, the need (or desire) to substitute electrical subcontractors on these projects should have raised flags.

The substitution of one Mr. Lowe-owned firm for another suggests misfeasance in the management of these construction projects. This is evidenced by the fact that in two cases (Miami Southridge and Oak Grove) the substitution of State Building for

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Complete Power was never approved. In another project, South Miami Heights, the notification was made 10 months after the substitution had already taken place. These inconsistent, incomplete, and untimely notifications to M-DCPS, highlights DSC's failure to comply with M-DCPS substitution policies and procedures, as well as contractual obligations.

The OIG believes that the revised subcontractor substitution form, which now requires both Facilities' and OEO's approvals, will make the substitution process more accountable. Training is a good start, but continued adherence by staff and requiring across the board compliance by contractors are key. The OIG makes three recommendations with respect to subcontractor substitutions and licensure requirements:

- 1) That the form be posted on both the Facilities/OCIP webpage and OEO's webpage.
- 2) That the new substitution procedures be discussed, with the CMR affirming its understanding of the process during the GMP process, as many CMRs may still be under the impression that approval is only needed for substituting S/MBE subcontractors meeting goals.
- 3) That the M-DCPS-contracted Building Code inspector be required to independently verify that the work performed was performed by a duly licensed contractor or subcontractor when required by trade.

As M-DCPS noted that it is considering appropriate actions against DSC for contractual noncompliance, the OIG requests to be provided with a status update in 60 days, on or before June 5, 2019. We request that the update include M-DCPS' status of implementing our three recommendations, and identifying what action it has taken or plans to take against DSC.

\* \* \* \* \*

**Miami-Dade County Public Schools  
Office of the Inspector General**

**OIG SCHEDULE A**

**Additional Information about the Lowe-Owned Firms  
(3 pages)**

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**ADDITIONAL INFORMATION ABOUT THE LOWE-OWNED FIRMS**

**RNH Electric, LLC – L14000127741**

- RNH incorporated on August 14, 2014, with Jubert Lowe and William Harmon listed as managing members.
- According to the application submitted to OEO in pursuit of obtaining S/MBE and M/WBE certifications, Mr. Lowe was identified as owning 51% of the company, Mr. Harmon as owning 49%.
- On June 5, 2015, RNH received S/MBE and M/WBE certifications from OEO. Mr. Lowe, as the 51% owner of the company, qualified CPS to become a minority-owned firm.
- On September 22, 2017, according to the State of Florida's corporate filing, RNH was administratively inactivated.
- On February 21, 2018, RNH and Jubert Lowe were debarred for three years and RMH's S/MBE and M/WBE certifications were revoked for 18 months, by the Board. (According to the findings and recommendations of Contract Disciplinary Review Committee, Mr. Harmon did not appear to have knowledge of the actions taken by Mr. Lowe. As such, he, individually, was not recommended for debarment.)
- Joseph Albert Nappi, a licensed electrician, qualified the company for its electrical license. Mr. Nappi was not identified as an officer or member in the Division of Corporation's records, nor is he identified as an owner of the company in the OEO application submitted by RNH.

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**Complete Power Systems, LLC (CPS) – L09000090309**

- CPS was incorporated on September 17, 2009, with Mr. Ashford as the sole managing member.
- Mr. Glenn Davis was added as a managing member on January 27, 2011.
- Mr. Lowe was added as a managing member on January 7, 2015. Around the same time, the ownership of the company was restructured, so that Mr. Lowe purportedly owned 51% of the company, Mr. Ashford owned 25%, and Mr. Davis owned 24%.
- On February 10, 2015, CPS obtained S/MBE and M/WBE certifications from OEO. Mr. Lowe, as the 51% owner of the company, qualified CPS to become a minority-owned firm.
- On March 25, 2016, Mr. Ashford of CPS advised OEO that Mr. Lowe was no longer working with CPS.
- On August 1, 2016, CPS's corporate records showed that Mr. Lowe was removed as a managing member.
- On February 21, 2018, CPS and its' principals were debarred for three years and CPS's S/MBE and M/WBE certifications were revoked for 18 months.
- Work performed by CPS was removed from S/MBE utilization goals.
- CPS's corporate status is active; the last annual report filed with the State of Florida was on April 24, 2018.
- Mr. Ashford is a state-licensed electrician and has continuously been the electrical qualifier for the company.

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*D. Stephenson Construction, Inc.'s Substitution of  
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**State Building Contractors LLC – L12000006644**

- This company was formed in January 2012. Rogelio (Roger) Reyes was named the Registered Agent and was one of four managing members. Jubert Lowe was also one of the managing members. The company was voluntarily dissolved in July 2013.

**State Building Contractors LLC – L16000048284**

- This company was formed on March 8, 2016, with Mr. Lowe listed as the sole managing member. Mr. Miguel Chacon, is listed as an authorized member.
- On May 18, 2016, OEO denied State Building's S/MBE and M/WBE application due to the owner not holding an electrical license.<sup>1</sup>
- On January 31, 2017, according to Florida's Department of Business and Professional Regulations' website, State Building obtained its electrical contractor license. Jose Barreto, a licensed electrician, qualified the company for licensure. Mr. Barreto is not identified as an officer or member in the Division of Corporation's records.
- On February 6, 2017, OEO again denied State Building's S/MBE and W/MBE certification application due to the owner not holding an electrical license.
- On February 21, 2018, State Building and Mr. Lowe were debarred for three years by the School Board.
- State Building is in active status; it last filed an annual report with the Division of Corporations on January 3, 2018.

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<sup>1</sup> We note that the reason for the denial (owner not holding the license) is inconsistent with the certifications accorded to RNH, where a non-owner held the license that qualified the company.



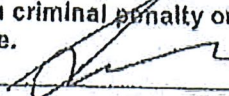
**Miami-Dade County Public Schools  
Office of the Inspector General**

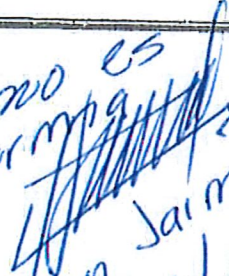
# **OIG EXHIBITS**

1. **Juan Jaime's attestation that the signature on the noted DBPR application is not his signature.**
2. **Juan Jaime's attestation that the signature on the affidavit is not his signature.**
3. **Signature page of the application received from DBPR showing Juan Jaime's genuine signature. This application was rejected by DBPR as being incomplete.**

**OIG Final Report  
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Section XII-Affirmation by Written Declaration

AFFIRMATION BY WRITTEN DECLARATION	
<p>I certify that I am empowered to execute this application as required by Section 559.79, Florida Statutes. I understand that my signature on this written declaration has the same legal effect as an oath or affirmation. Under penalties of perjury, I declare that I have read the foregoing application and the facts stated in it are true. I understand that falsification of any material information on this application may result in criminal penalty or administrative action, including a fine, suspension or revocation of the license.</p>	
Signature: 	Date: 5/31/16
Print Name: Juan Jaime	

*Esta no es mi firma*  
  
 Juan Jaime  
 2/26/19  
 Hora: 2:30 pm



Make sure you submit the following items with your application:
<ul style="list-style-type: none"> <li>• Business Credit Report from a nationally recognized credit reporting agency</li> <li>• Itemization of machinery, fixtures &amp; equipment and other assets listed on business financial statement.</li> </ul>
Application Tip:
<p>When completing the financial questions on your application, use your credit report as a guide. Make sure to provide explanations of all negative items such as collections, liens, judgments and foreclosures in Section X. Copy this page as necessary. Also, provide documentation showing release of liens, discharge of bankruptcy and satisfaction of judgments. Processors will be using your credit report as a guide to your answers regarding financial questions.</p>

**OIG  
EXHIBIT 1**

AFFIDAVIT

I, Juan Jaime hereby swear under oath the following information is true and correct to the best of my knowledge;

I am currently in the process of qualifying State Building Contractors LLC with my current Florida Department of Professional Regulation Electrical License #EC13005980. State Building Contractors LLC has my full support and is authorized to conduct Electrical scopes of work under my License.

Further Affiant Sayeth Naught

(Juan Jaime/State Building Contractors LLC)

By: Juan Jaime

Title: Qualifier

STATE OF FLORIDA

COUNTY OF MIAMI DADE

The foregoing instrument was acknowledged before me this 15<sup>th</sup> day of March, 2016, by Juan Jaime who is personally

Known to me, who presented and who did take an oath.

[Signature] (sign)  
Christina L. Lora (print)

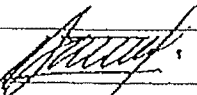


Cc: File

*ESTA NO ES MI FIRMA*  
*Juan Jaime*  
*2/26/19*  
*Hour: 2:28pm*

OIG  
EXHIBIT 2

**Section XII-Affirmation by Written Declaration**

AFFIRMATION BY WRITTEN DECLARATION	
<p>I certify that I am empowered to execute this application as required by Section 559.79, Florida Statutes. I understand that my signature on this written declaration has the same legal effect as an oath or affirmation. Under penalties of perjury, I declare that I have read the foregoing application and the facts stated in it are true. I understand that falsification of any material information on this application may result in criminal penalty or administrative action, including a fine, suspension or revocation of the license.</p>	
Signature: 	Date: 05/31/2016
Print Name: JAIME, JUAN	



Make sure you submit the following items with your application:
<ul style="list-style-type: none"> <li>• Business Credit Report from a nationally recognized credit reporting agency</li> <li>• Itemization of machinery, fixtures &amp; equipment and other assets listed on business financial statement.</li> </ul>
Application Tip:
<p>When completing the financial questions on your application, use your credit report as a guide. Make sure to provide explanations of all negative items such as collections, liens, judgments and foreclosures in Section X. Copy this page as necessary. Also, provide documentation showing release of liens, discharge of bankruptcy and satisfaction of judgments. Processors will be using your credit report as a guide to your answers regarding financial questions.</p>

# OIG EXHIBIT 3

**Miami-Dade County Public Schools  
Office of the Inspector General**

**Appendix A-1**

**D. Stephenson's Initial Response to OIG Draft Report**  
(8-page response and 28 pages of exhibits - 36 pages total)

**OIG Final Report  
GOBIG #0015**



January 18, 2019

Ms. Mary T. Cagle  
Inspector General for Miami-Dade County Public Schools  
601 NW 1<sup>st</sup> Court, 22<sup>nd</sup> Floor  
Miami, FL 33136

VIA EMAIL: mary.cagle@miamidade.gov

Re: OIG Draft Report, Ref. GO BIG No. 15

Dear Ms. Cagle,

This letter is in response to the OIG Draft Report, Ref. GO BIG No. 15 which was hand delivered to me, Joseph Sanches, on Thursday, December 6, 2018. We appreciate receiving this draft report and having the opportunity to provide a rebuttal prior to your office publishing the final report.

Our response follows the format of the OIG Report section by section. This was done to make it easy to compare the two documents without having to search for the various topics throughout the text.

## I. INTRODUCTION

We would like to start out by stating that D. Stephenson Construction, Inc. (DSC) is a proud, minority-owned business and has been so since our founding in 1992. The owners of our firm subscribe to our corporate values of Diversity, Excellence, Passion, Integrity, Community and Teamwork. None of these is any more important than integrity.

We also believe in taking responsibility for our shortcomings. Along those lines, we are strengthening our internal processes and have offered some suggestions to make some improvements to the M-DCPS capital program in the Conclusion to this response.

One of the items pointed out in the report is that a former employee of ours, Roger Reyes, had a previous business relationship with Jubert Lowe, who was debarred from contracting with the School District. No one on the leadership team for DSC was aware of Mr. Reyes' previous relationship with Mr. Lowe. The OIG's draft report did not specifically state that Mr. Reyes did anything nefarious on behalf of Mr. Lowe, however, if he did we were not aware of it. Mr. Lowe and Mr. Reyes duped DSC just like they apparently duped the School District into certifying one of Mr. Lowe's firms as a Minority Business Enterprise.

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Fax: 305.602.8480

6241 North Dixie Highway  
Fort Lauderdale, FL 33334  
Phone: 954-315-7020  
Fax: 954-315-7030

400 Hibiscus Street, Suite 200  
West Palm Beach, FL 33401  
Phone: 561.910.9956  
Fax: 561.245.9591

DSC has had a Conflict of Interest and Business Ethics policy for our team members for many years (**Exhibit A**). Mr. Reyes was fully aware of the policy, yet he failed to report any potential conflicts.

## II. SUMMARY OF INSPECTION RESULTS

The OIG report points to the School District's internal issues with regards to procedures for substituting subcontractors. As indicated in the draft report, these School District's internal procedures were addressed in January 2018, long after the issues raised by this report which occurred in 2016 and earlier. It should be noted that the new form that was created by the School District in January 2018 is still not available on the Office of Economic Opportunities' website which is where one would expect to find it with the other Office of Economic Opportunity (OEO)-related forms (**Exhibit B**).

Surely DSC, as well as other construction managers, will have difficulties following procedures which are not in place or fully understood by School District staff. The OIG's report did not address the staff turnover and political turmoil in the Office of Economic Opportunity during this time. These circumstances surely contributed to the confusion several construction managers and subcontractors experienced.

The OIG's draft report also failed to address the lack of responsiveness to our requests to substitute subcontractors who were not performing. Note that the report states, "OEO did not approve the substitution request" as opposed to indicating that they rejected the requests because we went several weeks and months without receiving ANY response from the OEO. In the meantime, we were responsible for completing the projects within the contracted timeframe, therefore we proceeded lacking any formal response from the OEO. Fortunately, since Torey Alston has taken over the OEO, the political turmoil has subsided, and the OEO has been much more responsive since he became the Economic Equity & Diversity Compliance Officer.

With regards to State Building Contractors (SBC) being a Florida licensed electrical contractor, Mr. Lowe provided us with information that indicated that Mr. Juan Jaime was the qualifier for the firm. SBC provided the following information to DSC:

- 2016 Local Business Tax Receipt (LBTR) including an Electrical License No. of EC130005717. The expiration date was September 30, 2016. (**Exhibit C**)
- Mr. Juan Jaime's Electrical License with the License Number EC13005717 (matching the LBTR). The license was issued on August 20, 2014 (**Exhibit D**)
- Department of Business and Professional Regulation (DBPR) Certified Contractor Application for Transfer, Additional Business, or Reactivation which names Mr. Juan Jaime as the qualifier, dated May 31, 2016 (**Exhibit E**)

- Notarized Affidavit dated March 15, 2016 in which Mr. Juan Jaime attests to being in the process of qualifying SBC with his Electrical License (**Exhibit F**). As far as we know, all work performed by SBC on Oak Grove Elementary and Miami Southridge Senior High was done under Mr. Jaime's license.
- Printout from the DBPR website dated March 15, 2016 showing Mr. Juan Jaime was the qualifier for Simply Electrical which is the company he was transferring his qualifications from to qualify SBC. (**Exhibit G**)
- Articles of Organization stamped March 8, 2016 (**Exhibit H**)

The date of DSC's contract with SBC for Miami Southridge Senior High School is May 5, 2016, and the Oak Grove Elementary contract is dated August 19, 2016. Both dates are after the date in which Mr. Juan Jaime was indicated as the qualifier for the firm (March 2016).

We are not aware of any open electrical issues at Oak Grove Elementary School or South Miami Heights Elementary School. The open electrical issues at Miami Southridge School High School are currently being addressed.

### III. TERMS USED IN THIS REPORT

No comment

### IV. OIG JURISDICTIONAL AUTHORITY

No comment

### V. BACKGROUND

#### A. M-DCPS Offices Administering the GOB Program

No comment

#### B. CMR Contract Requirements Governing the Qualification of Subcontractors

DSC acknowledges our responsibility for prequalifying subcontractors and we address this further in the conclusion. We currently have an online Prequalification Form (**Exhibit I**) which we direct all potential subcontractors to complete. This form requires the firm to submit their licenses with the application. Our Invitation to Bid (**Exhibit J**) also directs all bidders to complete our online Prequalification Form if they have not already done so.

#### C. Substitution Practices

The OIG draft report indicates the School District's internal problems regarding the substitution processes and practices. It's clear that the School District's internal issues impacted DSC's, as well as other construction managers', ability to comply with the strict expectations. The implementation of a new form in January 2018, long



after the substitutions on the projects referred to in this report, is evidence of the School District's need for clearer direction to construction managers.

Furthermore, the OEO previously approved Complete Power System's S/MBE and M/WBE certifications, based on Jubert Lowe's leadership with the company. Relying upon what we thought was the School District's thorough process, we had no reason to believe that the School District would not also approve State Building Contractor's application for certification. We were not informed by SBC or the OEO of the rejection of their application for certification.

**D. Electrical Companies Owned/Affiliated with Jubert Lowe**

The OIG's draft report refers to a previous investigation in which it was determined that Complete Power System (CPS) was engaged in "fronting". Prior to Mr. Lowe's separation from CPS, we were not aware that Mr. Lowe and his associates at CPS had conspired to mislead M-DCPS and obtain an M/WBE certification under false pretenses. The OIG's previous report did not indicate any participation by DSC in this deception, however, we feel that it is necessary to make this point 100% clear. As a legitimately M/WBE-certified firm, we find practice of "fronting" to be highly objectional as it hurts firms such as ours. In fact, when we were informed by Mike Ashford of CPS that Mr. Lowe was essentially fired from CPS in March 2016 (**Exhibit K**), we found this highly suspicious and brought it to the attention of the OEO.

As previously stated, our former employee, Roger Reyes, never disclosed his previous relationship with Jubert Lowe or his potential conflict of interest which is required by our company policy. We do not defend Mr. Reyes' lack of disclosure; however, we do recognize that the South Florida construction industry a relatively small and transient industry and it would be difficult to prohibit every incident in which two people have had a prior working relationship.

**VI. OBJECTIVES, SCOPE AND METHODOLOGY**

Our only issue with this section of the report is the OIG made no attempt to put this report into context. Between January 2013 and December 2018, we have done over 17 GOB projects and made payments to subcontractors and vendors totaling more than \$23,125,000. The payments questioned in the OIG's report represent just 0.08% of our total payments on the GOB projects.

**VII. INSPECTION RESULTS PER CONSTRUCTION PROJECT**

Several of the comments are repeated on the four projects. We elected to not be redundant and address comments once.

**A. Miami Southridge Senior High School – Project #01338200**

The draft report indicates that our *Request for Sub-Contractor Substitution* form was not approved by OEO, but it was not rejected either. This lack of direction was indicative of the disfunction that was prevalent at the time. Meanwhile, we were

contracted to complete the improvements at the school within a scheduled period of time, therefore our choice was to stop and wait for a decision or complete the work to minimize the disruption to the school.

The draft report also goes on to imply that we should have known in 2016 that the OEO denied SBC's application for S/MBE certification in February 2017 and May 2018. This is an unreasonable expectation to say the least.

The licensing of SBC was addressed on Page 2 above. As far as we are aware, all of the work performed by SBC was under one of two qualifiers, Jose Barreto or Juan Jamie, although the paperwork of SBC or the State of Florida, or both, was incomplete.

Period	Qualifier
March 2016 thru January 2017	Juan Jaime (EC13005717, EC13005980)
January 2017 thru 2018	Jose Isidro Barreto (EC13007822)

To say that we had constructive knowledge of SBC working without a license is a false statement because they were licensed, and if the OEO determined otherwise they did not inform us of their findings.

There are a couple of punchlist items which are now being completed.

**B. Oak Grove Elementary School – Project #01337300**

This project was advertised with a 20% S/MBE goal for construction. Because of our efforts to engage small and minority-owned businesses, we projected to achieve 36.32% S/MBE participation. Even without RNH's 9.67% participation, we were still at 26.65% which exceeded the advertised project goal of 20%.

RNH voluntarily withdrew from the project and was replaced by CPS, which was certified as a S/MBE by the School District. CPS was subsequently replaced by SBC. The draft report makes an issue of replacing one firm with another firm that did not originally bid, however, there is no requirement to do that, so we do not know the point of including this in the report. If it were a requirement to replace a nonperforming subcontractor with another subcontractor that originally submitted a bid, then the additional cost to do that, if any, should be borne by the School District. That is why construction managers need to have the flexibility to find other subcontractors who could finish the project for no additional cost to the construction manager or the School District.

Once again, we submitted an *OEO Request for Sub-Contractor Substitution* form, however we received no response, approving or denying the request, from the OEO for months. Faced with choice of leaving the project incomplete while waiting for an answer or completing the work, we chose to complete the work.

The draft report indicates that we did not respond to the OIG's request regarding an outstanding balance on SBC's contract. We have been extremely cooperative and responsive to all of the OIG's requests and find it hard to believe that we did not respond to this one. It is possible that we missed a single phone call or email, but we object to the inference that we have been anything less than completely cooperative and responsive to the OIG's investigation.

If we did connect with the OIG, we would have informed them that we were not making any more payments to SBC to offset the cost of completing their work should they fail to do so themselves. Currently, there are no known outstanding electrical work to be performed at Oak Grove Elementary.

**C. South Miami Heights Elementary School – Project #01306600**

The draft report makes statements such as "the inspection did not reveal any documentation to confirm that D. Stephenson requested OEO's approval to substitute RNH with CPS", and then buries in the footnotes a comment that it is "understandable" that we did not do so because there were no S/MBE goals on the project. Tactics such as this taint the report reader's impressions which could have negative repercussions on our firm.

The report also states that a contract was awarded to CPS months prior to notifying the Office of Capital Improvements (OCIP). That is not accurate. Bi-weekly meetings were held with the OCIP and the M-DCPS project manager was aware of the change of electrical subcontractors before it took place. We admit that the proper written notification should have been done earlier which we are addressing with our internal procedures and training.

**D. Miami Southridge i-Prep Lab – Project #0154600**

As indicated in the Introduction, the stated purpose of the OIG's inspection was to "review subcontractor substitution practices to determine compliance with M-DCPS policies and procedures pertaining to its S/MBE and M/WBE programs". As per the draft report, the electrical subcontractor's participation was not calculated towards meeting any utilization goal for this project. Furthermore, the electrical subcontractor was not substituted on this project. For these reasons we believe this project should be removed from the OIG's final report.

With respect to the licensing question, the permit was approved by M-DCPS (**Exhibit L**) and all electrical inspections took place without any questions of the electrical subcontractor's license. This permit was issued by M-DCPS based upon permit application that included a copy of a license for Juan Jaime as the qualifier for SBC.

The report also points out that Jubert Lowe was associated with two of the electrical firms that submitted bids to DSC. The management team at DSC was unaware of this at the time and would not have allowed it if it had known. Mr. Lowe and Mr. Reyes

participated in some questionable behavior, however, our 27 years as a firm should not be defined by the 2 years Mr. Reyes spent with us working on a few projects.

## VIII. CONCLUSION

In conclusion, we acknowledge that we could have and should have done some things better, however, many of the deficiencies in our part could be tied to the lack of clear direction and timely responses from M-DCPS. This includes, but is not limited to:

1. M-DCPS' approval CPS as a M/WBE
2. M-DCPS' lack of responsiveness to the submitted *OEO Approval Request Forms*
3. Lack of a coordinated subcontractor substitution process between the M-DCPS OCIP and M-DCPS OEO
4. M-DCPS' issuance of a Building Permit and performing electrical inspections on Miami Southridge iPrep

As previously stated, we have several recommendations to help avoid these problems in the future. We believe the steps listed below will go a long way towards ensuring the issues raised in the OIG's report are not repeated.

### B. DSC Internal Recommendations

1. **Conflict of Interest and Business Ethics Policy** – Strengthen DSC's policy to specifically indicate a prohibition of conflicts against the interest of our clients.
2. **Prequalification Procedures** – DSC previous process required subcontractors to provide licenses at the time of prequalification, however, we are updating our requirements to obtain licenses every year. A copy of the license will also be required with each bid.
3. **Pre-contracting Procedures** – DSC will now also require a copy of the license from the subcontractor to accompany the contract signed by the subcontractor prior to it being signed by DSC.
4. **Internal Project Kick-off Meeting** – DSC has implemented a project handoff between our business development, legal and operations teams which in part covers the notice provisions and the substitution of subcontractor requirements.

### C. School District Recommendations

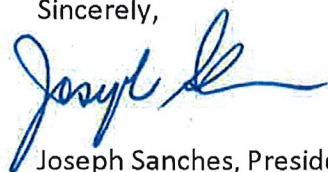
#### 1. **School District Procedures Training**

We have clearly learned some valuable lessons from our experience working on the School District's GOB program for the past five years, and we would offer to sponsor a one-day training session that includes some or all of the subjects indicated below.

- i. **Substitution of Subcontractors** – This training should include the use of all of the relevant forms prior to and including the *Request for Sub-Contractor Substitution* form.
  - ii. **Subcontractor Vetting** – This training would cover subjects such as finding and prequalifying subcontractors including reviewing licenses, insurance and qualifications.
  - iii. **Construction Ethics** – This training would address the types of unethical behavior that could take place if people are looking to cut corners or take advantage of the system.
  - iv. **Key Contract Requirements** – This training would incorporate some of the most important contract provisions and where to find them in the various and often confusing layers of contract documents.
2. **Post Required Forms on the OEO Website**  
The OEO should update its website to include the current *Request for Sub-Contractor Substitution* form FM-7686.
  3. **Guidelines for Building Code Compliance (BCC) Consultant**  
These guidelines should cover the proper review of Permit Applications.

Once again, we thank you for the opportunity to respond and we look forward to working with M-DCPS to get better as we work to give our students and teachers the best educational environments possible.

Sincerely,



Joseph Sanches, President

**D. STEPHENSON CONSTRUCTION COMPANY, INC.**

cc: Dwight Stephenson, Co-founder/Chief Executive Officer  
Dinah Stephenson, Co-founder/Chief Administrative Officer

### **5-11. Conflict of Interest and Business Ethics**

It is DSC's policy that all team members avoid any conflict between their personal interests and those of DSC. The purpose of this policy is to ensure that DSC's honesty and integrity, and therefore its reputation, are not compromised. The fundamental principle guiding this policy is that no team member should have, or appear to have, personal interests or relationships that actually or potentially conflict with the best interests of DSC.

It is not possible to give an exhaustive list of situations that might involve violations of this policy. However, the situations that would constitute a conflict in most cases include but are not limited to:

- Holding an interest in or accepting free or discounted goods from any organization that does, or is seeking to do, business with DSC, by any team member who is in a position to directly or indirectly influence either DSC's decision to do business, or the terms upon which business would be done with such organization.
- Holding any interest in an organization that competes with DSC.
- Being employed by (including as a consultant) or serving on the board of any organization which does, or is seeking to do, business with DSC or which competes with DSC.
- Profiting personally, e.g., through commissions, loans, expense reimbursements or other payments, from any organization seeking to do business with DSC.

A conflict of interest would also exist when a member of a team member's immediate family is involved in situations such as those above.

This policy is not intended to prohibit the acceptance of modest courtesies, openly given and accepted as part of the usual business amenities, for example, occasional business-related meals or promotional items of nominal or minor value.

It is your responsibility to report any actual or potential conflict that may exist between you (and your immediate family) and DSC.

Effective Date: 06/12/2009  
Revision Date: 01/30/2015



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### Office of Economic Opportunity

Home

#### Forms

Board Policies/Procedures  
Relevant to OEO

Business Development /  
Community Outreach

Certification

Certified Vendor Directory

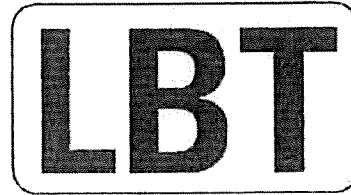
Contractor Prequalification

Contractor Prequalification  
Review Committee

- S/MBE Interlocal/Partnership Certification Recognition Application
- Business Enterprise Program Certification Application - FM-3920
- Vendor Application - FM-3921 - and - Attachment A
- Jessica Lunsford Act - FM-6918
- Construction Services Utilization Report - FM-7537
- Professional Services Utilization Report - FM-7538
- Best Faith Effort Non-Compliance Documentation - FM-7539
- Business Complaint Form - FM-7540
- Business Feedback Form - FM-7541
- Participation Letter of Intent - FM-7542
- Subcontractor Participation Best Faith Effort - FM-7543
- Local Workforce Utilization Report - FM-7545



**Local Business Tax Receipt**  
Miami-Dade County, State of Florida  
-THIS IS NOT A BILL - DO NOT PAY



7199915

**BUSINESS NAME/LOCATION**  
STATE BUILDING  
CONTRACTORS LLC  
OPERATING IN DADE COUNTY

**RECEIPT NO.**  
NEW BUSINESS  
7482486

**EXPIRES**  
**SEPTEMBER 30, 2016**

Must be displayed at place of business  
Pursuant to County Code  
Chapter 8A - Art. 9 & 10

**OWNER**  
STATE BUILDING CONTRACTORS  
LLC  
C/O. IIRBERT LOWE PRFS  
Worker(s) 1

**SEC. TYPE OF BUSINESS**  
196 ELECTRICAL  
CONTRACTOR  
EC13006717

**PAYMENT RECEIVED  
BY TAX COLLECTOR**  
75.00 04/07/2016  
0200-16-001126

This Local Business Tax Receipt only confirms payment of the Local Business Tax. The Receipt is not a license, permit, or a certification of the holder's qualifications, to do business. Holder must comply with any governmental or nongovernmental regulatory laws and requirements which apply to the business.

The RECEIPT NO. above must be displayed on all commercial vehicles - Miami-Dade Code Sec 8a-276.

For more information, visit [www.miamidade.gov/taxcollector](http://www.miamidade.gov/taxcollector)







STATE OF FLORIDA  
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION

ELECTRICAL CONTRACTORS LICENSING BOARD  
1940 NORTH MONROE STREET  
TALLAHASSEE FL 32399-0783

(850) 487-1395

JAIME, JUAN  
MACHIN SIGNS INC  
122 EAST 51 PLACE  
HJALEAH FL 33013

*Congratulations! With this license you become one of the nearly one million Floridians licensed by the Department of Business and Professional Regulation. Our professionals and businesses range from architects to yacht brokers, from boxers to barbeque restaurants, and they keep Florida's economy strong.*

*Every day we work to improve the way we do business in order to serve you better. For information about our services, please log onto [www.myfloridialicense.com](http://www.myfloridialicense.com). There you can find more information about our divisions and the regulations that impact you, subscribe to department newsletters and learn more about the Department's initiatives.*

*Our mission at the Department is. License Efficiently, Regulate Fairly. We constantly strive to serve you better so that you can serve your customers. Thank you for doing business in Florida, and congratulations on your new license!*



STATE OF FLORIDA  
DEPARTMENT OF BUSINESS AND  
PROFESSIONAL REGULATION

EC13005717

ISSUED: 08/20/2014

CERTIFIED ELECTRICAL CONTRACTOR  
JAIME, JUAN  
MACHIN SIGNS INC

IS CERTIFIED under the provisions of Ch 489 FS  
Expiration date: AUG 31 2018 1140232607245

DETACH HERE

State of Florida  
 Department of Business and Professional Regulation  
 Electrical Contractors' Licensing Board  
 Certified Contractor Application for Transfer, Additional Business, or Reactivation  
 Form # DBPR ECLB 4

**APPLICATION CHECKLIST – IMPORTANT –** Submit all items on the checklist below with your application to ensure faster processing.

APPLICATION REQUIREMENTS
<p><b>ALL License Applicants must submit:</b></p> <p><input type="checkbox"/> Fees:</p> <ul style="list-style-type: none"> <li>• Transfer to New Business- \$150.</li> <li>• Qualify Additional Business- \$550.</li> <li>• Reactivate Inactive License- \$295.</li> <li>• Make check payable to the Florida Department of Business and Professional Regulation.</li> </ul> <p><input type="checkbox"/> Credit report on the business to be qualified from a nationally recognized credit reporting agency, which includes a public records statement that records have been checked at local, state, and federal levels. For a list of acceptable agencies visit <a href="http://www.myfloridalicense.com/dbpr/pro/cilb/documents/cilb_credit_reporting_agencies.pdf">http://www.myfloridalicense.com/dbpr/pro/cilb/documents/cilb_credit_reporting_agencies.pdf</a>.</p> <p><input type="checkbox"/> Supporting legal documentation, if necessary. See Item 2(i-j) of Instructions.</p> <p><input type="checkbox"/> Proof of satisfaction of liens, judgments, and discharge of bankruptcy, if applicable.</p> <p><b>Reactivation of Inactive Certified License Applicants must also submit:</b></p> <p><input type="checkbox"/> Proof of completion of 14 hours of continuing education.</p> <p><b>Applicants applying to do business as an Individual must submit:</b></p> <p><input type="checkbox"/> Credit report on the applicant from a nationally recognized credit reporting agency, which includes a public records statement that records have been checked at local, state, and federal levels. For a list of acceptable agencies visit <a href="http://www.myfloridalicense.com/dbpr/pro/cilb/documents/cilb_credit_reporting_agencies.pdf">http://www.myfloridalicense.com/dbpr/pro/cilb/documents/cilb_credit_reporting_agencies.pdf</a>.</p>

Please mail your completed application, documentation and required fee(s) to:

Department of Business and Professional Regulation  
 1940 North Monroe Street  
 Tallahassee, FL 32399-0783

#### INSTRUCTIONS

*If you have any questions or need assistance in completing this application, please contact the Department of Business and Professional Regulation, Customer Contact Center, at 850.487.1395.*

1. **General Requirements for Certification**
  - a. This form is required if you are applying to transfer your license to a new business, qualify an additional business or reactivate an inactive license.
2. **Application Instructions (by section)**
  - a. **Section I- Application Type**
    - i. Select the transaction you wish to conduct. An active license will allow you to perform work as an electrical/alarm or specialty contractor, an inactive license cannot be used for contracting.
  - b. **Section II - Applicant Personal Information**
    - i. Fill out each section completely. A Social Security number is required to apply for any individual license within the Department of Business and Professional Regulation.
    - ii. In the Full Legal Name section provide your full legal name as it appears on your Social Security card. Do not use any nicknames or initials. Please list any aliases or prior names in the prior name information section.
    - iii. Provide your mailing address. This will be used for sending correspondence regarding your application and license.
    - iv. Contact information is often used to quickly resolve questions with applications by telephone call or email. If contact information is not provided, questions regarding applications will be mailed to the applicant's mailing address and may take longer to resolve.
    - v. Additional contact information is optional and will be used when the applicant cannot be

- vi. Applicants must provide information on current or prior licenses held in Florida or any other state, territory, or jurisdiction of the United States or in any foreign national jurisdiction.
- vii. Applicants must provide information on any prior names or aliases used by applicant. If the name on supporting documentation does not match the applicant's legal name, the alias used in the supporting documentation must be provided in this section. Failure to do so will result in a deficient application.
- c. **Section III - Statement of Financial Condition**
  - i. Please indicate the type of business organization you are applying to qualify.
- d. **Section IV- Business Entity Transfer**
  - i. Complete this section only if you are transferring your license to a new business. Completion of this section will end your status as qualifier of your current business.
- e. **Section V- Business to be Qualified Information**
  - i. Complete this section entirely.
  - ii. Provide the name of the business to be qualified as it is registered with the Florida Division of Corporations.
  - iii. The "Doing Business As" (D/B/A) name must be provided as it is registered with the Florida Division of Corporations, if the business uses a fictitious name to conduct business.
  - iv. Applicants must provide the Federal Employer Identification Number (FEID) for the business to be qualified. Please be aware that as an individual or sole proprietorship you may not be eligible for the workers' compensation exemption – please contact the Department of Financial Services, Division of Workers' Compensation and determine how you need to be licensed in order to qualify for the exemption.
  - v. If this application is to qualify an additional business please indicate the % of ownership you have in the business or businesses you already qualify and in the business you are requesting to qualify.
  - vi. Applicants must provide the business location address of the business to be qualified.
- f. **Section VI- Qualifier Information**
  - i. If the applicant is a primary qualifier he/she is required to have financial and supervisory authority for the business. Without this authority an applicant will not be approved.
  - ii. Applicants must state whether the business to be qualified is already qualified by another contractor. If so, provide the qualifying contractor's name and license number in the spaces provided.
  - iii. If the applicant is a secondary qualifier he/she must have supervisory authority over all sites where their license is used to permit the work performed. An applicant cannot apply to be a secondary qualifier unless there is a licensed electrical/alarm or electrical specialty contractor already designated as a primary qualifier for the business.
  - iv. Secondary qualifiers will automatically become primary qualifiers if the primary qualifier ceases qualifying the business and a new primary qualifier is not designated within 60 days.
- g. **Section VII- Liability Insurance and Workers' Compensation**
  - i. Applicant must answer questions 1 and 2 in this section. Applicant is required to obtain required insurance as listed on the application and workers' compensation. Information regarding workers compensation insurance and exemptions is available by contacting contact the Department of Financial Services, Division of Workers' Compensation.
- h. **Section VIII- Background Questions**
  - i. The applicant and the authorized representative(s), as specified in the section, must submit answers to each of the background questions.
  - ii. For each "Yes" answer the person must provide an explanation in Section IX or X, as applicable.
  - iii. The number of "Yes" boxes checked must equal the number of explanation boxes completed.
  - iv. If you answered "YES" to any question, please provide full explanations as required below. If you have more than two offenses to document in Section IX or more than two in Section X attach additional copies as necessary.
- i. **Section IX – Explanations for "Yes" answers to Question 1**
  - i. For this section, provide as much detail as possible.

- iii. Question 1:
- (1) If you answer "yes" to this question, you must complete Section IX [*make additional copies as necessary*] of the application. Please provide the full details of the criminal charges including dates, outcomes, sentences, and/or conditions imposed; the dates, name and location of the court and/or jurisdiction in which any proceedings were held or are pending. If you answer NO to this question because you believe that previous incidents have been dismissed, no action taken, nolle prossed, or expunged, you must supply documentation as proof of the disposition or showing sanctions were satisfied.
- j. **Section X – Explanations for "Yes" answers to Questions 2-6**
- i. Question 2:
    - If you answer "yes" to this question, you must complete Section X [*make additional copies as necessary*] of the application and you must also supply documentation proving the bankruptcy has been discharged or the judgment or lien has been satisfied, or if not, stating the current status of the bankruptcy, judgment or lien.
  - ii. Question 3:
    - If you answer "yes" to this question provide the full details in Section X explaining the denial or pending administrative action including the nature of any charges, dates, outcomes, sentences, and/or conditions imposed; the dates, name and location of the court and/or jurisdiction in which any proceedings were held or are pending; and the designation and/or license number for any actions against a license or licensure application.
  - iii. Question 4:
    - If you answer "yes" to this question provide the full in Section X details explaining the situation including the nature of any charges, dates, outcomes, sentences, and/or conditions imposed; the dates, name and location of the court and/or jurisdiction in which any proceedings were held or are pending.
  - iv. Question 5:
    - If you answer "yes" to this question provide the full details in Section X explaining the situation and provide copies of any relevant documentation.
  - v. Question 6:
    - If you answer "yes" to this question provide the full details in Section X explaining the situation and provide copies of any relevant documentation.
- k. **Section XI– Business Financial Statement**
- i. The business financial statement must be prepared within twelve (12) months of filing this application and must show a total net worth of:
    - (1) \$10,000 for Certified Electrical, Certified Alarm I and Certified Alarm II Contractors
    - (2) \$5,000 for Certified Specialty Contractors
  - ii. All vehicles and real property listed as assets of the business must be titled to the business to be considered assets of the business. **DO NOT** include personal vehicles and property as assets of the business.
  - iii. Applicant should list all of the business' assets and liabilities on the form.
  - iv. Total value of assets listed should be listed in Box 12.
  - v. Total value of liabilities listed should be listed in Box 19.
  - vi. To determine net worth (Box 12 - Box 19 = Net Worth).
  - vii. List net worth in Box 20. The business' net worth should be at least \$10,000 for Certified Electrical, Certified Alarm I and Certified Alarm II Contractors or \$5,000 for Certified Specialty Contractors. A business net worth that does not meet minimum requirements is considered grounds for denial.
  - viii. If you are applying as an individual provide a personal financial statement that has been prepared within twelve (12) months of filing this application. The statement must show a total net worth of at least \$10,000 for Certified Electrical, Certified Alarm I and Certified Alarm II Contractors or \$5,000 for Certified Specialty Contractors. State "Individual" for "The Statement of Financial Condition of: \_\_\_\_\_"
- l. **Section XII- Affirmation by Written Declaration**

**m. Additional Supporting Documentation Required**

- i. **BUSINESS CREDIT REPORT:** A credit report on the business to be qualified from any recognized credit bureau that includes, but is not limited to, liens, judgments, suits, and bankruptcy obtained from county, state and federal records. The credit report must be dated within twelve (12) months of filing this application and must include the following statement: "PUBLIC RECORDS HAVE BEEN SEARCHED AT THE COUNTY, STATE AND FEDERAL LEVELS". Go to <http://www.myfloridalicense.com/dbpr/pro/elboard/index.html> for a list of acceptable agencies.
- ii. If you are applying to qualify as an individual you will need to provide a personal credit report. The credit report must be from any recognized credit bureau that includes, but is not limited to, liens, judgments, suits and bankruptcy obtained from county, state and federal records. The credit report must be dated within twelve (12) months of filing this application and must include the following statement: "PUBLIC RECORDS HAVE BEEN SEARCHED AT THE COUNTY, STATE AND FEDERAL LEVELS".
  - (1) If there are negative items on the credit report such as open collections, past due accounts, foreclosures or bankruptcy please provide a written explanation, current status and documentation pertaining to any negative items.
  - (2) Effective July 1, 2012, in order to reactivate an inactive license, you will need to complete the continuing education requirements in place at the time of the last renewal for your profession. That includes 14 hours of board-approved continuing education that was taken during the last, or current, renewal period and must include the following:  
7 hours of Technical, 1 hour Workers' Compensation, 1 hour Business Practices, 1 hour Florida Building Code advanced module course, 1 hour Workplace Safety and 2 hours False Alarm Prevention for Alarm contractors and EC's who work on alarms.

**3. Common Reasons for Denial**

Your application could be denied for many reasons even if you have passed the examination. Here are some of the more common reasons for denial:

- a. **Failure to demonstrate financial responsibility** – this could be a basis for denial based on your personal financial statement or personal credit report. This may occur if:
  - i. Your personal financial statement shows a negative net worth.
  - ii. Your personal credit report shows delinquent accounts, collection accounts, unpaid liens or judgments.
- b. **Criminal history that relates to the practice of electrical contracting** - If you have criminal history you must disclose it in your application – it will be up to the Board to determine if it relates to the practice of electrical contracting and if it is sufficient grounds to deny your application.

State of Florida  
 Department of Business and Professional Regulation  
 Electrical Contractors' Licensing Board  
 Certified Contractor Application for Transfer, Additional Business, or Reactivation  
 Form # DBPR ECLB 4

If you have any questions or need assistance in completing this application, please contact the Department of Business and Professional Regulation, Customer Contact Center, at 850.487.1395. For additional information see the Instructions at the end of this application.

**Section I – Application Type**

CHECK TRANSACTION REQUESTED	
<input type="checkbox"/>	Transfer License to a New Business Entity - \$150 fee [3021]
<input checked="" type="checkbox"/>	Qualify Additional Business Entity- \$550 fee [1024] (*Note: Applicants will be required to attend the Board Meeting when their additional business application is reviewed, you will receive a letter with the date, time and location of the meeting.)
<input type="checkbox"/>	Reactivation of Inactive License- \$295 fee [3020]
CHECK LICENSE CATEGORY	
<input checked="" type="checkbox"/>	Unlimited Electrical Contractor [0801]
<input type="checkbox"/>	Alarm System Contractor I [0802]
<input type="checkbox"/>	Alarm System Contractor II [0803]
<input type="checkbox"/>	Residential Electrical Contractor [0804]
<input type="checkbox"/>	Utility Line Contractor [0804]
<input type="checkbox"/>	Limited Energy Contractor [0804]
<input type="checkbox"/>	Sign Specialty Contractor [0804]
<input type="checkbox"/>	Lighting Maintenance Contractor [0804]

**Section II – Applicant Personal Information**

PERSONAL INFORMATION						
			License Number: EC 13005717			
FULL LEGAL NAME						
Last Name	JAIME	First	JUAN	Middle	Title	Suffix
			Gender <input checked="" type="checkbox"/> Male <input type="checkbox"/> Female			
MAILING ADDRESS						
Street Address or P.O. Box						
City	HIALEAH	State	FL	Zip Code (+4 optional)	33013	
County (if Florida address)	DADE	Country	USA			
CONTACT INFORMATION						
Primary E-Mail Address						

\* The disclosure of your Social Security number is mandatory on all professional and occupational license applications, is solicited by the authority granted by 42 U.S.C. §§ 653 and 654, and will be used by the Department of Business and Professional Regulation pursuant to §§ 409.2577, 409.2598, 455.203(9), and 559.79(3), Florida Statutes, for the efficient screening of applicants and licensees by a Title IV-D child support agency to assure compliance with child support obligations. It is also required by § 559.79(1), Florida Statutes, for determining eligibility for licensure and mandated by the authority granted by 42 U.S.C. § 405(c)(2)(C)(i), to be used by the Department of Business and Professional Regulation to identify licensees for tax administration purposes.

## Section II - Applicant Personal Information continued

ADDITIONAL CONTACT INFORMATION (OPTIONAL)			
Alternate Phone Number		Fax Number	
Alternate E-Mail Address			
CURRENT/PRIOR LICENSE INFORMATION			
If you currently hold or have previously held a business or professional license/registration in Florida or elsewhere, please list each one below (attach additional copies of this page as necessary):			
1. License/Registration Type	State	Date (From)	Date (To)
certified electrical contractor	Florida	11 / 06 / 2013	08 / 31 / 2016
License Number		Name Used	
2. License/Registration Type	State	Date (From)	Date (To)
		/ /	/ /
License Number		Name Used	
3. License/Registration Type	State	Date (From)	Date (To)
		/ /	/ /
License Number		Name Used	

PRIOR NAME INFORMATION				
Have you used, been known as, or are currently known by another name (example, maiden name, nickname) or alias other than the name signed to the application? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
If your answer is yes, state name or names used below:				
Last Name	First	Middle	Title	Suffix
Last Name	First	Middle	Title	Suffix
Last Name	First	Middle	Title	Suffix

## Section III - Statement of Financial Condition

STATEMENT OF FINANCIAL CONDITION
Are you applying to do business as an individual or sole proprietorship? If so, please be aware as an individual or sole proprietorship you may not be eligible for the workers' compensation exemption. Please contact the Department of Financial Services, Division of Workers' Compensation and determine how you need to be licensed in order to qualify for the exemption.
Please indicate the type of business organization you are applying to qualify.
<input type="checkbox"/> Individual <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> LLC <input type="checkbox"/> Other

## Section IV- Business Entity Transfer

BUSINESS ENTITY TRANSFER	
The Business Entity Transfer is required ONLY to transfer a certified license from one business entity to another.	
Current License Number:	Circle One: <input checked="" type="radio"/> EC <input type="radio"/> EF <input type="radio"/> EG <input type="radio"/> ES
Name of Business No Longer Qualified: Simply Electrical, LLC	

## Section V- Business to be Qualified Information

BUSINESS TO BE QUALIFIED	
Business Name: State Building Contractors, LLC	
Doing Business As (D/B/A):	Federal Employer ID Number (FEID): L16000048284
Business Type: <input type="checkbox"/> Sole Proprietor <input checked="" type="checkbox"/> LLC <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Other (please specify): _____	
Is this an Additional Business Qualification? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
If "Yes", provide the following information:	
Percentage of ownership you have in the present business you qualify: _____ %	
Percentage of ownership you have in the business you are attempting to qualify: _____ %	
BUSINESS LOCATION ADDRESS	
Street Address or P.O. Box 14320 SW 181 TERRACE	
City Miami	State FL Zip Code 33177
County (if Florida address) Dade	Country USA
BUSINESS CONTACT INFORMATION (IF DIFFERENT THAN APPLICANT INFORMATION)	
Contact Name: JUBERT LOWE	
E-Mail Address of Contact statebuildingelectric@gmail.com	



Section VI - Qualifier Information

<b>QUALIFIER INFORMATION</b>	
<b>(NOT REQUIRED FOR THOSE APPLYING TO DO BUSINESS AS AN INDIVIDUAL)</b>	
<i>(Please answer below according to your classification for the new business entity)</i>	
<input checked="" type="checkbox"/> I am requesting designation as Primary Qualifier: Pursuant to Chapter 489.522(1)(a), F.S.:	
I have the authority for approving checks, payments, drafts and contracts on behalf of the business organization.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
I am responsible for supervision of all operations of the business organization; including, all field work at all sites and financial matters (both in general and for each specific job).	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> I am requesting designation as Secondary Qualifier: Pursuant to Chapter 489.522(2)(b), F.S.:	
I will be legally qualified to act for this business as supervisor of all sites where permitting was obtained with my license. This includes any other work for which I accept responsibility.	<input type="checkbox"/> Yes <input type="checkbox"/> No
If requesting designation as a Secondary Qualifier or an Additional Primary Qualifier list the Primary Qualifier below.	
Primary Qualifier Name:	
Primary Qualifier's License Number:	

Section VII - Liability Insurance and Workers' Compensation

<b>LIABILITY INSURANCE AND WORKERS' COMPENSATION</b>	
<b>Minimum amounts required for Liability insurance;</b> Public Liability- \$100,000/per person, \$300,000/per occurrence; and Property Damage- \$500,000. <b>OR</b> Minimum combined single limit policy of \$800,000.	
1. Have you or will you obtain, prior to contracting, public liability and property damage insurance in the amounts determined by Rule 61G6-5.008, Florida Administrative Code, as specified above?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
2. Have you or will you obtain, prior to contracting, workers' compensation or an appropriate exemption as provided in Section 440.05, Florida Statutes, and if not, do you attest that you will obtain an exemption within 30 days after your license is issued?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No



**Section VIII – Background Questions– continued**

Person #	Indicate each response by checking "Yes" or "No"	Question Number					
		1	2	3	4	5	6
5	Authorized Representative – Print Name	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
6	Authorized Representative – Print Name	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
7	Authorized Representative – Print Name	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
8	Authorized Representative – Print Name	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

If you answered "YES" to any question in questions 1 – 6 above, please refer to Sections 2(I-J) of Instructions for detailed instructions on providing complete explanations, including requirements for submitting supporting legal documents. Please complete Section IX for your response to question 1, and complete Section X for your response to questions 2 through 6. If you have more than two offenses to document in Section IX or need additional sheets for Section X, attach additional pages as necessary.

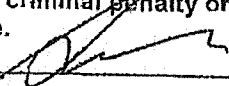
**Section IX – Explanations for "Yes" answers to Question 1 – Attach additional copies as necessary**

EXPLANATION		
Name of person to whom this explanation relates:		
Offense:		
County:	State:	Date of Offense (mm/dd/yyyy):
Penalty/ Disposition:		Have all sanctions been satisfied? <input type="checkbox"/> Yes <input type="checkbox"/> No
Description:		

EXPLANATION		
Name of person to whom this explanation relates:		
Offense:		
County:	State:	Date of Offense (mm/dd/yyyy):
Penalty/ Disposition:		Have all sanctions been satisfied? <input type="checkbox"/> Yes <input type="checkbox"/> No
Description:		



Section XII—Affirmation by Written Declaration

AFFIRMATION BY WRITTEN DECLARATION	
<p>I certify that I am empowered to execute this application as required by Section 569.79, Florida Statutes. I understand that my signature on this written declaration has the same legal effect as an oath or affirmation. Under penalties of perjury, I declare that I have read the foregoing application and the facts stated in it are true. I understand that falsification of any material information on this application may result in criminal penalty or administrative action, including a fine, suspension or revocation of the license.</p>	
<p>Signature: </p>	<p>Date: 5/31/16</p>
<p>Print Name: Juan Jaime</p>	



<p><b>Make sure you submit the following items with your application:</b></p> <ul style="list-style-type: none"> <li>• Business Credit Report from a nationally recognized credit reporting agency</li> <li>• Itemization of machinery, fixtures &amp; equipment and other assets listed on business financial statement.</li> </ul>
<p><b>Application Tip:</b></p>
<p>When completing the financial questions on your application, use your credit report as a guide. Make sure to provide explanations of all negative items such as collections, liens, judgments and foreclosures in Section X. Copy this page as necessary. Also, provide documentation showing release of liens, discharge of bankruptcy and satisfaction of judgments. Processors will be using your credit report as a guide to your answers regarding financial questions.</p>

AFFIDAVIT

I, Juan Jaime hereby swear under oath the following information is true and correct to the best of my knowledge;

I am currently in the process of qualifying State Building Contractors LLC with my current Florida Department of Professional Regulation Electrical License #EC13005980. State Building Contractors LLC has my full support and is authorized to conduct Electrical scopes of work under my License.

Further Affiant Sayeth Naught

(Juan Jaime/State Building Contractors LLC)

By: Juan Jaime

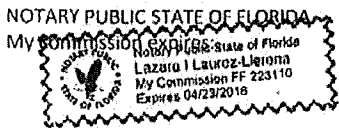
Title: Qualifier

STATE OF FLORIDA

COUNTY OF MIAMI DADE

The foregoing instrument was acknowledged before me this 15<sup>th</sup> day of March, 2016, by Juan Jaime who is personally known to me, who presented and who did take an oath.

[Signature] (sign)  
Cherise L. Llerena-Urena (print)



Cc: File

**Licensee Details****Licensee Information**

Name: **JAIME, JUAN (Primary Name)**  
**SIMPLY ELECTRICAL, LLC. (DBA Name)**

Main Address: **122 EAST 51 PLACE**  
**HIALEAH Florida 33013**

County: **DADE**

License Mailing:

LicenseLocation: **7331 NW 35 ST**  
**MIAMI FL 33122**

County: **DADE**

**License Information**

License Type: **Certified Electrical Contractor**

Rank: **Cert Electrical**

License Number: **EC13005980**

Status: **Current,Active**

Licensure Date: **03/18/2014**

Expires: **08/31/2016**

**Special Qualifications** **Qualification Effective**

**Additional Business** **03/18/2014**  
**Qualification**

**Alternate Names**

[View Related License Information](#)

[View License Complaint](#)

**1940 North Monroe Street, Tallahassee FL 32399** :: Email **Customer Contact Center** :: Customer Contact Center: 850.487.1395

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Under Florida law, email addresses are public records. If you do not want your email address released in response to a public-records request, do not send electronic mail to this entity. Instead, contact the office by phone or by traditional mail. If you have any questions, please contact 850.487.1395. Pursuant to Section 155.275(1), Florida Statutes, effective October 1, 2012, licensees accepted under Chapter 455, F.S. must provide the Department with an email address if they have one. The email provided may be

**Electronic Articles of Organization  
For  
Florida Limited Liability Company**

L16000048284  
FILED 8:00 AM  
March 08, 2016  
Sec. Of State  
ndmccleessam

**Article I**

The name of the Limited Liability Company is:  
STATE BUILDING CONTRACTORS LLC

**Article II**

The street address of the principal office of the Limited Liability Company is:  
14320 SW 181 TERRACE  
MIAMI, FL. 33177

The mailing address of the Limited Liability Company is:  
14320 SW 181 TERRACE  
MIAMI, FL. 33177

**Article III**

The name and Florida street address of the registered agent is:  
JUBERT LOWE  
14320 SW 181 TERRACE  
MIAMI, FL. 33177

Having been named as registered agent and to accept service of process for the above stated limited liability company at the place designated in this certificate, I hereby accept the appointment as registered agent and agree to act in this capacity. I further agree to comply with the provisions of all statutes relating to the proper and complete performance of my duties, and I am familiar with and accept the obligations of my position as registered agent.

Registered Agent Signature: JUBERT LOWE

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# SUBCONTRACTOR PREQUALIFICATION FORM

**Instructions:**

This form is for NEW subs wishing to bid on our projects. Thank you for your time and interest in D. Stephenson Construction and for taking the time to fill out the Prequalification Form which starts the process of becoming an approved subcontractor/vendor to bid. Please make sure to fill this form out completely and accurately in one session. Any missing or inaccurate information will delay the approval process.

**Company Name:** \_\_\_\_\_

**Address:** \_\_\_\_\_

**City:** \_\_\_\_\_

**State:** \_\_\_\_\_

**Zip:** \_\_\_\_\_

**Is this address the:** [No Response]  
(Check one)

**Contact First Name:** \_\_\_\_\_

**Contact Last Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Phone:** \_\_\_\_\_

**Fax:** \_\_\_\_\_

**Cell:** \_\_\_\_\_

**Email:** \_\_\_\_\_

**Website:** \_\_\_\_\_

**Trades Performed:** [No Response]

**Last Year's Billing Volume:** \_\_\_\_\_  
(Specify which year)

**Prior Year's Billing Volume:** \_\_\_\_\_  
(Specify which year)

**Bonding Company:** \_\_\_\_\_

**Contact & Phone:** \_\_\_\_\_  
Name and Phone

**Bonding Rate (%):** \_\_\_\_\_

**Bonding Limit (per job):** \_\_\_\_\_

**Bonding Limit (total):** \_\_\_\_\_

**INSURANCE COMPLIANCE::**

A current Insurance Certificate is required. Please upload below.

**Upload File:** [No Response]

**EMR (Experience Modification Rate):** \_\_\_\_\_  
Current Year

**EMR (Experience Modification Rate):** \_\_\_\_\_  
Last Year.

**EMR (Experience Modification Rate):** \_\_\_\_\_  
Two years ago.

TRIR (Total Recordable Incident Rate):: \_\_\_\_\_  
(If available).

Has your company experienced any employee fatalities in last 3 years?: [No Response] \_\_\_\_\_

If Yes, explain.:

**PREVIOUS & CURRENT BACKLOG PROJECTS LIST:**

Please prepare and upload a list of PREVIOUS PROJECTS for at least the last three years, and CURRENT BACKLOG. Include:

- Project Name
- Client
- Contact
- Scope
- Original Contract Amount
- Final Contract Amount
- Completion Date
- % Complete

Upload File: [No Response] \_\_\_\_\_

Legal Company Name:: \_\_\_\_\_

Type of Company:: [No Response] \_\_\_\_\_

Year Started:: \_\_\_\_\_

Date of Incorporation:: \_\_\_\_\_

Federal ID#: \_\_\_\_\_

State Unemployment #: \_\_\_\_\_

Contractor's License #'s: \_\_\_\_\_  
(List all Licenses you have).

Certifications: [No Response]

List any other Certifications not shown above.: \_\_\_\_\_

Upload File: [No Response] \_\_\_\_\_

List Principals, Officers Authorized to Sign Contracts, Financial Doc's, and Managers/Supervisors.:

1. Name: \_\_\_\_\_

1. Title/Position: \_\_\_\_\_

2. Name: \_\_\_\_\_

2. Title/Position: \_\_\_\_\_

3. Name: \_\_\_\_\_

3. Title/Position: \_\_\_\_\_

4. Name: \_\_\_\_\_

4. Title/Position: \_\_\_\_\_

Other Company Names your Company has operated under:: \_\_\_\_\_

**PROJECT AND SUPPLIER REFERENCES:**  
(direct customers and at least one supplier)

Reference #1 - Company Name:: \_\_\_\_\_

Reference #1 - Contact Name:: \_\_\_\_\_

Reference #1 - Position Held:: \_\_\_\_\_

Reference #1 - Office/Cell Ph#: \_\_\_\_\_

Reference #2 - Company Name:: \_\_\_\_\_

Reference #2 - Contact Name:: \_\_\_\_\_  
Reference #2 - Position Held:: \_\_\_\_\_  
Reference #2 - Office/Cell Ph#:: \_\_\_\_\_  
Reference #3 - Company Name:: \_\_\_\_\_  
Reference #3 - Contact Name:: \_\_\_\_\_  
Reference #3 - Position Held:: \_\_\_\_\_  
Reference #3 - Office/Cell Ph#:: \_\_\_\_\_  
Reference #4 - Company Name:: \_\_\_\_\_  
Reference #4 - Contact Name:: \_\_\_\_\_  
Reference #4 - Position Held:: \_\_\_\_\_  
Reference #4 - Office/Cell Ph#:: \_\_\_\_\_  
Today's Date:: \_\_\_\_\_



**NATHAN B. YOUNG ELEMENTARY SCHOOL PROJECT  
REMODELING AND RENOVATION  
M-DCPS Project #01619400, DSC Project #17001**

**INSTRUCTIONS TO BIDDERS  
SEPTEMBER 10, 2018**

Project Address: NATHAN B. YOUNG ELEMENTARY  
114120 NW 24<sup>TH</sup> AVE,  
OPA-LOCKA, FL 33054835 NW 97<sup>th</sup> Avenue

---

**SECTION 1: INTRODUCTION**

- 1.1. D. Stephenson Construction, Inc. (DSC) has been selected by the Owner, Miami-Dade County Public Schools (M-DCPS) as the CM at Risk for the above referenced project.
- 1.4. **Access to Bid Documents:** Throughout the bid process DSC will post Drawings, Specifications, Addendums, Pre- Bid Notices, Pictures of Existing Conditions and other important information necessary to submit bids for specific projects on our Dropbox site.
- <https://www.dropbox.com/>
- Bidders will be advised by email when supplemental documents have been added to the folder.
- 1.5. These instructions are provided to the bidders so that they may properly respond to the Invitation to Bid. Each bidder is directed to carefully review these instructions and all the documents prior to submitting their proposal.
- 1.6. **MBE/SBE, M/WBE and Local Workforce Participation:** Miami-Dade County Public Schools encourages the involvement of local businesses, Micro Businesses (MBE), Small Businesses (SBE) and Minority/Woman Owned Businesses (M/WBE) as well as local Miami-Dade County workers.

The mandatory goals for subcontracting and local workforce utilization are:

<b>Construction Subcontracting:</b>	<b>20% (MBE/SBE)</b>
<b>Construction Local Workforce Utilization:</b>	<b>20% (County-wide)</b>

Monthly reporting will be required by the selected subcontractors to document the progress of these initiatives.

MBE/SBE and M/WBE are strongly encouraged to bid directly and/or bid through or with other MBE/SBE and M/WBE and non-MBE/SBE and non-M/WBE firms. Information regarding MBE/SBE and M/WBE certification eligibility criteria as well as certification forms and a directory of certified vendors can be obtained on the M-DCPS Office of Economic Opportunity certification website at: <http://oeo.dadeschools.net/certification.asp>.

- 1.8. **Parking:** Onsite parking will be available for construction employees.
- 1.9. **Construction Schedule and Phasing:** The project is projected to start in November 2018 and be completed by December 2019. Construction can not interfere with the school schedule and some work may be required after hours and on weekend. Work may be phased as required to minimize disruptions to the school. Construction will not be allowed to take place during school testing days. The school calendar can be accessed on the M-DCPS website at:  
[http://www.dadeschools.net/calendars/15-16/15-16\\_el-sec.pdf](http://www.dadeschools.net/calendars/15-16/15-16_el-sec.pdf)

## SECTION 2: CONTRACT DOCUMENTS

- 2.1. A copy of the sample Subcontract Agreement is enclosed with these Instructions to Bidders. Please review the document carefully. Bidders are encouraged to have their Insurance and surety agents review the respective sections so that bids are in compliance with the requirements contained within.
- 2.2. Bidders are strongly encouraged to attend the pre-bid conference and are required to make themselves thoroughly familiar with the contract documents and existing site conditions. The successful bidder will be bond by the language in DSC's contract with the Owner which is very restrictive in terms of change orders. Bidders agree that no change orders shall be requested of or by DSC, or considered by the Owner, for reasons involving conflicts in the documents, questions of clarity with regard to the documents, incompatibility or conflicts between the documents and the existing conditions, utilities, and unforeseen underground conditions.
- 2.3. Copies of contract documents are available for review at the following locations:
- |  |  |
|--|--|
| D. Stephenson Construction, Inc.<br>7270 NW 12 <sup>th</sup> Street, Suite 345<br>Miami, FL 33126<br>Phone: 305-370-3028 | D. Stephenson Construction<br>6241 N. Dixie Hwy<br>Ft. Lauderdale, FL 33334<br>Phone: 954-315-7020 |
|--|--|

Failure on part of the subcontractor to review all the documents prior to the bid shall not relieve the Subcontractor from the responsibility of complying with the requirements of these documents and including all costs associated with them in their bid. **Should a bidder fail to honor their bid, DSC and M-DCPS may remove the bidder from consideration for future bid opportunities.**

## SECTION 3: SUBMISSION AND FORM OF BID

- 3.1. Bid proposals are to be prepared using the plans and specifications with the dates indicated below or as indicated in any addenda. Proposals shall be detailed in nature using the bid forms provided to allow DSC to evaluate the proposed scope of work.
- 3.2. Subcontractor shall hold a current Florida Contractor's License and/or other licenses as necessary to legally perform all work associated with the work scope and within the geographical jurisdiction of the project.
- 3.3. DSC's prequalification form is included with these Instructions to Bidders and can also be accessed online (<http://www.dstephenson.com/vendorprequalification.php>).
- 3.4. All bids, once submitted, shall remain valid and binding for ninety (90) days. At any time during that ninety (90) day period, Construction Manager has the right to accept the bid without any changes in price, time or subcontract terms and conditions.
- 3.5. Bid verification meetings, if required, may take place following the bid opening. Please be prepared to bring in your estimate, sub-sub bids and vendor information. These meeting will be used to verify scope, quantities, qualifications and clarifications, if any. Additional information may be requested at these meetings.

- 3.6 All bids must be submitted on the Bid Form issued with the Bid Package. Bids not received on the issued Bid Form may be rejected at the discretion of DSC. Bidders may supplement their bid with additional information, however information as shown on the Bid Form will be the basis for the bid tabulation and selection.
- 3.7 All bids shall be signed by a duly authorized agent of the company submitting the bid.
- 3.8 Receipt of all Addenda and Amendments shall be acknowledged on the signed Bid Form.
- 3.9 The Owner and DSC reserves the right to reject any and all bids, waive minor informalities and irregularities in bids, and to accept bids, which are consistent with the above mandatory goals and are considered to be in the best interest of the Project and the Owner.
- 3.10 Alternative systems, cost savings and value engineering ideas are encouraged, provided that the bidders first propose on the base specified design requirements. If a bidder would like to propose voluntary alternates, they should be included as a separate attachment to the base bid along with all pertinent technical and cost information for non-specified equipment, materials or detail changes, along with a verbal explanation of the change and the pros and cons relative to the change.
- 3.11 By submitting the bid, the subcontractor acknowledges that they have reviewed the schedule, understand the time frames and flow of the work and can accomplish the same (including meeting interim milestones), for the bid amount submitted.
- 3.12 All pricing must include all the costs for labor, material, delivery, escalation, layout, supervision, equipment, tools, hoisting, uncrating, setting, installation, parking, storage, insurance, taxes (Federal, State, county and local) shop drawings, submittals, samples, mock-ups, overhead, profit and any other costs necessary to complete the work in accordance with the Contract Documents unless specifically noted otherwise herein.

#### **SECTION 4: AWARD OF SUBCONTRACT**

- 4.1 The successful bidder will be notified only after a thorough review and evaluation of all bids has been made by DSC. Selection will be based on a combination of factors including price, qualifications, and participation by MBE, SBE, M/WBE and local workforce. After the subcontractor selection recommendation is shared with the Owner, the Owner has the right to approve or reject DSC's recommendation. DSC does not guarantee that recommendation to the Owner for approval assures a subcontract award. In the event the Owner does not approve the initial recommendation to award, the DSC will recommend the next qualified bidder to the Owner for approval.

#### **SECTION 5: BOND REQUIREMENTS**

- 5.1 All subcontracts exceeding \$200,000 shall be bondable by an A rated surety acceptable to the Contractor for an amount equal to 100% of their bid including any alternates.
- 5.2 Construction Manager reserves the right to waive bond requirements on selected scopes of work.
- 5.3 Subcontractors shall quote the cost for a 100% Performance Bond and 100% Payment Bond in the section provided on the bid form but shall not include this amount in their base bid.

#### **SECTION 6: INSURANCE REQUIREMENTS**

- 6.1 Subcontractor shall, at its own expense, maintain in effect at all times during the performance of the work under the contract not less than the coverage and limits of insurance in accordance with General Requirements, Section 10 of the Subcontract Agreement.
- 6.1 **Certificates of Insurance:** As evidence of the insurance required by this Agreement, Certificates of Insurance shall be furnished by Subcontractor to DSC before Subcontractor commences any

work. The certificates of insurance shall provide that there will be no cancellation or reduction of coverage without 30 days prior written notice to DSC. In the event that the insurance certificate provided indicates that the insurance shall terminate and lapse during the period of construction, the Subcontractor shall furnish a renewed certificate of insurance as proof that equal and like coverage for the balance of the period of the contract and any extension is in effect. The subcontractor shall not continue to work unless all required insurance remains in effect. DSC may withhold payment until coverage is reinstated. If requested, certificates shall be furnished to DSC for up to two (2) years following completion of the project.

- 6.2 All policies of insurance required hereunder shall be written by companies admitted by the State of Florida and rate "A-VII" or better in "Best's Insurance Guide".

#### **SECTION 7: SAFETY REQUIREMENTS:**

- 7.1 The selected Subcontractor will take all necessary precautions in the performance of the work to protect the safety and health of Subcontractor's employees, other persons on the Work Site and members of the general public. If selected Subcontractor fails to comply with necessary safety requirements, DSC may at its discretion, without prejudice to any other legal and contractual rights, take reasonable actions to secure a safe environment, including but not limited to suspending or terminating the Agreement. Subconsultant will not be entitled to an extension of time or to compensation by reason of, or in connection with, a work stoppage arising from an unsafe condition or safety infraction caused by Subcontractor.
- 7.2 **Safety Plan:** Prior to start of any onsite work activity, if any, Subcontractor shall submit a Safety Plan applicable to Subcontractor's scope of work that identifies the risk and hazards of such work. Subcontractor's Safety Plan shall also describe the control measures that Subcontractor will implement to mitigate the risks and hazards associated with its work. Subcontractor shall ensure that its employees and employees of sub-tier subcontractors are aware of and trained in the Subcontractor's Safety Plan.
- 7.3 **Jessica Lunsford Act (JLA):** Bidders acknowledge that, if they receive remuneration for services, the bidder and all of its employees who provide or may provide services will complete criminal history checks, and all background screening requirements, including level 2 screening requirements as stated in Florida Statutes (2007) 1012.465, 1012.32, 1012.467, and School Board rules prior to providing services to MDCPS. Bidders are to include all cost for background checks and identification cards in their Base Bid. Additional information regarding fingerprinting can be found at: <http://jobs.dadeschools.net/POR/FingerPrint.asp>
- 7.4 Davis Bacon wages ARE NOT APPLICABLE to this project, however E-Verify is required on this project.

#### **SECTION 8: Sales and Use Tax Reduction Strategy**

- 8.1 M-DCPS is exempt from Florida sales on materials, equipment, and supplies purchased. An Owner Direct Purchase program will be applied for material purchases in excess of \$1,000.

**FOR THE PURPOSES OF BIDDING THE WORK, ALL SALES TAXES SHOULD BE INCLUDED IN THE BIDDER'S BID PRICE.**

---END OF INSTRUCTIONS TO BIDDERS --

## Jubert Lowe has Moved on from Complete Power Systems

Mike Ashford CPS <Mike@completepowersystems.net>

Fri 3/25/2016 1:15 PM

To: Chris Hardham <CHardham@dstephenson.com>; Roger Reyes <RReyes@dstephenson.com>; Iris Laurez-Llerena <ilaurez-llerena@dstephenson.com>; David Reed <DReed@dstephenson.com>;

Cc: 'Glenn Davis' <glenn@completepowersystems.net>; Clarence Anthony <canthony@dstephenson.com>;

All,

Jubert's departure from the company was unexpected and abrupt. Jubert Lowe no longer represents Complete Power Systems. Please share this with anyone in DSC that is involved with our companies' common projects. There has been a number of comments that Complete Power Systems has been difficult to contact. Please in the future feel free to contact me at 305 788 6705 or 954 892 1115 if you experience this problem again. I spend most of my time in the office and from time to time cell calls do not ring through. If you feel I am not responding in a timely manner this could be the case, please text me at either of those numbers or call the office at 305 888 8428. I make a genuine effort to respond promptly to all calls whether I have an answer to your inquiry or not.

Mike



M-DCPS Office of Educational Facilities Code Compliance		Date Issued: 07/07/2016	
<b>BUILDING PERMIT</b>		PERMIT NUMBER: BP90647216	
Facility Name: Miami Southridge SHS		M-DCPS Project #: 01541600	
Address: 19355 SW 114th Avenue		A/E: Lourdes Rodriguez DCP:	
City: Miami	Zip: 33157	Region: 5	Loc #: 7731 Prime Contractor: D Stephenson Construction Inc
Permit Types		Qualifier: Joseph M Sanches	BCC: BAP

check all that apply:

Demolition:	<input checked="" type="checkbox"/>	Structural Shell:		Roofing	
Gen. Building:	<input checked="" type="checkbox"/>	Mechanical:	<input checked="" type="checkbox"/>	Gas:	
Earthwork:		Electrical:	<input checked="" type="checkbox"/>	Paint:	<input checked="" type="checkbox"/>
Foundation		Plumbing	<input checked="" type="checkbox"/>	Other	

Code Inspection Record: FBC2014 Multiphase Project NO Copy Permit Form for Multiphase Projects

FOR PHASE: OF: WHICH INCLUDES:

Building		
Earthwork	Inspector	Date
De-Mucking & Compaction		
Termite Treatment		
<b>FINAL</b>		
<b>Foundation</b>		
Stem Wall		
Monolithic Slab on Grade		
Piling / Pile Caps		
Footers / Grade Beams		
<b>FINAL</b>		
<b>Framing:</b>		
Window / Door framing		
Columns / Vertical filled cells		
Tie Beams / Lintels		
Framing / Bracing / Connectors		
Trusses / Straps / Anchors		
Draft Stops / Fire Blocking		
Curtain Wall Framing		
Energy Insulation		
Accessibility		
<b>Sheathing:</b>		
Wall Sheathing / Drywall		
Sheathing Fasteners/Finishers		
Firewall & Penetrations		
<b>Roofing</b>		
Dry-In		
Roof Sheathing & Insulation		
Roof Coverings / Overflow Scuppers		
Flashing / Fasteners / Ponding		
<b>FINAL</b>		
<b>Paint</b>		
<b>FINAL</b>		
<b>Demolition:</b>		
Asbestos Abatement		
Utility Disconnect / Securing		
<b>FINAL</b>		
Coastal Inspector Final (If Required)		
Threshold Inspector Final (If Required)		
<b>BUILDING / STRUCTURAL FINAL</b>		

Electrical		
	Inspector	Date
Temporary Service		
Exterior Rough-In / Slab / Underground		
Interior Rough-In		
<b>Permanent Electrical Service</b>		
<b>FINAL</b>		
<b>P/A / CCTV / Intrusion Detection</b>		
Rough-In		
<b>FINAL</b>		
<b>Plumbing</b>		
Temporary Water		
Underground		
Rough-In		
Sewer		
Note: See FBC Section 312. Volume II for required tests.		
<b>FINAL</b>		
<b>Mechanical</b>		
Underground		
Exterior Rough-In		
Interior Rough-In		
<b>FINAL</b>		
<b>Gas</b>		
Exterior Rough Piping		
Interior Rough Piping		
Final Piping/ Tanks/ Valves/ Tests		
<b>FINAL</b>		
<b>Fire</b>		
Extingulshing System		
Fire Alarm System		
Fire Sprinkler System		
Emergency Lights / Generator / Signs		
Fire Doors / Closers / Dampers		
<b>FINAL</b>		
<b>Site</b>		
Emergency (Fire) Lanes / Site Access		
<b>Fire Lane</b>		
Sidewalks / Parking / Signs		
Well / Landscape Irrigation		
Stormwater System		
<b>FINAL</b>		

Notes: POST & PROTECT this Building Permit on the Job until finals are approved. No work shall be covered until Inspected and Passed. No Inspection will be made unless Building Permit is Displayed and Reviewed & Stamped plans are available to Inspector on the Job. Copy Permit Form for Multiphase Projects. Permanent Electrical Service will be energized ONLY after all other Finals are made. FOR INSPECTION REQUESTS CALL ASSIGNED B.C.C. FIRM 48 HOURS IN ADVANCE. See back of permit for Important Notices.

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**Miami-Dade County Public Schools  
Office of the Inspector General**

**Appendix A-2**

**D. Stephenson's Supplemental Response to OIG Draft Report**  
(1-page response and 21 pages of exhibits)

**OIG Final Report  
GOBIG #0015**



March 22, 2019

Ms. Mary T. Cagle  
Inspector General for Miami-Dade County Public Schools  
601 NW 1<sup>st</sup> Court, 22<sup>nd</sup> Floor  
Miami, FL 33136

VIA EMAIL: mary.cagle@miamidade.gov

Re: OIG Draft Report, Ref. GO BIG No. 15 – Supplemental Response

Dear Ms. Cagle,

We would like to thank Mr. Frank Trujillo and Ms. Arleen Rose Stanek for meeting with us earlier this week to review the additional information which was revealed from their investigations of the documents provided to us by Mr. Jubert Lowe of State Building Contractors, LLC.

During our meeting on Monday, March 18, 2019 you presented documentation which indicates that Mr. Lowe provided documentation to us which may have been falsified. This includes the Department of Business and Professional Regulation Certified Contractor Application for Transfer, Additional Business, or Reactivation (Form # DBPR ECLB 4) and the Affidavit supposedly signed by Mr. Juan Jaime. Mr. Lowe sent these documents to us in two (2) separate emails on October 19, 2017 (Exhibits A & B).

We had no idea that these documents were not signed by Mr. Juan Jaime. Mr. Lowe obviously went to great lengths to deceive the management at D. Stephenson Construction (DSC). It was also very troubling to learn that the affidavit was notarized by a former employee of our firm. We can assure you and Miami-Dade County Public Schools that none of the owners or senior managers of DSC directed Ms. Laurez-Llerena to notarize that document or knew that she had done so. If she notarized the document knowing that it was not Mr. Jaime's signature, then she did it without any of our knowledge.

Finally, we just want to emphatically reaffirm that the owners and senior management did not take any part in Mr. Lowe's apparent lies and deception. It appears to us that one of our former employees, Mr. Roger Reyes may have known or assisted Mr. Lowe, but this was not the act of DSC or anyone employed in management at DSC, and is antithetical to the morals, values and principals of our company. Should your office wish to pursue a further investigation of these individuals, please know that you can continue to count on our full and complete cooperation.

Should you have any further questions on this matter, please do not hesitate to contact me at 954-315-7020.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Joseph Sanches', is written over a light blue circular stamp.

Joseph Sanches, President

**D. STEPHENSON CONSTRUCTION COMPANY, INC.**

cc: Dwight Stephenson, Co-founder/Chief Executive Officer  
Dinah Stephenson, Co-founder/Chief Administrative Officer

**Joseph Sanches**

---

**From:** Jubert Lowe <jubert@statebuildingelectric.com>  
**Sent:** Thursday, October 19, 2017 11:03 AM  
**To:** Joseph Sanches  
**Subject:** License Paper work  
**Attachments:** Copy-1.pdf; Copy-2.pdf; Electrical Licenses.pdf; LBT 2016.pdf; Licenses.pdf; W-9.pdf

See attach

--

Jubert Lowe  
President  
S.B.C LLC  
14320 SW 181 TERR  
Miami, Florida 33177  
305 970-2260  
Fax: 786 549-2693  
Web: [MY-SBC-LLC.COM](http://MY-SBC-LLC.COM)

## Request for Taxpayer Identification Number and Certification

Give Form to the  
 requester. Do not  
 send to the IRS.

Print or type  
 See specific instructions on page 2.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank. <b>99State Building Contractors LLC</b>	
2 Business name/disregarded entity name, if different from above	
3 Check appropriate box for federal tax classification; check only one of the following seven boxes: <input checked="" type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ <input type="checkbox"/> Other (see instructions) ▶ <small>Note. For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner.</small>	4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ <small>(Applies to accounts maintained outside the U.S.)</small>
5 Address (number, street, and apt. or suite no.) <b>14320 SW 181 Terr</b>	Requester's name and address (optional)
6 City, state, and ZIP code <b>Miami, Florida 33177</b>	
7 List account number(s) here (optional)	

### Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Social security number									
or									
Employer identification number									
3	8	-	3	9	9	3	2	1	7

**Note.** If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.

### Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

**Sign here** | Signature of U.S. person ▶ J. Lowe | Date ▶ 4/21/2016

### General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.  
**Future developments.** Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at [www.irs.gov/irb](http://www.irs.gov/irb).

#### Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)

- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
  - Form 1099-C (canceled debt)
  - Form 1099-A (acquisition or abandonment of secured property)
- Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.
- If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See *What is backup withholding?* on page 2.
- By signing the filled-out form, you:
1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued).
  2. Certify that you are not subject to backup withholding, or
  3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
  4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting?* on page 2 for further information.

AFFIDAVIT

I, Juan Jaime hereby swear under oath the following information is true and correct to the best of my knowledge;

I am currently in the process of qualifying State Building Contractors LLC with my current Florida Department of Professional Regulation Electrical License #EC13005980. State Building Contractors LLC has my full support and is authorized to conduct Electrical scopes of work under my License.

Further Affiant Sayeth Naught

(Juan Jaime/State Building Contractors LLC)

By: Juan Jaime

Title: Qualifier

STATE OF FLORIDA

COUNTY OF MIAMI DADE

The foregoing instrument was acknowledged before me this 15<sup>th</sup> day of March, 2016, by Juan Jaime who is personally known to me, who presented and who did take an oath.

[Signature] (sign)  
Cherish J. Alvarez-Llerena (print)



Cc: File

**Licensee Details**

**Licensee Information**

Name: **JAIME, JUAN (Primary Name)**  
**SIMPLY ELECTRICAL, LLC. (DBA Name)**

Main Address: **122 EAST 51 PLACE**  
**HIALEAH Florida 33013**

County: **DADE**

License Mailing:

LicenseLocation: **7331 NW 35 ST**  
**MIAMI FL 33122**

County: **DADE**

**License Information**

License Type: **Certified Electrical Contractor**

Rank: **Cert Electrical**

License Number: **EC13005980**

Status: **Current,Active**

Licensure Date: **03/18/2014**

Expires: **08/31/2016**

**Special Qualifications**      **Qualification Effective**

**Additional Business**      **03/18/2014**  
**Qualification**

**Alternate Names**

[View Related License Information](#)

[View License Complaint](#)

1940 North Monroe Street, Tallahassee FL 32309 :: Email [Customer Contact Center](#) :: Customer Contact Center: 850.487.1395

The State of Florida is an AA/EEO employer. Copyright 2007-2010 State of Florida. [Privacy Statement](#)

Under Florida law, email addresses are public records. If you do not want your email address released in response to a public-records request, do not send electronic mail to this entity. Instead, contact the office by phone or by traditional mail. If you have any questions, please contact 850 487 1395. \*Pursuant to Section 155.275(1), Florida Statutes, effective October 1, 2012, licensees licensed under Chapter 455, F.S. must provide the Department with an email address if they have one. The emails provided may be



**Electronic Articles of Organization  
For  
Florida Limited Liability Company**

L16000048284  
FILED 8:00 AM  
March 08, 2016  
Sec. Of State  
ndmccleessam

**Article I**

The name of the Limited Liability Company is:  
STATE BUILDING CONTRACTORS LLC

**Article II**

The street address of the principal office of the Limited Liability Company is:  
14320 SW 181 TERRACE  
MIAMI, FL. 33177

The mailing address of the Limited Liability Company is:  
14320 SW 181 TERRACE  
MIAMI, FL. 33177

**Article III**

The name and Florida street address of the registered agent is:  
JUBERT LOWE  
14320 SW 181 TERRACE  
MIAMI, FL. 33177

Having been named as registered agent and to accept service of process for the above stated limited liability company at the place designated in this certificate, I hereby accept the appointment as registered agent and agree to act in this capacity. I further agree to comply with the provisions of all statutes relating to the proper and complete performance of my duties, and I am familiar with and accept the obligations of my position as registered agent.

Registered Agent Signature: JUBERT LOWE

**Joseph Sanches**

---

**From:** Jubert Lowe <jubert@statebuildingelectric.com>  
**Sent:** Thursday, October 19, 2017 5:34 PM  
**To:** Joseph Sanches  
**Subject:** Business Licenses  
**Attachments:** Busisness Licenses.pdf

See attach

--  
Jubert Lowe  
President  
S.B.C LLC  
14320 SW 181 TERR  
Miami, Florida 33177  
305 970-2260  
Fax: 786 549-2693  
Web: [MY-SBC-LLC.COM](http://MY-SBC-LLC.COM)

## Request for Taxpayer Identification Number and Certification

Give Form to the  
 requester. Do not  
 send to the IRS.

Print or type  
 See Specific Instructions on page 2.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank. <b>99State Building Contractors LLC</b>	
2 Business name/disregarded entity name, if different from above	
3 Check appropriate box for federal tax classification; check only one of the following seven boxes: <input checked="" type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ <small>Note. For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner.</small> <input type="checkbox"/> Other (see Instructions) ▶ _____ <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate	4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ <small>(Applies to accounts maintained outside the U.S.)</small>
5 Address (number, street, and apt. or suite no.) <b>14320 SW 181 Terr</b>	Requester's name and address (optional)
6 City, state, and ZIP code <b>Miami, Florida 33177</b>	
7 List account number(s) here (optional)	

### Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

**Note.** If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.

Social security number													
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="border: 1px solid black; width: 20px; height: 20px;"></td> <td style="border: 1px solid black; width: 20px; height: 20px;"></td> <td style="border: 1px solid black; width: 20px; height: 20px;"></td> <td style="border: 1px solid black; width: 20px; height: 20px;"></td> <td style="border: 1px solid black; width: 20px; height: 20px;"></td> <td style="border: 1px solid black; width: 20px; height: 20px;"></td> <td style="border: 1px solid black; width: 20px; height: 20px;"></td> <td style="border: 1px solid black; width: 20px; height: 20px;"></td> <td style="border: 1px solid black; width: 20px; height: 20px;"></td> <td style="border: 1px solid black; width: 20px; height: 20px;"></td> <td style="border: 1px solid black; width: 20px; height: 20px;"></td> <td style="border: 1px solid black; width: 20px; height: 20px;"></td> </tr> </table>													
or													
Employer identification number													
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="border: 1px solid black; width: 20px; height: 20px; text-align: center;">3</td> <td style="border: 1px solid black; width: 20px; height: 20px; text-align: center;">8</td> <td style="border: 1px solid black; width: 20px; height: 20px;"></td> <td style="border: 1px solid black; width: 20px; height: 20px; text-align: center;">-</td> <td style="border: 1px solid black; width: 20px; height: 20px; text-align: center;">3</td> <td style="border: 1px solid black; width: 20px; height: 20px; text-align: center;">9</td> <td style="border: 1px solid black; width: 20px; height: 20px; text-align: center;">9</td> <td style="border: 1px solid black; width: 20px; height: 20px; text-align: center;">3</td> <td style="border: 1px solid black; width: 20px; height: 20px; text-align: center;">2</td> <td style="border: 1px solid black; width: 20px; height: 20px; text-align: center;">1</td> <td style="border: 1px solid black; width: 20px; height: 20px; text-align: center;">7</td> </tr> </table>	3	8		-	3	9	9	3	2	1	7		
3	8		-	3	9	9	3	2	1	7			

### Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

Sign here	Signature of U.S. person ▶ <i>J. Lowe</i>	Date ▶ <i>4/21/2016</i>
-----------	---	-------------------------

### General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.  
 Future developments. Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at [www.irs.gov/irb](http://www.irs.gov/irb).

#### Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)

- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
  - Form 1099-C (canceled debt)
  - Form 1099-A (acquisition or abandonment of secured property)
- Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

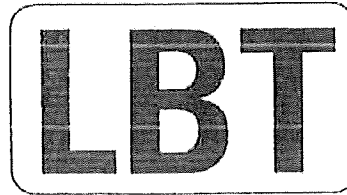
If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See *What is backup withholding?* on page 2.

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting?* on page 2 for further information.

# Local Business Tax Receipt

Miami-Dade County, State of Florida  
-THIS IS NOT A BILL - DO NOT PAY



7199915

**BUSINESS NAME/LOCATION**  
STATE BUILDING  
CONTRACTORS LLC  
OPERATING IN DADE COUNTY

**RECEIPT NO.**  
NEW BUSINESS  
7482486

**EXPIRES**  
SEPTEMBER 30, 2016

Must be displayed at place of business  
Pursuant to County Code  
Chapter 8A - Art 9 & 10

**OWNER**  
STATE BUILDING CONTRACTORS  
LLC  
C/O JEFFREY LOWE PRES  
Worker(s) 1

**SEC. TYPE OF BUSINESS**  
196 ELECTRICAL  
CONTRACTOR  
EC13005717

**PAYMENT RECEIVED  
BY TAX COLLECTOR**  
75.00 04/07/2016  
0200-16-001126

This Local Business Tax Receipt only confirms payment of the Local Business Tax. The receipt is not a license, permit, or a certification of the holder's qualifications, to do business. Holder must comply with any governmental or nongovernmental regulatory laws and requirements which apply to the business.

The RECEIPT NO. above must be displayed on all commercial vehicles - Miami-Dade Code Sec 8a-276.

For more information, visit [www.miamidade.gov/taxcollector](http://www.miamidade.gov/taxcollector)





**STATE OF FLORIDA  
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION**

**ELECTRICAL CONTRACTORS LICENSING BOARD  
1940 NORTH MONROE STREET  
TALLAHASSEE FL 32399-0783**

**(850) 487-1395**

**JAIME, JUAN  
MACHIN SIGNS INC  
122 EAST 51 PLACE  
HIALEAH FL 33013**

*Congratulations! With this license you become one of the nearly one million Floridians licensed by the Department of Business and Professional Regulation. Our professionals and businesses range from architects to yacht brokers, from boxers to barbecue restaurants, and they keep Florida's economy strong.*

*Every day we work to improve the way we do business in order to serve you better. For information about our services, please log onto [www.myfloridalicense.com](http://www.myfloridalicense.com). There you can find more information about our divisions and the regulations that impact you, subscribe to department newsletters and learn more about the Department's initiatives.*

*Our mission at the Department is. License Efficiently, Regulate Fairly. We constantly strive to serve you better so that you can serve your customers. Thank you for doing business in Florida, and congratulations on your new license!*



**STATE OF FLORIDA  
DEPARTMENT OF BUSINESS AND  
PROFESSIONAL REGULATION**

**EC13005717**

**ISSUED: 08/20/2014**

**CERTIFIED ELECTRICAL CONTRACTOR  
JAIME, JUAN  
MACHIN SIGNS INC**

**IS CERTIFIED under the provisions of Ch. 489 FS  
Expiration Date: AUG 31 2015 11402900000025**

DETACH HERE

State of Florida  
 Department of Business and Professional Regulation  
 Electrical Contractors' Licensing Board  
 Certified Contractor Application for Transfer, Additional Business, or Reactivation  
 Form # DBPR ECLB 4

**APPLICATION CHECKLIST – IMPORTANT – Submit all items on the checklist below with your application to ensure faster processing.**

**APPLICATION REQUIREMENTS**

All License Applicants must submit:

Fees:

- Transfer to New Business- \$150.
- Qualify Additional Business- \$550.
- Reactivate Inactive License- \$295.
- Make check payable to the Florida Department of Business and Professional Regulation.

Credit report on the business to be qualified from a nationally recognized credit reporting agency, which includes a public records statement that records have been checked at local, state, and federal levels. For a list of acceptable agencies visit [http://www.myfloridalicense.com/dbpr/pro/cilb/documents/cilb\\_credit\\_reporting\\_agencies.pdf](http://www.myfloridalicense.com/dbpr/pro/cilb/documents/cilb_credit_reporting_agencies.pdf).

Supporting legal documentation, if necessary. See Item 2(i-j) of Instructions.

Proof of satisfaction of liens, judgments, and discharge of bankruptcy, if applicable.

Reactivation of Inactive Certified License Applicants must also submit:

Proof of completion of 14 hours of continuing education.

Applicants applying to do business as an individual must submit:

Credit report on the applicant from a nationally recognized credit reporting agency, which includes a public records statement that records have been checked at local, state, and federal levels. For a list of acceptable agencies visit [http://www.myfloridalicense.com/dbpr/pro/cilb/documents/cilb\\_credit\\_reporting\\_agencies.pdf](http://www.myfloridalicense.com/dbpr/pro/cilb/documents/cilb_credit_reporting_agencies.pdf).

**Please mail your completed application, documentation and required fee(s) to:**

Department of Business and Professional Regulation  
 1940 North Monroe Street  
 Tallahassee, FL 32399-0783

**INSTRUCTIONS**

*If you have any questions or need assistance in completing this application, please contact the Department of Business and Professional Regulation, Customer Contact Center, at 850.487.1395.*

**1. General Requirements for Certification**

- a. This form is required if you are applying to transfer your license to a new business, qualify an additional business or reactivate an inactive license.

**2. Application Instructions (by section)**

**a. Section I- Application Type**

- i. Select the transaction you wish to conduct. An active license will allow you to perform work as an electrical/alarm or specialty contractor, an inactive license cannot be used for contracting.

**b. Section II - Applicant Personal Information**

- i. Fill out each section completely. A Social Security number is required to apply for any individual license within the Department of Business and Professional Regulation.
- ii. In the Full Legal Name section provide your full legal name as it appears on your Social Security card. Do not use any nicknames or initials. Please list any aliases or prior names in the prior name information section.
- iii. Provide your mailing address. This will be used for sending correspondence regarding your application and license.
- iv. Contact information is often used to quickly resolve questions with applications by telephone call or email. If contact information is not provided, questions regarding applications will be mailed to the applicant's mailing address and may take longer to resolve.
- v. Additional contact information is optional and will be used when the applicant cannot be

- vi. Applicants must provide information on current or prior licenses held in Florida or any other state, territory, or jurisdiction of the United States or in any foreign national jurisdiction.
- vii. Applicants must provide information on any prior names or aliases used by applicant. If the name on supporting documentation does not match the applicant's legal name, the alias used in the supporting documentation must be provided in this section. Failure to do so will result in a deficient application.
- c. **Section III - Statement of Financial Condition**
  - i. Please indicate the type of business organization you are applying to qualify.
- d. **Section IV- Business Entity Transfer**
  - i. Complete this section only if you are transferring your license to a new business. Completion of this section will end your status as qualifier of your current business.
- e. **Section V- Business to be Qualified Information**
  - i. Complete this section entirely.
  - ii. Provide the name of the business to be qualified as it is registered with the Florida Division of Corporations.
  - iii. The "Doing Business As" (D/B/A) name must be provided as it is registered with the Florida Division of Corporations, if the business uses a fictitious name to conduct business.
  - iv. Applicants must provide the Federal Employer Identification Number (FEID) for the business to be qualified. Please be aware that as an individual or sole proprietorship you may not be eligible for the workers' compensation exemption - please contact the Department of Financial Services, Division of Workers' Compensation and determine how you need to be licensed in order to qualify for the exemption.
  - v. If this application is to qualify an additional business please indicate the % of ownership you have in the business or businesses you already qualify and in the business you are requesting to qualify.
  - vi. Applicants must provide the business location address of the business to be qualified.
- f. **Section VI- Qualifier Information**
  - i. If the applicant is a primary qualifier he/she is required to have financial and supervisory authority for the business. Without this authority an applicant will not be approved.
  - ii. Applicants must state whether the business to be qualified is already qualified by another contractor. If so, provide the qualifying contractor's name and license number in the spaces provided.
  - iii. If the applicant is a secondary qualifier he/she must have supervisory authority over all sites where their license is used to permit the work performed. An applicant cannot apply to be a secondary qualifier unless there is a licensed electrical/alarm or electrical specialty contractor already designated as a primary qualifier for the business.
  - iv. Secondary qualifiers will automatically become primary qualifiers if the primary qualifier ceases qualifying the business and a new primary qualifier is not designated within 60 days.
- g. **Section VII- Liability Insurance and Workers' Compensation**
  - i. Applicant must answer questions 1 and 2 in this section. Applicant is required to obtain required insurance as listed on the application and workers' compensation. Information regarding workers compensation insurance and exemptions is available by contacting contact the Department of Financial Services, Division of Workers' Compensation.
- h. **Section VIII- Background Questions**
  - i. The applicant and the authorized representative(s), as specified in the section, must submit answers to each of the background questions.
  - ii. For each "Yes" answer the person must provide an explanation in Section IX or X, as applicable.
  - iii. The number of "Yes" boxes checked must equal the number of explanation boxes completed.
  - iv. If you answered "YES" to any question, please provide full explanations as required below. If you have more than two offenses to document in Section IX or more than two in Section X attach additional copies as necessary.
- i. **Section IX - Explanations for "Yes" answers to Question 1**
  - i. For this section, provide as much detail as possible.

- iii. Question 1:
- (1) If you answer "yes" to this question, you must complete Section IX [*make additional copies as necessary*] of the application. Please provide the full details of the criminal charges including dates, outcomes, sentences, and/or conditions imposed; the dates, name and location of the court and/or jurisdiction in which any proceedings were held or are pending. If you answer NO to this question because you believe that previous incidents have been dismissed, no action taken, nolle prossed, or expunged, you must supply documentation as proof of the disposition or showing sanctions were satisfied.
- j. **Section X – Explanations for "Yes" answers to Questions 2-6**
- i. Question 2:
- If you answer "yes" to this question, you must complete Section X [*make additional copies as necessary*] of the application and you must also supply documentation proving the bankruptcy has been discharged or the judgment or lien has been satisfied, or if not, stating the current status of the bankruptcy, judgment or lien.
- ii. Question 3:
- If you answer "yes" to this question provide the full details in Section X explaining the denial or pending administrative action including the nature of any charges, dates, outcomes, sentences, and/or conditions imposed; the dates, name and location of the court and/or jurisdiction in which any proceedings were held or are pending; and the designation and/or license number for any actions against a license or licensure application.
- iii. Question 4:
- If you answer "yes" to this question provide the full in Section X details explaining the situation including the nature of any charges, dates, outcomes, sentences, and/or conditions imposed; the dates, name and location of the court and/or jurisdiction in which any proceedings were held or are pending.
- iv. Question 5:
- If you answer "yes" to this question provide the full details in Section X explaining the situation and provide copies of any relevant documentation.
- v. Question 6:
- If you answer "yes" to this question provide the full details in Section X explaining the situation and provide copies of any relevant documentation.
- k. **Section XI– Business Financial Statement**
- i. The business financial statement must be prepared within twelve (12) months of filing this application and must show a total net worth of:
- (1) \$10,000 for Certified Electrical, Certified Alarm I and Certified Alarm II Contractors
- (2) \$5,000 for Certified Specialty Contractors
- ii. All vehicles and real property listed as assets of the business must be titled to the business to be considered assets of the business. **DO NOT** include personal vehicles and property as assets of the business.
- iii. Applicant should list all of the business' assets and liabilities on the form.
- iv. Total value of assets listed should be listed in Box 12.
- v. Total value of liabilities listed should be listed in Box 19.
- vi. To determine net worth (Box 12 - Box 19 = Net Worth).
- vii. List net worth in Box 20. The business' net worth should be at least \$10,000 for Certified Electrical, Certified Alarm I and Certified Alarm II Contractors or \$5,000 for Certified Specialty Contractors. A business net worth that does not meet minimum requirements is considered grounds for denial.
- viii. If you are applying as an individual provide a personal financial statement that has been prepared within twelve (12) months of filing this application. The statement must show a total net worth of at least \$10,000 for Certified Electrical, Certified Alarm I and Certified Alarm II Contractors or \$5,000 for Certified Specialty Contractors. State "Individual" for "The Statement of Financial Condition of: \_\_\_\_\_".
- l. **Section XII- Affirmation by Written Declaration**



**m. Additional Supporting Documentation Required**

- i. **BUSINESS CREDIT REPORT:** A credit report on the business to be qualified from any recognized credit bureau that includes, but is not limited to, liens, judgments, suits, and bankruptcy obtained from county, state and federal records. The credit report must be dated within twelve (12) months of filing this application and must include the following statement: **"PUBLIC RECORDS HAVE BEEN SEARCHED AT THE COUNTY, STATE AND FEDERAL LEVELS"**. Go to <http://www.myfloridalicense.com/dbpr/pro/elboard/index.html> for a list of acceptable agencies.
- ii. If you are applying to qualify as an individual you will need to provide a personal credit report. The credit report must be from any recognized credit bureau that includes, but is not limited to, liens, judgments, suits and bankruptcy obtained from county, state and federal records. The credit report must be dated within twelve (12) months of filing this application and must include the following statement: **"PUBLIC RECORDS HAVE BEEN SEARCHED AT THE COUNTY, STATE AND FEDERAL LEVELS"**.
  - (1) If there are negative items on the credit report such as open collections, past due accounts, foreclosures or bankruptcy please provide a written explanation, current status and documentation pertaining to any negative items.
  - (2) Effective July 1, 2012, in order to reactivate an inactive license, you will need to complete the continuing education requirements in place at the time of the last renewal for your profession. That includes 14 hours of board-approved continuing education that was taken during the last, or current, renewal period and must include the following:  
7 hours of Technical, 1 hour Workers' Compensation, 1 hour Business Practices, 1 hour Florida Building Code advanced module course, 1 hour Workplace Safety and 2 hours False Alarm Prevention for Alarm contractors and EC's who work on alarms.

**3. Common Reasons for Denial**

Your application could be denied for many reasons even if you have passed the examination. Here are some of the more common reasons for denial:

- a. **Failure to demonstrate financial responsibility** – this could be a basis for denial based on your personal financial statement or personal credit report. This may occur if:
  - i. Your personal financial statement shows a negative net worth.
  - ii. Your personal credit report shows delinquent accounts, collection accounts, unpaid liens or judgments.
- b. **Criminal history that relates to the practice of electrical contracting** - If you have criminal history you must disclose it in your application – It will be up to the Board to determine if it relates to the practice of electrical contracting and if it is sufficient grounds to deny your application.

State of Florida  
 Department of Business and Professional Regulation  
 Electrical Contractors' Licensing Board  
 Certified Contractor Application for Transfer, Additional Business, or Reactivation  
 Form # DBPR ECLB 4

If you have any questions or need assistance in completing this application, please contact the Department of Business and Professional Regulation, Customer Contact Center, at 850.487.1395. *For additional information see the instructions at the end of this application.*

**Section I – Application Type**

CHECK TRANSACTION REQUESTED	
<input type="checkbox"/>	Transfer License to a New Business Entity - \$150 fee [3021]
<input checked="" type="checkbox"/>	Qualify Additional Business Entity- \$550 fee [1024] (*Note: Applicants will be required to attend the Board Meeting when their additional business application is reviewed, you will receive a letter with the date, time and location of the meeting.)
<input type="checkbox"/>	Reactivation of Inactive License- \$295 fee [3020]
CHECK LICENSE CATEGORY	
<input checked="" type="checkbox"/>	Unlimited Electrical Contractor [0801]
<input type="checkbox"/>	Alarm System Contractor I [0802]
<input type="checkbox"/>	Alarm System Contractor II [0803]
<input type="checkbox"/>	Residential Electrical Contractor [0804]
<input type="checkbox"/>	Utility Line Contractor [0804]
<input type="checkbox"/>	Limited Energy Contractor [0804]
<input type="checkbox"/>	Sign Specialty Contractor [0804]
<input type="checkbox"/>	Lighting Maintenance Contractor [0804]

**Section II – Applicant Personal Information**

PERSONAL INFORMATION				
			License Number: EC 13005717	
FULL LEGAL NAME				
Last Name	First	Middle	Title	Suffix
JAIME	JUAN			
			Gender <input checked="" type="checkbox"/> Male <input type="checkbox"/> Female	
MAILING ADDRESS				
Street Address or P.O. Box				
City	State	Zip Code (+4 optional)		
HIALEAH	FL	33013		
County (if Florida address)	Country			
DADE	USA			
CONTACT INFORMATION				
Primary E-Mail Address				

\* The disclosure of your Social Security number is mandatory on all professional and occupational license applications, is solicited by the authority granted by 42 U.S.C. §§ 853 and 854, and will be used by the Department of Business and Professional Regulation pursuant to §§ 409.2577, 409.2598, 455.203(9), and 559.79(3), Florida Statutes, for the efficient screening of applicants and licensees by a Title IV-D child support agency to assure compliance with child support obligations. It is also required by § 659.79(1), Florida Statutes, for determining eligibility for licensure and mandated by the authority granted by 42 U.S.C. § 405(c)(2)(C)(i), to be used by the Department of Business and Professional Regulation to identify licensees for tax administration purposes.

**Section II – Applicant Personal Information continued**

ADDITIONAL CONTACT INFORMATION (OPTIONAL)			
Alternate Phone Number		Fax Number	
Alternate E-Mail Address			
CURRENT/PRIOR LICENSE INFORMATION			
If you currently hold or have previously held a business or professional license/registration in Florida or elsewhere, please list each one below (attach additional copies of this page as necessary):			
1. License/Registration Type	State	Date (From)	Date (To)
certified electrical contractor	Florida	11 / 06 /2013	08 / 31 /2016
License Number		Name Used	
2. License/Registration Type	State	Date (From)	Date (To)
		/ /	/ /
License Number		Name Used	
3. License/Registration Type	State	Date (From)	Date (To)
		/ /	/ /
License Number		Name Used	

PRIOR NAME INFORMATION				
Have you used, been known as, or are currently known by another name (example, maiden name, nickname) or alias other than the name signed to the application? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
If your answer is yes, state name or names used below:				
Last Name	First	Middle	Title	Suffix
Last Name	First	Middle	Title	Suffix
Last Name	First	Middle	Title	Suffix

**Section III – Statement of Financial Condition**

STATEMENT OF FINANCIAL CONDITION
Are you applying to do business as an individual or sole proprietorship? If so, please be aware as an individual or sole proprietorship you may not be eligible for the workers' compensation exemption. Please contact the Department of Financial Services, Division of Workers' Compensation and determine how you need to be licensed in order to qualify for the exemption.
Please indicate the type of business organization you are applying to qualify. <input type="checkbox"/> Individual <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> LLC <input type="checkbox"/> Other

## Section IV- Business Entity Transfer

BUSINESS ENTITY TRANSFER	
The Business Entity Transfer is required ONLY to transfer a certified license from one business entity to another.	
Current License Number:	Circle One: <input checked="" type="radio"/> EC <input type="radio"/> EF <input type="radio"/> EG <input type="radio"/> ES
Name of Business No Longer Qualified: Simply Electrical, LLC	

## Section V- Business to be Qualified Information

BUSINESS TO BE QUALIFIED	
Business Name: State Building Contractors, LLC	
Doing Business As (D/B/A):	Federal Employer ID Number (FEID): L16000048284
Business type: <input type="checkbox"/> Sole Proprietor <input checked="" type="checkbox"/> LLC <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Other (please specify):	
Is this an Additional Business Qualification? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
If "Yes", provide the following information:	
Percentage of ownership you have in the present business you qualify:	%
Percentage of ownership you have in the business you are attempting to qualify:	%
BUSINESS LOCATION ADDRESS	
Street Address or P.O. Box 14320 SW 181 TERRACE	
City Miami	State FL Zip Code 33177
County (if Florida address) Dade	Country USA
BUSINESS CONTACT INFORMATION (IF DIFFERENT THAN APPLICANT INFORMATION)	
Contact Name: JUBERT LOWE	
E-Mail Address of Contact statebuildingelectric@gmail.com	

## Section VI - Qualifier Information

QUALIFIER INFORMATION (NOT REQUIRED FOR THOSE APPLYING TO DO BUSINESS AS AN INDIVIDUAL)	
(Please answer below according to your classification for the new business entity)	
<input checked="" type="checkbox"/> I am requesting designation as Primary Qualifier: Pursuant to Chapter 489.522(1)(a), F.S.:	
I have the authority for approving checks, payments, drafts and contracts on behalf of the business organization.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
I am responsible for supervision of all operations of the business organization; including, all field work at all sites and financial matters (both in general and for each specific job).	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> I am requesting designation as Secondary Qualifier: Pursuant to Chapter 489.522(2)(b), F.S.:	
I will be legally qualified to act for this business as supervisor of all sites where permitting was obtained with my license. This includes any other work for which I accept responsibility.	<input type="checkbox"/> Yes <input type="checkbox"/> No
If requesting designation as a Secondary Qualifier or an Additional Primary Qualifier list the Primary Qualifier below.	
Primary Qualifier Name:	
Primary Qualifier's License Number:	

## Section VII - Liability Insurance and Workers' Compensation

LIABILITY INSURANCE AND WORKERS' COMPENSATION	
Minimum amounts required for Liability Insurance; Public Liability- \$100,000/per person, \$300,000/per occurrence; and Property Damage- \$500,000. OR Minimum combined single limit policy of \$800,000.	
1. Have you or will you obtain, prior to contracting, public liability and property damage insurance in the amounts determined by Rule 61G6-5.008, Florida Administrative Code, as specified above?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
2. Have you or will you obtain, prior to contracting, workers' compensation or an appropriate exemption as provided in Section 440.05, Florida Statutes, and if not, do you attest that you will obtain an exemption within 30 days after your license is issued?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No



Section VIII – Background Questions– continued

Person #	Indicate each response by checking "Yes" or "No"	Question Number					
		1	2	3	4	5	6
5	Authorized Representative – Print Name	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
6	Authorized Representative – Print Name	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
7	Authorized Representative – Print Name	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
8	Authorized Representative – Print Name	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

If you answered "YES" to any question in questions 1 – 6 above, please refer to Sections 2(I-J) of Instructions for detailed instructions on providing complete explanations, including requirements for submitting supporting legal documents. Please complete Section IX for your response to question 1, and complete Section X for your response to questions 2 through 6. If you have more than two offenses to document in Section IX or need additional sheets for Section X, attach additional pages as necessary.

Section IX – Explanations for "Yes" answers to Question 1 – Attach additional copies as necessary

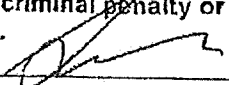
EXPLANATION		
Name of person to whom this explanation relates:		
Offense:		
County:	State:	Date of Offense (mm/dd/yyyy):
Penalty/ Disposition:		Have all sanctions been satisfied? <input type="checkbox"/> Yes <input type="checkbox"/> No
Description:		

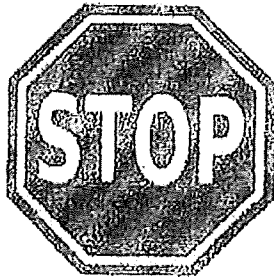
EXPLANATION		
Name of person to whom this explanation relates;		
Offense:		
County:	State:	Date of Offense (mm/dd/yyyy).
Penalty/ Disposition:		Have all sanctions been satisfied? <input type="checkbox"/> Yes <input type="checkbox"/> No
Description:		





Section XII-Affirmation by Written Declaration

AFFIRMATION BY WRITTEN DECLARATION	
<p>I certify that I am empowered to execute this application as required by Section 559.79, Florida Statutes. I understand that my signature on this written declaration has the same legal effect as an oath or affirmation. Under penalties of perjury, I declare that I have read the foregoing application and the facts stated in it are true. I understand that falsification of any material information on this application may result in criminal penalty or administrative action, including a fine, suspension or revocation of the license.</p>	
Signature: 	Date: 5/31/16
Print Name: Juan Jaime	



Make sure you submit the following items with your application:
<ul style="list-style-type: none"><li>• Business Credit Report from a nationally recognized credit reporting agency</li><li>• Itemization of machinery, fixtures &amp; equipment and other assets listed on business financial statement.</li></ul>
Application Tip:
<p>When completing the financial questions on your application, use your credit report as a guide. Make sure to provide explanations of all negative items such as collections, liens, judgments and foreclosures in Section X. Copy this page as necessary. Also, provide documentation showing release of liens, discharge of bankruptcy and satisfaction of judgments. Processors will be using your credit report as a guide to your answers regarding financial questions.</p>

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**Miami-Dade County Public Schools  
Office of the Inspector General**

**Appendix B**

**M-DPS Response to OIG Draft Report**

**(2-page memorandum and a 1-page attachment that shows the utilization goals for each of the four projects; 110 pages of electrical inspection reports and certificates of occupancy and/or completion are not included herein; please contact the OIG for copies of these documents if desired)**

**OIG Final Report**

**GOBIG #0015**

MEMORANDUM

February 8, 2019

TO: Ms. Mary T. Cagle, Inspector General  
Office of Inspector General

FROM:  Jaime G. Torrens, Chief Facilities Officer  
Office of School Facilities

**SUBJECT: RESPONSE TO THE OFFICE OF INSPECTOR GENERAL DRAFT REPORT OF INSPECTION - D. STEPHENSON CONSTRUCTION INC.'S SUBSTITUTION OF ELECTRICAL SUBCONTRACTORS ON SELECTED GOB-FUNDED PROJECTS, DATED DECEMBER 6, 2018**

The following is the administration's response to the *Draft Report of Inspection - D. Stephenson Construction Inc.'s Substitution of Electrical Subcontractors on Selected GOB Funded Projects* (Draft Report). The analysis and information provided are important to the Office of School Facilities (OSF) as we continue to improve and refine our processes and procedures for capital projects. After reviewing the draft report, we appreciate the opportunity to provide the following response and feedback:

This inspection expands on the *OIG Final Report of Investigation - SB-1516-1006*, dated October 24, 2017 and presents three main findings: failure of D. Stephenson Construction, Inc. (DSC) to comply with M-DCPS subcontractor substitution policies and procedures, electrical work concerns at the four cited schools and recalculation of Small/Micro Business Enterprise (S/MBE) goals for two projects. The Draft Report also acknowledges actions taken by the District since the prior report including enhancement of subcontractor substitution procedure and imposition of sanctions on the subcontractors involved.

**Subcontractor Substitution**

Prior to January 2018, substitution requests for subcontractors that were identified to meet S/MBE goals were submitted by the contractor to the Office of Economic Opportunity (OEO). In January 2018, the OSF in conjunction with the OEO revised and renamed the form: *Request for Subcontractor Substitution (FM-7686)*. This form now formalizes the actions to be taken by both OEO and OSF in the review and approval of all substitutions. This new procedure also addresses the licensing verification of the subcontractors by including the Building Department on such substitutions. The form provides current licensure information that may be required depending on the nature of the trade that is being substituted. OSF project managers have been provided training and guidance on the new procedures. Contractors have also been provided this information when substitution requests arise.

**Electrical Work Concerns**

The Draft Report also mentions that the OIG is extremely troubled by the inspection results of the four projects: Miami Southridge Senior High School (Project No. 01338200), Oak Grove Elementary (Project No. 01337300), South Miami Heights Elementary (Project No. 01306600) and Miami Southridge I-Prep Lab (Project No. 01541600), that immediate attention was needed at three projects and that unfinished electrical work needed to be addressed.

At this time, all electrical work has been completed and inspected by the District's Building Code Consultants. Attached please find all electrical inspections (progress and final) and their results for the four schools. All the inspections identify that the work was completed and tested in accordance with applicable electrical codes, standards and approved plans.

The final electrical inspections for all four projects have been approved. Attached please also find the fully executed Certificate of Occupancy and/or Completion form 5463 and permit card for Oak Grove Elementary (Project No. 01337300) and South Miami Heights Elementary (Project No. 01306600). As previously mentioned, they are fully executed by all the required parties, including the electrical inspector. The final Certificate of Completion for the Miami Southridge Senior High projects are in the process of execution.

**Recalculation of S/MBE Goals**

The Draft Report recommends recalculation of the S/MBE goals at Miami Southridge Senior High School (Project No. 01338200) and Oak Grove Elementary (Project No. 01337300). The required subcontractor participation goal set by the District's Goal Setting Committee (GSC) for both projects was 20% for Construction. The S/MBE subcontractor participation commitments included by DSC at the time of contract award were 26.99% and 36.32%, respectively. Based on the findings presented in the Draft Report, the current recalculated S/MBE participation is 18.76% for the Miami Southridge Senior project and 27.23% for the Oak Grove Elementary project (see Attached). Consequently, the GSC goal for the Miami Southridge Senior project is not met.

**Actions for D. Stephenson Construction Inc.**

The Draft Report highlights actions and instances of contractual noncompliance by DSC which are of grave concern to the administration. As noted in the report, the District has already imposed serious sanctions on DSC's subcontractors. The administration is currently considering appropriate sanctions for DSC.

Should you have any questions or concerns, please do not hesitate to contact me at 305-995-1607.

JGT:mh  
M216

**Attachments**

cc: Mr. Alberto M. Carvalho  
Ms. Ana Rijo Conde  
Mr. Raul F. Perez  
Ms. Jennifer D. Andreu

**Results for D. Stephenson Construction, Inc.'s Substitution of Electrical Subcontractors**

Construction Project	Goal Setting Committee S/MBE - Goal	Goal Commitment S/MBE to Board	Actual S/MBE Constr. Participation	Subcontractors % Electrical	Overall Projects' S/MBE Participation
Miami Southridge Senior High School (01338200)	CM. 10% Const. 20%	CM 10.00% SMBE 26.99%	26.99%	8.23%-RNH	18.76%
Oak Grove Elementary School (01337300)	CM 10% Const. 20%	CM 10.00% SMBE 36.32%	CM 10.00% SMBE 36.32	9.67% - Complete Power Systems	27.23%
South Miami Heights Elementary (01306600)	No Goals			No Subs	100% by D. Stephenson
Miami Southridge i-Prep Lab (01541600)	No Goals			No Subs	100% by D. Stephenson

\*Project Open

\*D. Stephenson MWBE – Recertified 8/4/2017 – 8/4/2020

\* CM – Construction Management