




Memorandum



Miami-Dade County Office of the Inspector General
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To: Hon. Carlos A. Gimenez, Mayor, Miami-Dade County
Hon. Esteban L. Bovo Jr., Chairman
and Members, Board of County Commissioners, Miami-Dade County

From: Mary T. Cagle, Inspector General 

Date: March 6, 2018

Subject: WASD Subcontractor Arrested for Forgery in Connection with
Defrauding the County's Responsible Wages and Benefits Program;
Ref. IG-17-0014-I

Samuel J. Almazan, the owner of Almazan Construction LLC, was arrested and charged today with several counts of Forgery, Uttering Forged Instruments, and Scheme to Defraud. Almazan Construction was a subcontractor to Poole & Kent Co., the prime contractor working on Water and Sewer Department (WASD) Contract S-890, a Consent Decree project to upgrade the Central District Wastewater Treatment Plant's Chlorination Facilities. The Office of the Inspector General (OIG) initiated this investigation upon a referral from the Internal Services Department, Small Business Development Division (SBD) after staff suspected phony documents were being supplied as proof of compliance with the County's Responsible Wages and Benefits Program.

Almazan Construction was subcontracted to do site prep and excavation work on the \$13.4 million WASD Consent Decree project. Almazan's portion of the work was initially \$184,000. As part of its compliance monitoring at WASD, SBD determined that Almazan had not been paying his employees the correct responsible wages as mandated by the contract and the County's schedule of wage rates. Once detected, SBD instructed Almazan to pay his employees what they were owed and submit affidavits from each worker and copies of the negotiated checks to SBD as proof of compliance. SBD also imposed a penalty of \$1,663 on Almazan. After reviewing the submitted documents, SBD contacted the OIG and requested investigative assistance, as the documents appeared suspect.

The OIG investigation revealed that the ten signatures, purportedly of Almazan's workers, were all forged. They did not sign the documents and they had not received the back pay that they were owed. The investigation also found that checks—copies of which were submitted to SBD as proof of repayment—were actually deposited by Almazan into his personal account.

OIG Special Agents interviewed Almazan who confessed to completing the back wage affidavits for his employees, forging their signatures on the checks and affidavits, and depositing the items into his personal account. Almazan is charged with 10 counts of Forgery, 10 counts of Uttering Forged Instruments, and one count of Organized Scheme to Defraud—all third degree felonies. The ten workers ultimately received the back pay that they were owed, which was paid to them by prime contractor Poole & Kent. The collective total of back wages paid to the employees was \$16,712.

The OIG appreciates the referral from SBD and the continued cooperation by WASH and SBD staff during this investigation. Attached is a press release from the State Attorney's Office with additional information about today's arrest.

Attachment

cc: Alex Ferro, Chief of Staff, Office of the Mayor
Kevin Lynskey, Director, Water and Sewer Department
Tara Smith, Director, Internal Services Department
Gary Hartfield, Division Director, Small Business Development
Alice Hidalgo-Gato, Section Chief, Small Business Development
Cathy Jackson, Interim Commission Auditor
and Director, Audit and Management Services Department



KATHERINE FERNANDEZ RUNDLE

STATE ATTORNEY



ELEVENTH JUDICIAL CIRCUIT IN AND FOR MIAMI-DADE COUNTY

FOR IMMEDIATE RELEASE

MIAMI-DADE COUNTY SUB-CONTRACTOR ARRESTED FOR FORGERY, UTTERING FORGED INSTRUMENTS, AND SCHEME TO DEFRAUD

Miami – March 6, 2018

Pursuant to a request for investigative assistance by the Miami-Dade County Internal Services Department, Small Business Development (SBD), a joint criminal investigation with the Miami-Dade County Office of the Inspector General was initiated into Almazan Construction LLC., and its owner Samuel J. Almazan, who was suspected of falsifying back wage affidavits and checks in order to show compliance with SBD. The prime contractor, Poole & Kent Co., had been hired to perform work on the Miami-Dade County Water and Sewer Department's (WASD) Consent Decree Waste Water Chlorination Treatment Facilities. In turn, Almazan Construction LLC. was sub-contracted by the prime contractor to perform part of the contracted work.

As part of its compliance monitoring at WASD, SBD determined that Almazan had not been paying his employees the correct responsible wages as dictated by the contract. SBD instructed Almazan that he was to repay all employees, submit back wage affidavits, and provide copies of the negotiated checks to show compliance with SBD. In addition, a penalty fee imposed by SBD was to be paid to the County. SBD contacted the Office of the Inspector General (OIG) after its initial review of the documentation provided by Almazan was suspect.

The OIG investigation uncovered that none of the back wage affidavits were completed by the workers and their signatures had been forged. Additionally, the repayment checks also contained forged signatures and were deposited by Almazan into his own account. OIG Special Agents interviewed Almazan who confessed to completing the back wage affidavits for his employees, forging their signatures on the checks and affidavits, and depositing the checks into his own personal account. All of the workers were subsequently reimbursed by the prime contractor Poole & Kent Co.

"Miami-Dade County has long made it a priority to establish wage guidelines in all of its construction contracts," noted State Attorney Katherine Fernandez Rundle. After allegedly cheating his workers, then allegedly forging their signatures on reimbursement checks and depositing those checks in his own personal bank account, Samuel J. Almazan's actions appear to be a new low in employer/employee relations."

Almazan has been charged with the following third degree felonies:

- 10 Counts of Forgery
- 10 Counts of Uttering Forged Instruments
- 1 Count of Organized Scheme to Defraud.

"Stealing from the working poor is low, but to go to the extent of this cover up is truly deplorable. Allegations of wage theft by County contractors will be vigorously investigated by my office," stated Miami-Dade County Inspector General Mary Cagle.

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FOR FURTHER
INFORMATION CONTACT:

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