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Miami-Dade County Commission on Ethics and Public Trust

Memo

To: File

From: Karl Ross, ethics investigator

Date: April 4, 2012

Re: K11-154 Chuck Adams

Background: On or about Feb. 7, 2011, this investigator received a tip from former Miami Beach Procurement Director Gus Lopez about the alleged improper award of a contract to install security cameras at the 17th Street Parking Garage. Lopez advised that an assistant parking director, Chuck Adams, directed a vendor to install cameras and surveillance equipment without following procurement guidelines. He said the firm in question, ATC International (hereinafter "ATCi"), was represented by former Miami Beach Mayor Harold Rosen, now a lobbyist. Lopez said he believed the work was awarded improperly and that Parking Director Saul Frances either knew about it or, at a minimum, should have been aware of the "unauthorized purchase." Lopez said the total amount of the work may have exceeded \$1 million.

In response, this investigator immediately referred the matter to then Assistant State Attorney Joseph Centorino, chief of the Public Corruption Unit at that time. ASA Centorino referred the matter to the Miami Beach police Internal Affairs unit, and COE was subsequently contacted by Maj. Angel Vazquez, who was assigned to investigate the matter with Adams and ATCi principal Vincent J. Vento as subjects.

On or about May 20, 2011, this investigator and then Deputy Advocate Miriam S. Ramos met with Maj. Vazquez to discuss the ongoing investigation. The purpose of the meeting was to offer guidance and to consider whether aspects of the case could be pursued as ethics matters if there was insufficient evidence to file criminal charges. It was agreed that COE would continue to assist Maj. Vazquez, if

requested, and that COE would review his findings in case an ethics case could be made.

On or about Dec. 15, 2011, this agency opened the above-captioned case (K11-154), the purpose of which was to support and monitor the Miami Beach police investigation. COE met with Maj. Vazquez on Dec. 28, 2011, to discuss his findings. This investigator and Ethics Advocate Mike Murawski were present.

The notes from the meeting were as follows:

Maj. Vazquez advised that the investigation into the allegations surrounding Charles "Chuck" Adams and the alleged unauthorized installation of security cameras at two Miami Beach parking garages had been closed. He said the findings would be forwarded to his chief and to the city manager, but that he did not know whether the report would be distributed to elected officials. He said that he did not interview the city's Parking Department Director Saul Frances, who is Adams' supervisor. (Note: Adams is an assistant director for the Parking Department.) Maj. Vazquez affirmed that Adams was unable to produce any records to substantiate his claim that he received written authorization prior to directing vendor ATCi to install security cameras at the city's 17th Street Municipal Parking Garage. He said that, as the report stated, he concluded Adams acted improperly and that in doing so he further violated the city's procurement guidelines calling for competitive bidding, though the one-year statute of limitations for this misdemeanor offense had long since expired.

The unauthorized work done by ATCi at the 17th Street Garage began some time in late 2006 or early 2007 at which time the city's finance department started to receive invoices. When this came to the attention of the city's procurement director, Gus Lopez, Lopez brought this to the attention of City Manager Jorge Gonzalez, who after consulting with the city's legal advisors agreed to pay ATCi for work already done totaling \$294,565. Maj. Vazquez said ATCi remains the city's vendor and, as such, provides maintenance to the security system at the 17th Street Garage, despite the circumstances surrounding the installation of the cameras and despite concerns about the quality of the firm's work at other city installations. Maj. Vazquez said he also found credible statements by executives with Hines Interest LP, the contractor that built the New World Symphony Building at 1672 Drexel Avenue and the adjacent parking garage, also on 17th Street. Those executives advised that they were directed by Adams to hire ATCi to install the security systems in the NWS parking garage, relying on his assurance that ATCi had a sole-source agreement with the city and was the only authorized vendor. He indicated he did not find credible the denial by Adams that he never made such representations.

Maj. Vazquez advised that in reviewing the bank records for Adams he did not find anything indicating that either Adams or his wife had outside sources of income and that one deposit for roughly \$25,000 was from a bank and that the check stated the payment was related to the refinancing of the couple's home. He said that Adams did not own any cars, boats or other properties that he was aware of and that he drove an old car and did not seem to have any extravagant items. He said that Adams' wife also worked for the city's Parking Department, but that she may have since retired. He said he found no evidence of any kickbacks to Adams. He said the police department will not be taking any further action, leaving the matter to city administrators.

Following the meeting, COE reviewed Maj. Vazquez's final report – a copy of which is included in the file – and determined that any possible Miami-Dade Ethics Code violations for referring professional services or exploitation of official position had long since passed the three-year statute of limitation since the initial allegations date back to late 2006 or early 2007. It was suggested that Maj. Vazquez discuss the matter with Parking Director Frances and City Manager Jorge Gonzalez to see if either felt that

any administrative action might be appropriate since Adams was found to have deviated from the city's procurement guidelines and, in doing so, encumbered the City in the amount of nearly \$300,000. On Jan. 27, 2012, Maj. Vazquez advised COE by email that he had spoken to Parking Director Frances, as follows:

"... Mr. Frances asserts that Adams should have done a better job but he also explained that he is of the opinion that Adams did not act with malice or criminal intent. I have been requested to attend a meeting February 3rd with City Manager Gonzalez and Chief Martinez to brief them on this case. I will let you know what happens."

On or about April 4, 2012, COE was subsequently advised by Maj. Vazquez that as a result of the investigation, City Manager Gonzalez had directed the city's Human Resources Department to issue a Letter of Reprimand to Adams and to institute procurement training for all departmental directors and assistant directors. He said the manager further ordered such training for all members of the city's procurement department. Former Miami Beach Procurement Director Lopez, the original source of the information prompting this investigation, has since resigned from his position.

Conclusion: As a result of the foregoing, it has been determined by the Ethics Advocate that COE investigation (K11-154) should be closed at this time.