

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
13-60012-CR-COHN/SELTZER
CASE NO. _____

18 U.S.C. § 371

UNITED STATES OF AMERICA

v.

ANTHONEEL ALLEN and
JAMES HASHIM,

Defendants.

_____ /

INFORMATION

The United States Attorney charges that, at all times relevant to this Information:

GENERAL ALLEGATIONS

Broward County Traffic Engineering

1. The Broward County government is headed by a County Commission, which consists of a Mayor, a Vice-Mayor and seven (7) additional County Commissioners representing the nine (9) districts within Broward County. The Commission appoints a County Administrator to oversee the operations of Broward County through various departments, including the Department of Public Works (hereinafter referred to as the "DPW"). The DPW oversees the construction and maintenance of the roadways and the seaports, the acquisition and management of property, and the water management and waste recycling systems in Broward County, among other functions

2. One of the divisions of the DPW is the Broward County Traffic Engineering

Division (hereinafter referred to as "BCTED"). The BCTED is responsible for constructing, repairing, and maintaining the traffic systems and signs on the roadways in Broward County. During the calendar years of 2006, 2007, 2008, 2009, and 2010, Broward County received benefits in excess of \$10,000 under a federal program involving grants, subsidies, loans, guarantees, insurance, and/or other federal assistance.

3. From prior to 2005 through in or about November 2010, the Director of the BCTED (hereinafter referred to as the "BCTED DIRECTOR") managed a department that employed over 100 persons. The BCTED DIRECTOR oversaw the creation of bid and contract documents, and the management of awarded contracts related to the maintenance, repair, and construction of traffic control systems and signs in Broward County. The BCTED DIRECTOR also supervised all employees within the BCTED, including county employees assigned to inspect the work on these contracts. From in or about 2009 through in or about 2010, the BCTED DIRECTOR also served as the Acting Assistant Director of the DPW.

4. From in or about 2005 through in or about 2010, a number of multi-million dollar projects were initiated by the BCTED, including the following:

a. The Signalization and Street Light Installation contract (hereinafter referred to as the "SSLI"), which required the contractor to make installations and do repair work of the street lights and traffic equipment in Broward County;

b. The Video Detection Contract (hereinafter referred to as the "VDC"), which required the contractor to install video detection cameras in various intersections in Broward County in order to improve traffic flow; and

c. The Advanced Transportation Management System (hereinafter referred to as

the "ATMS Project"), which required the contractor to install an integrated traffic control system which entailed laying hundreds of thousands of feet of underground cable and conduit in order to synchronize traffic flow within Broward County.

5. The ATMS Project was, in part, federally funded, and as such required that the plans, specifications, contracts, and costs of construction be approved by a representative of the Secretary of the United States Department of Transportation. The documents pertaining to the ATMS project were to be provided by the BCTED to the Florida Department of Transportation (hereinafter referred to as "FDOT") which then provided those documents to the United States Department of Transportation. Under federal guidelines the ATMS project was required to have been competitively bid.

Southeast Underground Utilities, Corp.

6. Southeast Underground Utilities, Corp. (hereinafter referred to as "SUU") was owned by defendant ANTHONNEEL ALLEN (hereinafter referred to as "ALLEN"). SUU was initially located in Sunrise, Florida, and then moved to Plantation, Florida, and was in the business of installing, repairing and maintaining street lights and traffic signals.

7. Prior to 2005, SUU had no contracts with the Broward County government or any of the municipalities located therein. In or about 2005, ALLEN hired defendant JAMES HASHIM (hereinafter referred to as "HASHIM") as a vice president of SUU. HASHIM was to work as an estimator and to help SUU obtain government contracts.

8. Beginning in or about 2007, SUU began working on projects for Broward County and SUU was paid for the work done on those projects via checks mailed through the United States Postal Service.

9. In or about May 2008, ALLEN applied for SUU to qualify as a disadvantaged business enterprise (hereinafter referred to as "DBE"). Federal regulations require that a percentage of work on certain federal highway projects be performed by a DBE. In order to qualify as a DBE the net worth of the owner of the small business enterprise must not exceed \$750,000, excluding the value of the small business enterprise and the owner's personal residence.

10. A relative of the BCTED DIRECTOR (hereinafter referred to as "the BCTED DIRECTOR'S Relative") was a foreign national who arrived in the United States on a temporary visa in the summer of 2006. After the BCTED DIRECTOR's Relative arrived in the United States, the BCTED DIRECTOR obtained employment for him at SUU.

COUNT 1

1. The General Allegations portion of this Information is realleged and expressly incorporated herein as if set forth in full.

2. From in or about October 2006 through in or about November 2010, in Broward County, in the Southern District of Florida, and elsewhere, the defendants,

ANTHONEEL ALLEN and
JAMES HASHIM,

knowingly and willfully combined, conspired, confederated, and agreed, with each other and with other persons known and unknown to the United States Attorney:

- a. to commit an offense against the United States, that is:
 - i. to commit bribery in programs involving federal funds, in violation of Title 18, United States Code, Section 666;
 - ii. to make false statements in connection with the submission of plans,

specifications, contracts, or costs of construction of any highway or related project submitted for approval to the Secretary of the United States Department of Transportation, in violation of Title 18, United States Code, Section 1020;

iii. to engage in mail fraud, in violation of Title 18, United States Code, Section 1341; and

iv. to commit extortion under color of official right, in violation of Title 18, United States Code, Section 1951; and

b. to defraud the United States:

i. by impairing, impeding, and obstructing the Internal Revenue Service in the ascertainment, computation, assessment and collection of federal income and employment taxes; and

ii. by making false statements to a delegate of the Department of Transportation regarding the qualifications of SUU to be a DBE.

PURPOSE AND OBJECT OF THE CONSPIRACY

3. The purpose and object of the conspiracy was to enrich defendants ALLEN and HASHIM and their co-conspirators by enabling SUU and defendants ALLEN and HASHIM: 1) to obtain contracts with the Broward County government; 2) to unlawfully receive additional funds from Broward County through help in billing, specification and inspection matters; 3) to manipulate contracts in order to eliminate competition of SUU from the bidding process; and 4) to unlawfully reduce their federal income and employment tax liabilities by failing to properly report the moneys paid to and on behalf of defendant HASHIM and other employees of SUU.

SUMMARY OF UNLAWFULLY OBTAINED BENEFITS

4. In exchange for over \$150,000 in cash as well as a car and a job for the BCTED

DIRECTOR's Relative, the BCTED DIRECTOR provided SUU special favors to include: 1) additional work with the BCTED, including the SSLI contract and by incorporating the ATMS project work into the SSLI contract; 2) help in billing, specification and inspection matters, which enabled SUU to unlawfully obtain additional funds from Broward County of at least \$3,000,000; and 3) manipulating contracts in order to eliminate competition of SUU from the bidding process.

MANNER AND MEANS OF THE CONSPIRACY

The SSLI Contract: Hiring of BCTED DIRECTOR's Relative

5. It was part of the conspiracy that in or about the fall of 2006, the BCTED DIRECTOR asked defendant HASHIM whether SUU would hire the BCTED DIRECTOR's Relative. It was explained to defendant HASHIM that the BCTED DIRECTOR's Relative came to the United States to assist the BCTED DIRECTOR with his family and was a financial burden on the BCTED DIRECTOR as the BCTED DIRECTOR's Relative lived at their home. Defendant HASHIM understood that hiring the BCTED DIRECTOR's Relative would assist the BCTED DIRECTOR. During this meeting, the BCTED DIRECTOR also suggested to defendant HASHIM that SUU should bid on the SSLI contract.

6. It was further part of the conspiracy that, when HASHIM was preparing SUU's bid for the SSLI, HASHIM contacted the BCTED DIRECTOR and asked him for guidance as to how to bid on particular line items in order to maximize SUU's profits while making a low bid. The BCTED DIRECTOR told HASHIM to prepare a low bid and that he would protect SUU from receiving any jobs under the SSLI contract that were unprofitable.

7. It was further part of the conspiracy that, in or about October 2006, SUU was selected as the low bidder of the SSLI contract, which was a two-year contract with an additional one-year

extension. Under the SSLI contract, SUU was to receive up to \$2.2 million each year for two years with the option for Broward County to extend the contract for a third year.

8. It was further part of the conspiracy that, in order to curry favor with the BCTED DIRECTOR, ALLEN and HASHIM employed the BCTED DIRECTOR'S Relative to work in SUU's main office.

9. It was further part of the conspiracy that the BCTED DIRECTOR'S Relative worked at SUU from in or about late 2006 through in or about 2010, and was paid \$500 in cash at the end of each work week. These wages were not to be and were not, in fact, reported to the Internal Revenue Service.

10. It was further part of the conspiracy that, on one occasion, during the course of the SSLI contract, BCTED staff members tried to have SUU perform certain lighting work under the SSLI contract, which work would not have been profitable for SUU. At the request of SUU, the BCTED DIRECTOR prevented his staff from ordering the Lighting and Traffic Signal Contractor to perform the unprofitable lighting work.

11. It was further part of the conspiracy that, on another occasion, the BCTED staff discussed directing SUU to install a number of in-ground detector loops, which work would have been unprofitable for SUU. At the request of SUU, the BCTED DIRECTOR ordered his staff not to assign the unprofitable installation work to SUU.

The ATMS Project: Cash Payments to the BCTED DIRECTOR

12. It was further part of the conspiracy that, in or about 2007, after SUU began working on the SSLI contract, but before the awarding of the ATMS Project, defendant HASHIM was invited to dinner at the BCTED DIRECTOR'S home in Coral Springs, Florida. Following the dinner, the

BCTED DIRECTOR asked defendant HASHIM if defendant HASHIM and SUU could help him out financially.

13. It was further part of the conspiracy that, after discussing the BCTED DIRECTOR'S request with defendant ALLEN, defendants HASHIM and ALLEN began making direct payments to the BCTED DIRECTOR and indirect payments to the BCTED DIRECTOR through the BCTED DIRECTOR's Relative.

ATMS Project: Providing Additional Work

14. It was further part of the conspiracy that, shortly after the time of the conversation between the BCTED DIRECTOR and defendant HASHIM concerning paying money to the BCTED DIRECTOR, the BCTED DIRECTOR directed that the ATMS project not be competitively bid.

15. It was further part of the conspiracy that the BCTED DIRECTOR unilaterally assigned the ATMS project to SUU under the existing SSLI contract, which SUU would not have been otherwise able to obtain as it did not have sufficient bonding capacity, among other reasons.

16. It was further part of the conspiracy that, in or about 2008, the BCTED DIRECTOR began requesting increases of the budget for the SSLI contract in order to pay SUU for its work on the ATMS project.

17. It was further part of the conspiracy that the BCTED DIRECTOR signed many of the requests for approval of the "threshold increases" for the SSLI contract, which were forwarded to the Director of the Broward County Purchasing Department and the Broward County Commission.

18. It was further part of the conspiracy that, on at least one occasion, the BCTED DIRECTOR personally appeared before the Broward County Commission to request a "threshold increase."

19. It was further part of the conspiracy that these “threshold increases” raised the allowable SSLI contract budget from \$6.6 million up to \$21.2 million.

20. It was further part of the conspiracy that, due to the addition of the work performed on the ATMS project, SUU was subsequently paid in excess of \$17.5 million under the SSLI contract.

21. It was further part of the conspiracy that the BCTED DIRECTOR never informed FDOT that the ATMS project was not competitively bid as required by the federal government.

22. It was further part of the conspiracy that, after the BCTED DIRECTOR began assigning ATMS work to SUU, ALLEN and HASHIM agreed to pay additional money to the BCTED DIRECTOR, which money was either paid directly to the BCTED DIRECTOR or through the BCTED DIRECTOR’S Relative. From 2007 through in or about 2010, while SUU was working on both the SSLI contract and the ATMS project, the BCTED DIRECTOR was paid over \$150,000 in US currency by ALLEN, HASHIM, and at least one other person at SUU. The money was drawn from SUU’s operating account.

ATMS Project: Assistance in Billing, Specification and Inspection Matters

23. It was further part of the conspiracy that the BCTED DIRECTOR assisted SUU concerning billing matters involved in the underground digging on the ATMS project. In or about 2007, SUU and its subcontractors began working on the ATMS project, and the majority of the underground digging done on the ATMS project was done by a method called directional boring.

24. It was further part of the conspiracy that, in or about April 2007, during meetings between members of the BCTED and SUU, the BCTED DIRECTOR directed that SUU be paid the higher trenching under pavement rate, even when conducting directional boring.

25. It was further part of the conspiracy that the BCTED DIRECTOR never informed the purchasing department for Broward County that he was authorizing payment at this higher rate.

26. It was further part of the conspiracy that even though under federal guidelines all materials to be used on the ATMS project needed to be manufactured in the United States, the BCTED DIRECTOR allowed SUU to use cable that was manufactured in a foreign country for the ATMS project, which resulted in a substantial cost savings for SUU.

27. It was further part of the conspiracy that through last-minute changes to the bid documents in the SSLI contract and through specification and purchasing actions, the BCTED created the opportunity for significant cost savings to Broward County on the mast arm work done under the SSLI contract. The BCTED Director directed that the BCTED not take advantage of those savings, resulting in those savings being collected by SUU and not by Broward County.

28. It was further part of the conspiracy that, due to the assistance provided by the BCTED DIRECTOR in the billing, specification and inspection matters, SUU was paid at least \$3 million more than it otherwise should have received, which funds were, in part, reimbursed by the federal government through the Federal Highway Administration.

Further Benefits: Providing a Car to the BCTED DIRECTOR'S Relative

29. It was further part of the conspiracy that, in addition to the cash payments, in or about October 2007, after the BCTED DIRECTOR mentioned that his relative needed a car, defendant HASHIM gave his 2003 Ford Taurus to the BCTED DIRECTOR'S Relative for free.

30. It was further part of the conspiracy that, in order to disguise the true nature of the transaction, a bill of sale was created by defendant HASHIM claiming that the car had been sold for \$4,200 to the spouse of the BCTED DIRECTOR'S Relative, whose previously married name was

placed on the bill of sale and the vehicle registration.

The Video Detection Contract (VDC): Assistance in Eliminating Competition

31. It was further part of the conspiracy that prior to SUU's bid on the VDC, ALLEN and HASHIM had discussions with the BCTED DIRECTOR as to how the VDC could be awarded to a prime contractor that utilized SUU as its subcontractor.

32. It was further part of the conspiracy that, in or about 2009, the BCTED DIRECTOR, after discussing the matter with defendant HASHIM, used his influence to modify the language of the Request For Proposal (hereinafter referred to as the "RFP") for the VDC to assure that SUU would be chosen as the subcontractor.

33. It was further part of the conspiracy that the BCTED DIRECTOR directed that the VDC proposal limit subcontracted work to only one subcontractor; required a certain amount of experience installing video detection equipment within Broward County; required that all companies bidding on the VDC have been in existence for at least one year under the same name; and gave an advantage to Broward County companies.

34. It was further part of the conspiracy that these requirements helped SUU in being selected as the sole subcontractor for the VDC by all three prime contractors bidding on the RFP, although one prime contractor later changed to a different subcontractor.

Tax Fraud

35. It was further part of the conspiracy that, in or about 2005, during the negotiations to join SUU, defendant HASHIM and defendant ALLEN agreed that defendant HASHIM would be paid a base salary of approximately \$66,000 and a bonus that would be based on contracts that defendant HASHIM obtained for the company.

36. It was further part of the conspiracy that, in or about July 2007, defendant ALLEN directed that SUU pay the \$115,000 down payment and \$150,000 in closing costs on the \$1.25 million house purchased by HASHIM in Plantation, Florida. At the direction of ALLEN, the \$115,000 down payment on HASHIM's house and the \$150,000 payment for the closing costs were not reported by SUU on the IRS Form W-2 provided at the end of the year to defendant HASHIM and defendant HASHIM failed to report this income on his Federal Income Tax Returns for tax year 2007.

37. It was further part of the conspiracy that, for tax years 2006 through 2009, defendant HASHIM would not and did not report on his Federal Income Tax Returns additional bonuses of \$136,500.

38. It was further part of the conspiracy that, for tax years 2006 through 2009, other officers and employees of SUU, aside from defendant HASHIM, received bonuses from SUU, which, at the direction of defendant ALLEN, SUU failed to report on the employees' IRS Form W-2.

39. It was further part of the conspiracy that, after defendant HASHIM purchased the house in Plantation, Florida, SUU agreed to pay the home mortgage payments for defendant HASHIM and pay other personal expenses of defendant HASHIM, including a down payment for a new car, his children's tuition payments, and homeowner's association dues, among other personal expenses.

40. It was further part of the conspiracy that, in or about 2009, after defendant ALLEN was told by an accountant reviewing the records of SUU that the mortgage payments paid by SUU on behalf of defendant HASHIM and other income paid directly and indirectly to SUU employees, must be reported to the IRS on Form W-2 as employee compensation, ALLEN decided not to report

the mortgage payments to the IRS on Form W-2.

DBE Fraud

41. It was further part of the conspiracy that, in or about May 6, 2008, defendant ALLEN filed an application on behalf of SUU to have SUU certified as a DBE, which application included a personal financial statement of defendant ALLEN. Each year thereafter through on or about May 2011, defendant ALLEN would file an affidavit to re-certify as a DBE.

42. It was further part of the conspiracy that defendant ALLEN concealed his ownership of a hotel in Jamaica and his investment in another business which assets were valued at millions of dollars which enabled SUU to illegally qualify as a DBE.

43. It was further part of the conspiracy that, from in or about April 28, 2009 through in or about May 4, 2011, defendant ALLEN would annually submit affidavits for re-certification as a DBE in which he falsely certified that his personal net worth, excluding the value of SUU and his personal residence, was under the \$750,000 limitation.

44. It was further part of the conspiracy that, from in or about 2008 through in or about 2010, SUU obtained directly or as a subcontractor approximately 25 contracts from Broward County and other state, county and local governments in the State of Florida based on its fraudulently obtained DBE status, which entitled SUU to receive in excess of \$10,000,000 in government contracts, which were, all or in part, funded by the federal government.

OVERT ACTS

45. In furtherance of the conspiracy and to achieve the objective thereof, at least one of the co-conspirators committed and caused to be committed, in the Southern District of Florida, and elsewhere, at least one of the following overt acts, among others:

A) In or about the fall of 2006, the BCTED DIRECTOR solicited HASHIM for a job at SUU for one of his relatives.

B) In or about March 2007, \$500 in U.S. currency was provided to the BCTED DIRECTOR'S Relative.

C) In or about 2007, ALLEN and HASHIM began making and causing to be made cash payments to the BCTED DIRECTOR.

D) In or about 2007, the BCTED DIRECTOR directed that the ATMS project not be competitively bid and that the ATMS work be assigned to SUU through the SSLI contract.

E) In or about July 2008, the BCTED DIRECTOR requested a threshold increase of \$1,500,000 to the SSLI contract for SUU to conduct additional work.

F) In or about January 2009, the BCTED DIRECTOR appeared before the Broward County Commission speaking on behalf of a threshold increase of \$10,161,071.50 to the SSLI contract for SUU to conduct additional work.

G) In or about January 2010, SUU submitted an IRS Form W-2 for defendant HASHIM reflecting that his total income for tax year 2009 was \$66,500.

H) In or about September 2007, at the request of the BCTED DIRECTOR, defendant HASHIM transferred a 2003 Ford Taurus to the BCTED DIRECTOR'S Relative.

I) In or about May 2008, defendant Allen submitted a personal financial statement to Broward County in support of his DBE application.

All in violation of Title 18, United States Code, Section 371.

FORFEITURE

1. The General Allegations portion and paragraphs 5 through 34 and 41 through 45 of Count 1 of this Information are re-alleged and incorporated by reference as though fully set forth herein for the purpose of alleging forfeitures to the United States of America pursuant to the provisions of Title 18, United States Code, Section 981(a)(1)(C), as incorporated by Title 28, United States Code, Section 2461(c), and the procedures outlined at Title 21, United States Code, Section 853.

2. Upon conviction of the offense alleged in Count 1 of the Information, the defendants,

ANTHONEEL ALLEN and
JAMES HASHIM,

shall forfeit to the United States all property, real and personal, constituting proceeds obtained from the afore-stated offense and all property traceable to such property, which equals the sum of \$3,000,000, which represents the amounts involved in the violation alleged in Count 1 of this Information, and for which defendants are jointly and severally liable.


3. Pursuant to Title 21, United States Code, Section 853(p), if any of the forfeitable property, or any portion thereof, as a result of any act or omission of the defendant:

- (1) cannot be located upon the exercise of due diligence;
- (2) has been transferred, or sold to, or deposited with a third party;
- (3) has been placed beyond the jurisdiction of the Court;
- (4) has been substantially diminished in value; or
- (5) has been commingled with other property which cannot be subdivided

without difficulty;

it is the intent of the United States to seek the forfeiture of other property of the defendant up to the value of the above-described forfeitable property.

All pursuant to Title 18, United States Code, Section 981(a)(1)(C); Title 28, United States Code, Section 2461; and Title 21, United States Code, Section 853.


WIFREDO A. FERRER
UNITED STATES ATTORNEY


JEFFREY N. KAPLAN
ASSISTANT UNITED STATES ATTORNEY