

IN THE CIRCUIT COURT OF THE ELEVENTH JUDICIAL CIRCUIT IN AND FOR
MIAMI-DADE COUNTY, FLORIDA

STATE OF FLORIDA

vs.

AMIR SHAFI
DOB: 08/15/1968

AFFIDAVIT IN SUPPORT OF ARREST WARRANT

- 1.) Your affiants are Det. Gustave Bayas, a sworn Deputy Sheriff of the Miami-Dade County Police Department (MDPD), located in and for Miami-Dade County, Florida, and Karl Ross, an investigator with the Miami-Dade County Commission on Ethics and Public Trust (COE). Affiant Bayas has been a police officer for 27 years, having served 12 years as a homicide detective and has conducted over 500 criminal investigations. He is currently assigned to the MDPD Public Corruption Investigations Bureau (PCIB), where he has worked for seven years and is lead public corruption detective for the present case involving the City of Opa-locka, Florida. Affiant Ross is a Certified Fraud Examiner, and has been employed by COE for approximately six years. During this time, he has conducted more than 150 ethics inquiries and has regularly assisted PCIB and the Miami-Dade County State Attorney's Office (SAO) with public corruption investigations such as the present case involving the City of Opa-locka and related parties.

- 2.) Your affiants have taken statements from numerous individuals regarding the management, oversight and procurement practices of the City of Opa-locka's Public Works Department, which from on or about 2002 until 2005 was led by AMIR SHAFI (hereinafter "the DEFENDANT") as department director. Your affiants have been assisted by Federal agents with the United States Department of Environmental Protection (EPA) and the Federal Bureau of Investigation (FBI), who have traveled to Houston, Texas, to interview the DEFENDANT in person after he relocated there from Florida on or about 2008. Your affiants have also consulted a forensic accountant with the EPA's Office of Inspector General, who conducted a review of the DEFENDANT'S personal financial records.

- 3.) Your affiants have examined available public records and other evidence gathered during the course of the investigation, which dates back to 2005 and has led to the arrest of several Opa-locka officials and contractors doing business with the city's Department of Public Works (DPW). Those arrested include former Vice Mayor TERENCE K. PINDER, an elected official involved in overseeing public works in the city; the city's former lead engineering consultant and City Engineer, EMMANUEL V. NWADIKE; DANTE E. STARKS, an unregistered lobbyist with financial ties to PINDER and to two former city DPW contractors – Hard J Construction Corp. (hereinafter "Hard J") and APAC Group Inc. (hereinafter "APAC"). The principals for these companies, MACDONALD JUMBO (Hard J) and FAUSTIN DENIS (APAC) were charged with crimes in connection with this investigation.

4.) It is furthermore your affiants' belief that the DEFENDANT joined with the above-named individuals to engage in a Pattern of Racketeering Activity that consisted of improperly manipulating DPW contracts awarded by the city of Opa-locka during his tenure as DPW director and that the DEFENDANT enriched himself through illicit payments or "kickbacks" he demanded and received from alleged co-conspirators in exchange for his complicity. As the city's DPW director, the DEFENDANT was entrusted by Opa-locka officials to protect the interests of the city and its residents and to prevent fraud and abuse by contractors, vendors and others. During the period covered by the investigation, the city received millions of dollars in grants from state, local and federal agencies intended to upgrade and improve the city's roadways, utilities and other vital infrastructure.

5.) Based on the foregoing, your affiants have probable cause to believe that the DEFENDANT knowingly and willfully committed the offense of Racketeering, in violation of Florida Statute 895.03(3), and that in the furtherance of this crime the DEFENDANT engaged in a Pattern of Racketeering Activity that included the offenses of Extortion, in violation of Florida Statute 836.05; Unlawful Compensation, in violation of Florida Statute 838.016; and Money Laundering, in violation of Florida Statute 896.101. Your affiants, furthermore, have probable cause to believe the DEFENDANT committed this offense in concert with other DEFENDANTS previously charged in connection with the ongoing investigation

into the operations and oversight of the Opa-locka DPW, and thereby committed the offense of Conspiracy to Commit Racketeering, in violation of Florida Statute 895.03(4).

GENERAL INFORMATION AND BACKGROUND

- 6.) The city of Opa-locka is an autonomous subdivision of the State of Florida and was incorporated in 1926. It occupies a 4.2-square-mile area in the northwest quadrant of Miami-Dade County, and has a population of approximately 15,300 people. The city has an annual operating budget of approximately \$16 million, but receives grants from outside agencies for infrastructure and social services worth millions of dollars more each year. In recent years, the city's largest expenditures have taken the form of capital projects – worth upwards of \$10 million per year – that are managed and overseen by DPW and its appointed director, who in turn reports to the City Manager, City Commission and Mayor.

- 7.) The DEFENDANT was hired by the city on or about 1998 and became acting DPW director on or about 2002 before his confirmation as DPW director on or about 2004. The DPW director is the official appointed by the City Manager to oversee the development of capital projects relating to the city's water, sewer and transportation infrastructure and to manage its utility operations. Among the DPW director's responsibilities are making recommendations as to which projects should be pursued, to help identify and secure funding sources for those projects

and to oversee the selection process for choosing contractors and other outside parties to assist in the development of said projects. Once contracts are awarded and the projects have commenced, the DPW director exerts a large amount of control over the day-to-day management of these projects, many of which are funded by outside agencies at costs exceeding a million dollars. The DPW director also processes and reviews applications for payment from contractors and vendors of the DPW.

8.) The DPW director and his or her staff are responsible for recommending how to structure procurements, for overseeing and inspecting projects in the field and for approving payments to contractors. The DPW director is also consulted by city officials as to whether proposed change orders are justified and should be approved for payment. Your affiants, during the investigation, have uncovered a pattern of excessive change orders that have significantly increased the cost of capital projects in Opa-locka. The DEFENDANT served as DPW director during much of this period until his departure from city service on or about October 2005, at which time he was receiving a salary of \$65,000.

PROBABLE CAUSE
RACKETEERING INCIDENT #1: DEMANDING PAYMENT FROM A CITY
CONTRACTOR
CRIME: EXTORTION, F.S. 836.05, 2nd Degree Felony

9.) On or about July 2010, your affiants took a sworn statement from FAUSTIN DENIS (hereinafter “DENIS”), who was at that time a licensed general contractor

and the principal and qualifier for APAC Group Inc. DENIS is currently a named Defendant in Miami-Dade County Circuit Court Case No. F08-19352, charged with the offenses of Racketeering, Racketeering Conspiracy and Organized Fraud. APAC was first awarded a \$2.3 million contract with the city of Opa-locka on or about September 2004 for the installation of drainage systems on eleven (11) roadway segments throughout the city. That contract was awarded as a result of competitive bidding overseen by the DEFENDANT as DPW director. Upon the timely completion of that project, APAC was awarded a companion project (Phase II) on a no-bid basis worth \$3.2 million and consisting of sixteen (16) additional roadway segments. That project was awarded in the form of a change order approved on or about January 2005, again with the oversight and support of the DEFENDANT as DPW director.

- 10.) DENIS advised that, on or about February 2005, after obtaining the necessary permits and upon mobilizing his workers and machinery to begin Phase II of the drainage project, he received a call from an APAC employee advising him that the city had refused to allow his crews to work. DENIS said he went to the project site and conferred with the DEFENDANT – who was in the company of NWADIKE, the city engineer – and was advised, without further explanation, that his company no longer had permission to work. DENIS said he became upset and left the job site and that on his return trip, he passed by another job site that has been assigned to an APAC sub-contractor, Hard J, and that Hard J’s crew had been allowed to commence working. DENIS advised that he hired Hard J as a

sub-contractor to work on six (6) of the sixteen (16) roadway segments, and that Hard J was using APAC's bond and insurance as prime contractor.

11.) DENIS advised that he was angered and confused by this situation and that he went to the city's DPW offices and confronted the DEFENDANT as to why Hard J's crews were allowed to work but not those of his firm, APAC. He stated that the key to his company's ability to profitably undertake the project hinged on its ability to quickly mobilize its crews and to finish work in as short a time as possible. He said the impromptu work stoppage was costing him money, and threatened to undermine the profitability of the job. DENIS said that when he met with the DEFENDANT at his office he voiced his displeasure and demanded an explanation. He said that the DEFENDANT reacted by telling him to calm down, stating: "We just wanted to let you know who's in charge." He said the DEFENDANT allowed his crews to begin working the following day.

12.) DENIS said that later that month he was attending a meeting at the Opa-locka DPW offices to discuss the progress of the project, and that NWADIKE and the DEFENDANT were in attendance. DENIS said that after the meeting concluded, the DEFENDANT advised him he should remain in the conference room because the DEFENDANT and NWADIKE had something to tell him. When they were alone, DENIS said that the DEFENDANT informed him that he and NWADIKE expected "to get paid" whenever he received payment from the

city. DENIS said he understood the DEFENDANT and NWADIKE were asking him for an illegal payment or “kickback” from project funds.

- 13.) DENIS said that at or about the time he submitted his first payment request on the project to the DEFENDANT, the DEFENDANT reiterated his earlier solicitation that he and NWADIKE expected a kickback. He said he asked how much they wanted, saying he could offer no more than several thousand dollars from his business’ petty cash reserves. He said the DEFENDANT refused this offer, telling him: “No, that’s not what we want. We want about \$20,000.” DENIS said he told the DEFENDANT that he could not just go to the bank and withdraw such a sum. He said he advised the DEFENDANT that he operates a business and all the transactions must be documented and are subject to audit. He said the DEFENDANT then suggested that he make payments through APAC’s sub-contractor, Hard J. DENIS said he was advised by the DEFENDANT that the owner and principal of Hard J, MACDONALD JUMBO, would act as a conduit and pay the kickbacks intended for the DEFENDANT and NWADIKE.

**PROBABLE CAUSE
RACKETEERING INCIDENT #2: IMPROPER PAYMENTS FROM CITY
CONTRACTORS
CRIME: UNLAWFUL COMPENSATION, F.S. 838.016, 2nd Degree Felony**

- 14.) On or about April 2008, your affiants took a statement from JUMBO, who is a Defendant in Miami-Dade County Circuit Court Case No. F09-25699, which arose out of this investigation. JUMBO advised that he and NWADIKE are

originally from Nigeria and speak the same tribal dialect, Ibo. JUMBO further advised that he began making illegal payments totaling tens of thousands of dollars each to NWADIKE at or about the time he began working as a subcontractor for APAC in the city of Opa-locka. JUMBO stated that NWADIKE subsequently demanded and received payments totaling hundreds of thousands of dollars and that most, if not all, of these payments were derived from capital projects in the city of Opa-locka. An analysis of bank records by your affiants identified as much as \$691,000 in illegal payments from Hard J to NWADIKE that were deposited in the latter's personal or business accounts. In subsequent interviews, JUMBO told affiants he was aware that a portion of the illegal proceeds were intended for the DEFENDANT and that NWADIKE had acknowledged to him that such payments had, in fact, been made.

- 15.) During the course of the investigation, your affiants obtained copies of two makeshift, handwritten invoices prepared by APAC's president, DENIS, in order to settle accounts with its subcontractor, Hard J. DENIS advised that he would first determine the amount he owed Hard J for legitimate services, then, in the instances reflected in the invoices, inflate the total payment to account for bribes or kickbacks intended for the DEFENDANT, NWADIKE and others. He stated one such payment from APAC to Hard J was made on or about April 11, 2005, and reflects that improper payments of \$20,000 each were earmarked for the DEFENDANT and NWADIKE as noted on the invoice. He stated the \$20,000 payment to NWADIKE was identified by the use of his nickname ("Doc") and

\$20,000 was similarly set aside for the DEFENDANT by use of the shorthand “AM” for AMIR, the DEFENDANT’S first name. He said an additional illegal payment in the amount of \$5,000 was intended for then Vice Mayor PINDER and was to be delivered through NWADIKE, thus the notation “PINDERDOCS.” Your affiants were advised by JUMBO that this was compatible with his understanding of the notation visible on the handwritten invoices.

- 16.) A second handwritten invoice reflecting a payment from APAC to Hard J in the amount of \$117,642.70 was also obtained and analyzed by the affiants. That invoice, also prepared by DENIS, states that the “total due to Hard J” for work on projects in Opa-locka was \$79,642. Beneath this total are two more line items of \$19,000 each, raising the total payment amount to Hard J to \$117,642.70. Next to the line items are the initials “D” and “A.” DENIS advised your affiants that the initials stood for NWADIKE (“Doc”) and for the DEFENDANT (Amir). The payment from APAC to Hard J was made on or about Aug. 17, 2005.

- 17.) In a separate interview, JUMBO similarly told your affiants that this was compatible with his understanding of the invoice and that improper payments were intended for these parties. Your affiants subsequently identified a payment from Hard J to Nwadike in the amount of \$19,000 in the form of a Washington Mutual cashier’s check (No. 913450359) and dated Aug. 20, 2005. The payment was subsequently deposited by NWADIKE on Aug. 22, 2005 into a personal bank account. JUMBO admitted he prepared the cashier’s check for NWADIKE after

receiving the funds from APAC. JUMBO further advised that it was his understanding that NWADIKE would make payment to the DEFENDANT from these funds, but that he had no knowledge of how NWADIKE did this.

PROBABLE CAUSE
RACKETEERING INCIDENT #3: UNREPORTED CASH DEPOSITS
CRIME: MONEY LAUNDERING, F.S. 896.101, 2nd Degree Felony

- 18.) In late 2009 through early 2010, a forensic analysis was conducted of the bank account records of the DEFENDANT with Bank of America (BOA) and those of NWADIKE'S personal and business accounts. The analysis was carried out by STEPHEN BURBANK, an auditor with the EPA's Office of Inspector General in Boston, Massachusetts. The analysis revealed the DEFENDANT made 46 separate cash deposits totaling \$93,692.42 during the period of analysis from March 2004 through January 2006 into two personal accounts with BOA. Most of the deposits were in round numbers, multiples of \$1,000 usually, and did not correspond to his regular salary from the city of Opa-locka.
- 19.) Payroll records obtained by your affiants show that the DEFENDANT typically received net pay of \$1,800 to \$1,900 during the period in question, and never in round numbers such as those found in the pattern of 46 cash deposits. It should also be noted that the Miami-Dade County ethics code requires in Section 2-11.1(k), that all county or municipal employees such as the DEFENDANT must

receive permission to engage in outside employment and that all income received pursuant to such employment, if authorized, must be reported in an annual disclosure statement filed under oath and detailing the source and amount of such income. The county's ethics code in Section 2-11.1(e) also requires that all gifts worth more than \$100 be disclosed on a quarterly basis. Your affiants verified with the Opa-locka city clerk that the DEFENDANT never requested or received permission for outside employment and filed no related disclosure forms.

20.) A written report of the forensic analysis of the DEFENDANT'S bank accounts prepared by EPA Special Agent E. ALAN HUNTSINGER notes that of the 46 unexplained cash deposits of \$500 or more, there were 38 instances in which a correlation could be found between the DEFENDANT'S cash deposits and cash withdrawals from the account of NWADIKE or disbursements to himself, his wife or other known associates. The withdrawals or disbursements were made within 10 days of the cash deposits by the DEFENDANT. The EPA report goes on to note that there were 17 instances in which the cash deposits by the DEFENDANT and corresponding withdrawals/ disbursements by NWADIKE were sufficient to have accounted for the total deposit by the DEFENDANT, and that in another 21 instances the withdrawals and/or disbursements would have been enough to cover at least part of the DEFENDANT'S deposits.

21.) Your affiants, in their review of the DEFENDANT'S banking activity, observed that on April 11, 2005, the DEFENDANT made four separate cash

deposits at an ATM machine located at Aventura Mall. The four deposits totaled \$6,400 and were in the amounts of \$2,200 (twice) and \$1,000 (also twice). These deposits correspond to the date of the payment from APAC to Hard J that was evidenced by a handwritten invoice for the amount of \$250,305.96, and that reflected that a portion of the payment to Hard J was intended as a kickback to the DEFENDANT. The defendant made subsequent cash deposits in May 2005 worth \$11,000, account records show – all in round multiples of \$1,000.

22.) Your affiants similarly observed that the DEFENDANT made a counter deposit of \$8,000 into his personal account on or about Sept. 1, 2005. This deposit represented the largest single cash deposit by the DEFENDANT and was made on or about two weeks after the second of the above-referenced handwritten invoices from APAC to Hard J reflecting a payment of \$117,642.70 and which also included amounts intended to be paid as kickbacks to the DEFENDANT and NWADIKE. The pattern of unreported cash deposits by the DEFENDANT lasted until January 2006, and included cash deposits of \$3,500 and \$5,000 during that month.

23.) On or about May 3, 2010, EPA Special Agent HUNTSINGER and FBI Special Agent TIMOTHY P. LAWLER interviewed the DEFENDANT while in Houston, Texas. During the voluntary interview, the DEFENDANT claimed that the cash deposits were a result of income from a gasoline service station that the DEFENDANT said he owned and operated with his brother. The DEFENDANT

also claimed that the recurring deposits might have been from funds he saved while driving a cab from 1996 to 1999. Agent HUNTSINGER advised him that the cash deposits were made during 2004, 2005 and 2006 and that his explanation was not plausible. HUNTSINGER noted in his report that the DEFENDANT did not go into business with his brother at a gas station until approximately 2007, or roughly two years after the pattern of cash deposits was observed.

- 24.) During the interview, the DEFENDANT advised that he decided to leave the city of Opa-locka as a result of repeated interference from NWADIKE and former Vice Mayor PINDER in the management of the city's DPW. He did not elaborate on this, except to say they were not following official guidelines.

CONCLUSION

- 25.) It is submitted by your affiants that there exists an Enterprise within the meaning of Florida Statute 895.02(3) – to wit: the city of Opa-locka, a municipal corporation – and that the DEFENDANT used his influence and authority as a city official to engage in a Pattern of Racketeering Activity within the meaning of Florida Statute 895.02(4) that included as predicate acts the offenses of Extortion, Florida Statute 836.05, based upon the DEFENDANT'S demands that FAUSTIN DENIS, the owner of Opa-locka city contractor (APAC) make payments to him; Unlawful Compensation, in violation of Florida Statute 838.016, based upon the DEFENDANT'S receipt of payments from city contractors (APAC and PAWA);

and Money Laundering, in violation of Florida Statute 896.101, for DEFENDANT'S attempt to hide his ill-gotten proceeds by structuring said proceeds in a series of cash deposits into a personal bank account.

26.) Based on the foregoing, it is the belief of your affiants that Probable Cause exists that the DEFENDANT, AMIR SHAFI, unlawfully, intentionally and knowingly committed the offense of Racketeering in violation of Florida Statute 895.03(3), the Florida RICO (Racketeer Influence and Corrupt Organization) Act, and Conspiracy to Commit Racketeering, in violation of Florida Statute 895.03(4).