



REPORT OF INVESTIGATION

K #: 11-136 Miami-Dade County Red Light Cameras

Date Opened: Nov. 3, 2011

Date Closed: March 12, 2012

Name of investigator: Karl Ross

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ALLEGATION: Acting on a confidential tip, COE opened the above-captioned case to determine whether owners and/or representatives of contracting firm Horsepower Electric (Horsepower) had improperly lobbied the mayor at an October 2011 event at the company's Hialeah main offices. In addition, the inquiry was to verify whether Miami-Dade County Mayor Carlos Gimenez was in compliance with an opinion issued by this agency on Aug. 31, 2011. Information provided to this agency raised questions as to whether Horsepower was serving as a proxy to lobby the mayor in connection with the county's proposed red light camera program. Horsepower is a subcontractor for American Traffic Solutions (ATS).

INVESTIGATION: After reviewing the opinion issued by former COE Executive Director Robert Meyers and a memo issued by the mayor in response to said opinion on Oct. 31, 2011, COE reviewed the Department of Procurement Management (DPM) file and other available documents, as well as interviewing the following individuals:

Amos Roundtree, director of purchasing division
Miami-Dade County Department of Procurement Management
Phone: (305) 375-1574
Dec. 21, 2011

Mr. Roundtree said that there was “quite a bit of back and forth” between DPM and the mayor’s office initially regarding the red light cameras, but that this has quieted down in recent weeks because of legal challenges and other concerns. He said that Fred Simmons is the procurement officer for that item, and that he will return from vacation on Tuesday. He said that Simmons has a rather large file on the cameras and that COE should contact him upon his return to set up a meeting to review same.

Fred Simmons, procurement officer
Miami-Dade County Department of Procurement Management
Phone: (305) 375-4359
Jan. 30, 2012

Mr. Simmons arranged for COE to inspect DPM’s files for the red light cameras procurement. He advised that he had not received any emails or other correspondences from the mayor’s office relating to the red light camera program, and that he had not discussed the matter with the mayor’s office.

Alex Ferro, deputy chief of staff
Office of Mayor Carlos Gimenez
Phone: (305) 375-1206, cell. (305) 815-5999
Feb. 8, 2012

Mr. Ferro advised that a meeting at Horsepower did take place, but said it was not placed on the mayor’s calendar because it was a campaign-related meeting and did not relate to official Miami-Dade County business. He said the mayor “went to pick up checks and whatnot,” adding that the mayor had just opened his re-election campaign account. He said that following the meeting at Horsepower, the mayor went to Inktel for a fundraising event held by former Miami City Manager Joe Arriola. He said he did not know whether any county business was discussed at the meeting at Horsepower, saying that the main purpose of the visit was campaign-related. He said the mayor would be available for an interview. COE advised that the information leading to the inquiry was that Horsepower did talk to Mayor Gimenez about the possibility of implementing a red light camera program similar to the one in the city of Miami.

March 1, 2012

In response to an email regarding the apparent absence of campaign checks from Horsepower/Hector Ortiz in the mayor’s CTRs, Ferro advised that the donation in question was made on Sept. 29, and deposited in an account for the mayor’s political action committee Common Sense Now. He said the check for \$5,000 was from a corporation in which Mr. Ortiz is the registered agent, Grand Futura Properties Inc. He said the mayor’s visit to Horsepower on Oct. 13 was a “follow

up to the check” and was campaign related. He said the mayor “toured the facility” and that he does not know what was discussed during the visit.

Kenneth Robertson, procurement director
City of Miami, FL
March 7, 2012

In response to an inquiry from COE, Mr. Robertson advised Horsepower was a sub contractor for ATS with respect to the city’s red light camera program. He said the program was managed and overseen by the city’s capital improvements office, and referred any additional inquiries to the Capital Improvements Program.

Mayor Carlos Gimenez
Miami-Dade County
March 9, 2012

During an interview at his office, Mayor Gimenez said the Oct. 13 visit to Horsepower was related to political activity. He said that he attended with a member of his political campaign staff, but could not recall whether his son, Carlos Jr., also attended. He said that he and his son are together frequently and does not know whether his son accompanied him on that occasion. He said that he toured the Horsepower facility and shared *pastelitos* with employees at the firm. He said he could not recall the names of the people he met with, including company executives. He did say that during his visit, one of the company’s representatives may have mentioned that Horsepower was involved in the city of Miami’s red light camera program. He said he could not recall whether that was Horsepower’s president, Hector Ortiz, or somebody else who made the remark. He stated that until the remark was made he was unaware that Horsepower had anything to do with ATS or red light cameras. Gimenez was adamant that he has nothing to do whatsoever with the proposed implementation of a red light camera program countywide. He said that, dating back to his tenure as a county commissioner, he has recused himself from any deliberations on the matter as a result of his son’s representation of ATS. He said that he does not even know the status of the county’s proposed program, which, according to a draft memo prepared by his staff in August 2011, was to be reduced to a pilot program consisting of 20 intersections – not the 200 originally envisioned. He noted that the program originated during the previous administration. Also present during the interview was the mayor’s chief of staff, “Chip” Iglesias, who advised the office has not moved forward with the program, and that a finalized version of the draft memo from the previous August was never issued.

Humberto Ortiz, vice president
Horsepower Electric
8105 West 20th Ave., Hialeah, FL 33014
Phone: (305) 819-4060
March 12, 2012

Mr. Ortiz said that Mayor Gimenez and his campaign advisor, Brian Goldmeier, toured the Horsepower offices back in October 2011 and that the matter was strictly campaign related. He said that there was no discussion of any contracts or county business, and he said that he was not

aware of any reference to the city of Miami's red light camera program. He said the mayor shot baskets at the hoop at the facility. He said that it was "very friendly" but reiterated that no official business was discussed. Asked about Grand Futura Properties, Ortiz said that it was a holding company for properties his father owns. He said that the company has existed for many years and does not have any pending zoning or other matters.

Brian Goldmeier, finance director
Campaign to Re-elect Mayor Carlos Gimenez
Phones: (305) 992-6563, (786) 566-7897
March 12, 2012

Mr. Goldmeier advised that the meeting at Horsepower in October resulted from a promise that was made at the time the Grand Futura check for \$5,000 was written in September. He said he was trying to meet a third quarter campaign fundraising goal of \$500,000 (for the mayor's Electioneering Communication Organization or ECO), and so he agreed to have Gimenez visit the Horsepower facility at a later date and that the Ortiz's were supposed to make an additional donation at that time (which they did not). He said that there was no overt discussion of county business, but that Humberto Ortiz and his father, Hector Ortiz, explained what they did – mostly involving traffic signalization and the installation of traffic signs. He said he was not aware of any references to the city of Miami's red light camera program. He said that a consultant from Kimley-Horn, Russell Barnes, was there along with about Horsepower 40 employees.

Greg Parks, senior vice president business development
American Traffic Solutions
Phone: (913) 575-2912
March 12, 2012

Mr. Parks advised that he has never met with Mayor Gimenez, though he has been talking to people at the county for five years regarding red light cameras. He said he has met most recently with Fred Simmons of DPM. He said that Horsepower did install the cameras for them with the city of Miami, but that their agreement is presently being renegotiated and that they may not serve as their subcontractor for any work at Miami-Dade County. He said the county seems to be "moving away" from supporting a red light camera program and noted that Chairman Joe Martinez had requested exploring other options. He described it as "purely coincidental" that the date for the creation of files in ATS's procurement binder was the day after the mayor's visit to Horsepower. He said that nobody from Horsepower contacted him following the visit.

CONCLUSION: Based on the available information, there is no evidence to support the belief that Mayor Gimenez's visit to Horsepower last October was anything other than a campaign stop. The mayor's finance director, Mr. Goldmeier, explained that the campaign had committed to having the mayor make a personal visit in exchange for a \$5,000 donation to Common Sense Now – an affiliated ECO – prior to the end of the

third quarter of the calendar year and fundraising cycle. During an interview, Mayor Gimenez stated that he was unaware at the time of the visit that Horsepower had any involvement with red light cameras, and that his son, Carlos Jr., played no role whatsoever in setting up the meeting with Horsepower. The mayor was adamant that he has recused himself from any proceedings relating to the possible adoption of a red light camera program by Miami-Dade County, and stressed that he has delegated all such responsibility to his chief of staff, Genaro "Chip" Iglesias in order to avoid even the appearance of a conflict of interest and to comply with the recommendations made by this agency's former director regarding issues relating to the mayor's sons. The COE investigation further established that, at present, neither the county's DPM nor the Mayor's Office has taken any recent actions to promote the adoption of a red light camera program. This was confirmed by one of the potential vendors, ATS.

Accordingly the investigations should be closed at this time.

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