




# Memorandum



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To: Joe Arriola, Chairman  
and Members, Public Health Trust of Miami-Dade County  
Carlos Migoya, President & CEO, Jackson Health System

From: Mary T. Cagle, Inspector General 

Date: July 20, 2016

Subject: Former Jackson Health System HVAC Contractor Sentenced, Ref. IG15-19

Ricardo Villaverde, a.k.a. Richard Villaverde (Villaverde), President of CT Mechanical Co. (CT Mechanical), an HVAC contractor on multiple Jackson Health System projects, took a plea and was sentenced Monday, July 18, 2016. Villaverde was arrested last November, after a joint investigation by the Miami-Dade Office of the Inspector General (OIG) and the State Attorney's Office uncovered that he had submitted fraudulent paperwork to obtain a contract worth over \$400,000 for the replacement of Air Handler Unit #9 (AHU #9) at Jackson Memorial Hospital.

The OIG investigation determined that Villaverde, as President of CT Mechanical, submitted a fraudulent Schedule of Intent Affidavit indicating a certified Community Small Business Enterprise Program (CSBE) subcontractor would perform and receive 11% of the contract price. The OIG began the investigation based on information from Jackson Health System (JHS) employees. In addition to JHS, the County's Internal Services Department, Small Business Development Division (SBD) provided assistance throughout the investigation. The OIG investigation verified SBD's finding that CT Mechanical's purported CSBE subcontractor never agreed to perform the work, nor was he aware that his firm had been listed as a subcontractor. In addition to the investigation into the AHU #9 project, the OIG was also investigating irregularities in CT Mechanical's contract concerning another JHS contract for Air Handler Unit #10 (AHU #10).

Villaverde, faced with criminal charges relating to the CSBE portion of the AHU #9 contract and a continuing investigation into the facts of AHU #10, accepted a negotiated plea on all matters, including a debarment from further work with JHS. Villaverde entered a plea to one count of Uttering a Forged Instrument, a third degree felony, and was sentenced to one year of probation. As part of his plea, Villaverde stipulated to a court order that he and CT Mechanical be prohibited from contracting or otherwise doing business with the Public Health Trust, Jackson Health Systems, and Miami-Dade

County for a period of five (5) years. Villaverde is also responsible to pay costs of investigation to the OIG.

The OIG appreciates the cooperation of Jackson Health System and the Small Business Development Division of the County's Internal Services Department throughout this investigation.

cc: Hon. Carlos A. Gimenez, Mayor, Miami-Dade County  
Hon. Jean Monestime, Chairman  
and Members, Board of County Commissioners, Miami-Dade County  
Isa Nunez, Vice President, Facilities Design and Construction, JHS  
David Clark, Corporate Director of Facilities Construction and Design, JHS  
Rosa Costanzo, Vice President & Chief Procurement Officer, JHS  
Gary Hartfield, Division Director, Small Business Development Division, ISD  
Alice-Hidalgo-Gato, Section Chief Small Business Development Division, ISD  
Cathy Jackson, Director Audit and Management Services Department  
Neil Singh, Interim Commission Auditor