

1 **STATE OF CALIFORNIA**
2 Department of Industrial Relations
3 Division of Labor Standards Enforcement
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10 Attorney for the Labor Commissioner

11 **BEFORE THE DIVISION OF LABOR STANDARDS ENFORCEMENT**
12 **DEPARTMENT OF INDUSTRIAL RELATIONS**
13 **FOR THE STATE OF CALIFORNIA**

14 In the matter of the) Case No.: SAC 5308
15 Debarment Proceeding Against:)
16) **PROPOSED STATEMENT OF**
17) **DECISION RE DEBARMENT OF**
18) **RESPONDENTS FROM PUBLIC**
19 Tadros & Youssef Construction, Inc.;) **WORKS PROJECTS**
20 Kamel Shaker Tadros and Makram)
21 Youssef Youssef, Individuals,) **[Labor Code §1777.1]**
22)
23)
24 Respondents.)
25)
26)
27)
28)

29 Debarment proceedings pursuant to Labor Code §1777.1 were initiated by the
30 Division of Labor Standards Enforcement, State Labor Commissioner (hereinafter,
31 "DLSE"), by the filing of a *Statement of Alleged Violations* against the following named
32 Respondents: Tadros & Youssef Construction, Inc., Kamel Shaker Tadros and Makram
33 Youssef Youssef, Individuals, (hereinafter, also referred to as "Respondents").

1 Respondents were duly served with the Notice of Hearing and Statement of
2 Alleged Violations on May 22, 2013.

3
4 The hearing on the alleged violations was held on August 6, 2013 in Los Angeles,
5 California. Edna Garcia Earley served as the Hearing Officer. Max Norris appeared on
6 behalf of Complainant, the Labor Commissioner, Chief of the Division of Labor
7 Standards Enforcement, Department of Industrial Relations, State of California. Tadros &
8 Youssef Construction, Inc., Kamel Shaker Tadros and Makram Youssef Youssef
9 appeared in their individual capacities and on behalf of the corporation. Present as a
10 witness for Complainant was Deputy Labor Commissioner Sarah Cheung.
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13 The hearing was tape recorded. The witnesses took the oath and evidence was
14 received. At the conclusion of the hearing, the matter was taken under submission.
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16 FINDINGS OF FACT

17 1. Respondent Tadros & Youssef Construction, Inc. (hereinafter, referred to as
18 "T&Y") has been, at all times relevant herein, a contractor licensed by the Contractors
19 State License Board under license number 698182.
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21 2. Respondent Kamel Shaker Tadros at all relevant times mentioned was listed as
22 Responsible Managing Officer of T&Y with the Contractors State License Board.
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24 3. Respondent Makram Youssef Youssef at all relevant times mentioned was
25 listed as Responsible Managing Officer of T&Y with the Contractors State License
26 Board.
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1 **South Hills High School, Los Angeles County**

2 4. T&Y served as the Prime Contractor on the South Hills High School
3
4 Modernization job in Los Angeles County from March 11, 2010 through October 24,
5 2010. The Awarding Body on the project was Covina Valley Unified School District c/o
6 CS & Associates.

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8 5. Deputy Labor Commissioner Sarah Cheung testified she began investigation of
9 T&Y on this project due to employee complaints of prevailing wages not being paid.
10 Deputy Cheung's investigation revealed failure to pay prevailing wages, failure to pay
11 overtime wages, shaving of hours on the certified payroll records and misclassification of
12 workers on the project. Additionally, Deputy Cheung testified T&Y failed to respond to
13 the Division's request for certified payroll records.
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15 **Failure to Pay Prevailing Wages**

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17 6. With respect to the allegation of failure to pay prevailing wages, Deputy
18 Cheung testified she met with worker Magéd Mourad Philibs who complained he did not
19 receive prevailing wages for work performed on the project. Mr. Philibs installed
20 stainless steel and wood doors 2-3 times per week on this project. He reported to Deputy
21 Cheung that he received payment on a piece rate basis and was not paid for all hours
22 worked. A review of the certified payroll records submitted by the parties shows that
23 Mr. Philibs was listed on the certified payroll records for this project on six different
24 weeks. On one of the weeks, he is listed as having worked 10 hours "straight" time (for
25 August 31, 2010). The payroll registers submitted by Respondent Youssef show
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1 Mr. Philibs having received pay checks for 5 of the 6 weeks listed on the certified payroll
2 records.

3
4 **Shaving of Hours and Failure to Pay Overtime**

5 7. Deputy Cheung's investigation also revealed shaving of hours on the certified
6 payroll records for this project. Deputy Cheung testified she interviewed worker Delfino
7 Cardenas who reported he worked 10 hours per day without receiving any overtime pay.
8 The certified payroll records submitted for this project only list Mr. Cardenas as working
9 exactly 8 hours and never working beyond 8 hours in a day or on Saturdays. Similarly,
10 Deputy Cheung testified she interviewed worker Elias Ramos-Cardenas who reported he
11 worked 50 hours per week but was paid only for 40 hours each week. The certified
12 payroll records for Mr. Ramos-Cardenas for this project list him as working 3 days
13 during the week of October 18, 2010 for exactly 8 hours each day. No other time is
14 recorded for Mr. Ramos-Cardenas for this project.
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18 **Misclassification**

19 8. Deputy Cheung testified she reviewed the certified payroll records and
20 noticed worker Maximino Blake was listed as an Apprentice Level 6. However, Deputy
21 Cheung could not verify Mr. Blake was registered as an Apprentice so she upgraded his
22 rate of pay from Apprentice to the normal journey rate.
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25 **Failure to Respond to DLSE'S Request for Certified Payroll Records**

26 9. Deputy Cheung testified she requested certified payroll records from T&Y by
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1 sending out a *Request for Certified Payroll Records* on February 8, 2011. Deputy Cheung
2 did not receive a response to this request. Consequently, she contacted the Awarding
3 Body and requested and received certified payroll records for this project from them.
4

5 10. As a result of her investigation of this public works project, Deputy Cheung
6 issued a Civil Wage and Penalty Assessment to T&Y assessing \$25,819.81 in unpaid
7 regular and overtime wages, \$5,400.00 in penalties under Labor Code §§1775 and 1813
8 and \$16,400 in penalties under Labor Code §1776. T&Y appealed the Civil Wage and
9 Penalty Assessment but the matter was subsequently settled and the amounts due were
10 paid by the Surety company.
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13 **Highland Oaks Elementary School Modernization, Los Angeles County**

14 11. T&Y also served as the Prime Contractors on the Highland Oaks
15 Elementary School Modernization project, (“Highland Oaks project”), from July 14,
16 2009 through December 31, 2010. The Awarding Body was Arcadia Unified School
17 District.
18

19 12. Deputy Cheung testified she received complaints from workers on the
20 Highland Oaks project that they were not paid prevailing wage rates or overtime and
21 were being misclassified.
22

23 13. As part of her investigation of the Highland Oaks project, Deputy Cheung
24 interviewed four workers and received questionnaires from five other workers revealing
25 violations of the public works laws.
26

27 **Failure to Pay Prevailing Wages**

28 14. Deputy Cheung testified she interviewed worker Maged Mourad Philibs who

1 was the original complainant. Mr. Philibs reported to Deputy Cheung that like the South
2 Hills High School project, he also installed all of the stainless steel and wood doors for
3 this project. Similarly, as in the South Hills High School project, Mr. Philibs stated he
4 was paid by piece rate but was not paid for all hours worked on the project. The certified
5 payroll records submitted by Respondent Youssef list Mr. Philibs as having worked only
6 one day on this project (May 7, 2010) despite Mr. Philibs reporting he worked several
7 days a week installing doors. Additionally, no evidence was submitted to show
8 Mr. Philibs was paid for worked performed on this date.

9 **Non-Payment of Overtime and Shaving of Hours**

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13 15. Deputy Cheung testified she also interviewed worker Delfino Cardenas who
14 reported he worked 9 hours per day on the project but was not paid overtime. Likewise,
15 worker Elias Ramos-Cardenas also reported to Deputy Cheung during his interview that
16 he worked 50 hours per week but was paid for only 40 hours each week. Deputy
17 Cheung's interview of worker Jose Montile Lopez, likewise revealed he worked 50 hours
18 per week but not paid overtime. Similarly, Deputy Cheung's interview of worker Hector
19 Salgado revealed he worked 9 hours per day, five days per week, and 5 hours on
20 Saturdays but did not receive overtime pay.

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22
23 A review of the certified payroll records show Mr. Delfino Cardenas was only
24 reported as working 7-8 hours each day with the exception of a few weeks where he was
25 reported as having worked daily overtime. The certified payroll records for Mr. Ramos
26 Cardenas and Mr. Montile Lopez report only 7-8 hours worked each day and occasionally
27 4 hours on Saturdays. No daily overtime hours are reported on the certified payroll
28

1 records except for one week for Mr. Montile Lopez. Finally, the certified payroll records
2 for Mr. Salgado report him regularly working 7 hours per day, five days per week and 4
3 hours on Saturdays but do not report him working any daily overtime.
4

5 16. Deputy Cheung testified she also received questionnaires from workers
6 Maximino G. Blake, Juan D. Pina, Luis P. Pina, Roberto Garcia and Austreberto Vargas.
7 Mr. Blake reported on his questionnaire that he worked 9 to 10 hours per day and
8 weekends but did not receive overtime. Certified payroll records for Mr. Blake show him
9 working 4 hours per week for approximately 8 weeks, 40 hours on one week and 8 hours
10 another week. Mr. Juan Pina reported he worked on this project for one year but the
11 certified payroll records only reflect him working a total of 2 days on this project. Lastly,
12 Mr. Garcia indicated on his questionnaire he worked 10 hours daily and was not paid for
13 Saturdays or holidays. The certified payroll records do not reflect any daily overtime or
14 holiday work for Mr. Garcia.
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18 **Misclassification**

19 17. Deputy Cheung testified worker Juan Pina was classified as a Carpenter but
20 based on the information he provided to her, the proper classification was as an Auditor.
21 Worker Maximino G. Blake was reported on the certified payroll records as a Carpenter
22 Apprentice Level 6, however, Deputy Cheung could not verify through the Division of
23 Apprenticeship Standards' website that Mr. Blake was a registered Apprentice.
24 Accordingly, she upgraded Mr. Blake's classification to a Journeyman.
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1 **Failure to Respond to DLSE'S Request for Certified Payroll Records**

2 18. Deputy Cheung testified she requested certified payroll records from T&Y by
3 sending out a *Request for Certified Payroll Records* on February 10, 2011 but did not
4 receive any response from Respondents. Consequently, she contacted the Awarding
5 Body and requested and received certified payroll records from them for this project.
6

7
8 19. Deputy Cheung credibly testified she reviewed certified payroll records
9 received from the awarding body on this project and calculated the amounts due which
10 she included in a Civil Wage and Penalty Assessment issued to T&Y. The Civil Wage
11 and Penalty Assessment issued on this project included, \$393,951.60 in unpaid regular
12 and overtime prevailing wages, \$116,550.00 in penalties under Labor Code §§1775 and
13 1813 and \$75,750.00 in penalties under Labor Code §1776.
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16 20. Respondent Karem Youssef argued the company did not respond to the
17 Requests for Certified Payroll Records from the DLSE on both projects because the
18 requests were made after the surety company had taken over and the surety company had
19 informed Respondents they would handle all matters related to the project.
20

21 21. Additionally, Mr. Youssef argued it was impossible for the company to violate
22 public works laws on both projects because the management companies hired by the
23 awarding bodies on both projects, carefully reviewed T&Y's certified payroll records
24 submitted each week for each project and had them correct any mistakes. Additionally,
25 members of the management companies went out to both worksites on a regular basis but
26 admittedly, were not present every day or all day long on the days they did go out.
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22. With regard to the allegation workers were underpaid, Mr. Youssef brought in

1 copies of paychecks without pay stubs to dispute the allegation of underpayment.

2 Mr. Youssef also brought in certified payroll records for the Highland Oaks Project to
3
4 dispute the assessment included in the Civil Wage and Penalty Assessment.

5 23. Respondent Kamal Tadros testified he left the company in September, 2008
6 and did not have records related to either project and therefore, could not defend the
7
8 allegations. Additionally, Mr. Tadros testified he filed a lawsuit against Mr. Youssef in
9
10 November, 2010 alleging fraud. Mr. Tadros submitted into evidence a letter from TYR,
11
12 Inc. - IOR Services dated January 26, 2011 stating Mr. Tadros has been subcontracted
13
14 through TYR, Inc. and has been working as a full time school building inspector at Los
15
16 Angeles Unified School District from September 2008 to the present. Mr. Tadros also
17
18 submitted declarations from his nephew Emad Naguib who served as Operations
19
20 Manager/Certified Payroll Professional for T&Y Construction, and from Kamel Israil,
21
22 partner to his nephew Emad Naguib and project manager at Tadros & Youssef
23
24 Construction, Inc., to explain the nature of the current legal dispute between Mr. Youssef
25
26 and Mr. Tadros. Lastly, Mr. Tadros submitted as evidence letters showing Mr. Youssef
27
28 and Mr. Tadros are currently engaged in litigation against each other.

23 24. On cross examination, Mr. Tadros admitted he has never filed anything with
24
25 the Secretary of State showing he resigned from the corporation. Moreover, he could not
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27 provide any documentation submitted to the State Contractor's License Board showing
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his disassociation with T&Y.

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1 CONCLUSIONS OF LAW

2 DLSE seeks to debar Respondents Tadros & Youssef Construction, Inc., Kamel
3 Shaker Tadros and Makram Youssef Youssef, Individuals, for a period of three (3) years
4 based on its position Respondents “willfully” violated the public works laws with “intent
5 to defraud” and failed to respond to DLSE requests for certified payroll records on both
6 projects.
7

8 Labor Code §1777.1 provides:

9
10 (a) Whenever a contractor or subcontractor performing a
11 public works project pursuant to this chapter is found
12 by the Labor Commissioner to be in violation of this
13 chapter **with intent to defraud**, except Section 1777.5,
14 the contractor or subcontractor or a firm, corporation,
15 partnership, or association in which the contractor or
16 subcontractor has any interest is ineligible for a period
17 of not less than one year or more than three years to do
18 either of the following:

- 19 (1) Bid on or be awarded a contract for a public
20 works project.
- 21 (2) Perform work as a subcontractor on a
22 public works project.

23 (b) Whenever a contractor or subcontractor performing a
24 public works project pursuant to this chapter is found
25 by the Labor Commissioner to be **in willful violations**
26 of this chapter, except Section 1777.5, within a three-
27 year period, the contractor or subcontractor or a firm
28 corporation, partnership, or association in which the
contractor or subcontractor has any interest is in-
eligible for a period up to three years for each second
and subsequent violation occurring within three years
of a separate and previous willful violation of this
chapter to do either of the following:

1 (1) Bid on or be awarded a contract for a public
2 works project.

3 (2) Perform work as a subcontractor on a public
4 works project.

5 (c) Whenever a contractor or subcontractor performing
6 a public works project has failed to provide a timely
7 response to a request by the Division of Labor Standards
8 Enforcement, the Division of Apprenticeship Standards,
9 or the awarding body to produce certified payroll records
10 pursuant to Section 1776, the Labor Commissioner shall
11 notify the contractor or subcontractor that, in addition to
12 any other penalties provided by law, the contractor or
13 subcontractor will be subject to debarment under this
14 section if the certified payroll records are not produced
15 within 30 days after receipt of the written notice. If the
16 commissioner finds that the contractor or subcontractor
17 has failed to comply with Section 1776 by that deadline,
18 unless the commissioner finds that the failure to comply
19 was due to circumstances outside the contractor's or
20 subcontractor's control, the contractor or subcontractor
21 or a firm, corporation, partnership, or association in
22 which the contractor or subcontractor has any interest is
23 ineligible for a period of not less than one year and not
24 more than three years to do either of the following:

19 (1) Bid on or be awarded a contract for public works
20 project.

21 (2) Perform work as a subcontractor on a public works
22 project.

23 **"Willful" Violation of the Public Works Laws – Labor Code §1777.1(b)**

24
25 Under Labor Code §1771.1(c), "A willful violation occurs when the contractor or
26 subcontractor knew or reasonably should have known of his or her obligations under the
27 public works law and deliberately fails or refuses to comply with its provisions."
28

Moreover, a person's knowledge of the law is imputed to him and an unlawful intent may

1 be inferred from the doing of an unlawful act. *People v. McLaughlin* (1952) 111
2 Cal.App.2d 781, 245 P.2d 1076.

3
4 The evidence presented by the Division establishes all three Respondents
5 “willfully” violated the public works laws by failing to pay proper prevailing wages,
6 failing to pay overtime, shaving hours and submitting false certified payroll records to the
7 awarding body.

8
9 On the **South Hills High project**, the credible testimony established worker
10 Maged Mourad Philibs was improperly and deliberately paid piece rate wages instead of
11 prevailing wages for installing doors on the project. All three respondents should have
12 known that workers on public works projects must be paid the equivalent of at least the
13 prevailing wage, even when paid by piece rate, especially since all respondents had years
14 of experience working on public works projects. Failure to pay Mr. Philibs prevailing
15 wages for work on this project constitutes a “willful” violation of the public works laws.
16
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18 Moreover, the credible testimony by Deputy Cheung established that workers
19 Delfino Cardenas and Elias Ramos-Cardenas regularly worked overtime hours but were
20 only paid for regular hours. Consequently, Respondents deliberately failed to comply
21 with state overtime hours and submitted false certified payroll records showing less hours
22 worked than the hours actually worked by workers on this project. Mr. Youssef’s
23 testimony that there could not have been any violations of the public works laws on the
24 project because the awarding body’s management company would have known and
25 would not have tolerated any such violations is not convincing and does not comprise a
26 defense to the violations. In particular, the management companies could not have known
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1 from looking at the certified payroll records (which were submitted under penalty of
2 perjury) that the hours recorded were inaccurate. While Mr. Youssef testified the
3 management company regularly inspected the job site, he admitted they were not present
4 every day or even all day long on those days they did show up to the site. Accordingly,
5 they were not in a position to know if the hours recorded on the certified payroll records
6 were accurate. Ultimately, the responsibility of ensuring workers are paid for all hours
7 worked and that the certified payroll records accurately reflect the correct hours worked,
8 falls on T&Y who knew or should have known they were violating the public works laws
9 by deliberately not paying workers for all hours worked and not accurately reporting the
10 actual hours worked.
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14 The unrefuted evidence also established workers were deliberately misclassified as
15 apprentices without having been registered as such with the Division of Apprenticeship
16 Standards.
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18 The same analysis applies to the Highland Oaks project, where evidence
19 presented at the hearing established Mr. Philips was again intentionally not being paid
20 prevailing wages for the work he performed installing doors but instead, was unlawfully
21 paid on a piece rate basis. As in the South Hills High School Project, workers on this
22 project such as Elias Ramos-Cardenas, Jose Montile Lopez, Hector Salgado, Maximo G.
23 Blake, Juan D. Pina, Luis P. Pina, Roberto Garcia and Austreberto Vargas, were not paid
24 for overtime hours worked and the certified payroll records which were submitted under
25 penalty of perjury did not accurately reflect all hours worked. All three respondents knew
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1 or should have known that failure to pay overtime and to submit inaccurate certified
2 payroll records constitutes willful violations under Labor Code §1777.1(b).

3
4 Similarly, workers Juan Pina and Maximo G. Blake were misclassified as a
5 Carpenter and Carpenter Apprentice Level 6, respectively. Given the experience of
6 respondents on public works projects, all three respondents knew or should have known
7 they were willfully violating the public works laws by deliberately failing to pay daily
8 overtime and submitting fraudulent certified payroll records.

9
10 Moreover, Respondent Tadros' evidence showing he was not involved in the day
11 to day operations of T&Y during the duration of both projects because he was working as
12 a full time school building inspector for Los Angeles Unified School District does not
13 insulate him from liability under Labor Code §1777.1(b). The evidence shows that
14 Mr. Tadros was still listed as a Responsible Managing Officer of T&Y with the
15 Contractor's State License Board during the relevant time periods. Moreover, no
16 evidence was submitted showing Mr. Tadros had resigned from the company. While he
17 may not have been involved in the day to day operations, he knew or should have known
18 that his company was violating the public works laws by deliberately not paying workers
19 properly, including not paying prevailing wages or overtime. As a Responsible Managing
20 Officer of T&Y, Mr. Tadros also knew or should have known that information reported
21 on the certified payroll records was not accurate.

22
23 In sum, Respondents Tadros & Youssef Construction, Inc., Kamel Shaker Tadros
24 and Makram Youssef Youssef, Individuals, willfully violated the public works laws
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1 under Labor Code §1777.1(b) on the South Hills High School and Highland Oaks
2 Projects.

3
4 **Intent to Defraud – Labor Code §1777.1(a)**

5 *California Code of Regulations*, Title 8, Section 16800 defines “**Intent to**
6 **Defraud**” as “the intent to deceive another person or entity, as defined in this article, and
7 to induce such other person or entity, in reliance upon such deception, to assume, create,
8 transfer, alter or terminate a right, obligation or power with reference to property of any
9 kind.” An intent to deceive or defraud can be inferred from the facts. *People v. Kiperman*
10 (1977) 69 Cal.App.Supp.25. An unlawful intent can be inferred from the doing of an
11 unlawful act. *People v. McLaughlin, supra*.

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13
14 The evidence supports a finding Respondents Tadros and Youssef Construction,
15 Inc. and Makram Youssef Youssef committed the violations discussed in this decision
16 with an “intent to defraud” the workers, the awarding bodies and the State of California
17 on both projects. The credible evidence established that prevailing wages were not
18 properly paid, overtime was not paid to workers and workers were misclassified on both
19 projects at issue. Intent to defraud is therefore established by the fact Respondents T&Y
20 and Youssef intended to deceive others by submitting certified payroll records under
21 penalty of perjury they knew were not accurate.

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24
25 While we find Respondent Tadros knew or reasonably should have known of the
26 violations being committed on both projects and deliberately failed to comply with the
27 public works laws, therefore establishing the elements for “willful” violation of the
28 public works laws under Labor Code §1777.1(b), the evidence is insufficient to show

1 Respondent Tadros also “intended to deceive or defraud” anyone with respect either
2 project. Accordingly we only find Respondents Tadros & Youssef Construction Inc. and
3 Makram Youssef Youssef in violation of the public works laws with an “intent to
4 defraud” under Labor Code §1777.1(a).
5

6 **Failure to Provide DLSE with Certified Payroll Records – Labor Code §1777.1(c)**
7

8 The evidence presented established Deputy Cheung requested certified payroll
9 records from all three Respondents and failed to get any response. Consequently, she
10 requested and received the records from the awarding bodies. Respondent Youssef
11 testified the surety company had taken over both projects when Deputy Cheung’s
12 requests were made. However, there is no evidence to support this was the case. And,
13 even if it is true, all three respondents had an obligation to forward the requests to the
14 surety company or to notify Deputy Cheung the surety company had taken over and said
15 requests should be made directly to the surety company. Instead, Respondents chose to
16 ignore the requests and therefore are in violation of the Labor Code §1777.1(c)’s
17 requirement to respond to the DLSE’s request for certified payroll records.
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21 **CONCLUSION**

22 Based on the evidence presented at the hearing, we find that Respondents Tadros
23 & Youssef Construction, Inc., Kamel Shaker Tadros and Makram Youssef Youssef,
24 Individuals, “**willfully**” violated the public works laws by not paying prevailing wages or
25 overtime, misclassifying workers and submitting false certified payroll records on a
26 continuous basis on both projects.
27
28

1 We also find Respondents Tadros & Youssef Construction, Inc. and Makram
2 Youssef Youssef violated the public works laws with an “**intent to deceive**” the workers,
3 awarding bodies and the State of California on the South Hills High School and Highland
4 Oaks projects when they failed to pay prevailing wages, overtime and continuously
5 submitted certified payroll records under penalty of perjury which were not accurate.
6

7
8 Lastly, we find all three respondents had an obligation to comply with the DLSE’S
9 requests for certified payroll records on both projects but simply chose to ignore both
10 requests. As such, all three respondents are in violation of Labor Code §1777.1.
11

12 “Although debarment can have a severe economic impact on contractors, it ‘is not
13 intended as punishment. It is instead, a necessary means to enable the contracting
14 governmental agency to deal with irresponsible bidders and contractors, and to administer
15 its duties with efficiency.’” *Southern California Underground Contractors, Inc. v. City of*
16 *San Diego* (2003) 108 Cal.App.4th 533, 542. Accordingly, we debar all three respondents
17 for a period of three years, as requested by the DLSE.
18

19
20 **ORDER OF DEBARMENT**

21 In accordance with the foregoing, it is hereby ordered that Respondents Tadros &
22 Youssef Construction, Inc., Kamel Shaker Tadros and Makram Youssef Youssef, shall be
23 ineligible to, and shall not, bid on or be awarded a contract for a public works project,
24 and shall not perform work as a subcontractor on a public work as defined by Labor Code
25 §§1720, 1720.2 and 1720.3, for a period of three (3) years, effective 45 days after this
26 decision is issued by the Labor Commissioner. A three year period is appropriate under
27 these circumstances where Respondents Tadros & Youssef Construction, Inc., Kamel
28

1 Shaker Tadros and Makram Youssef Youssef” willfully violated the public works laws
2 and ignored requests for certified payroll records by the DLSE. Three years is also
3 appropriate where Respondents Tadros & Youssef Construction, Inc. and Makram
4 Youssef Youssef submitted false certified payroll records with an “intent to defraud.”
5

6 This debarment shall also apply to any other contractor or subcontractor in which
7 Respondents Tadros & Youssef Construction, Inc., Kamel Shaker Tadros and Makram
8 Youssef Youssef have any interest or for which respondents act as a responsible
9 managing employee, responsible managing officer, general partner, manager, supervisor,
10 owner, partner, officer, employee, agent, consultant, or representative. “Any interest”
11 includes, but is not limited to, all instances where respondents receive payments, whether
12 in cash or in another form of compensation, from the entity bidding or performing works
13 on the public works project, or enters into any contract or agreement with the entity
14 bidding or performing work on the public works project for services performed or to be
15 assigned or sublet, or for vehicles, tools, equipment or supplies that have been or will be
16 sold, rented or leased during the period of debarment.
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21
22 Dated: March 26, 2014


EDNA GARCIA EARLEY
Hearing Officer

Tadros & Youssef Construction, Inc.; Kamel Shaker Tadros
And Makram Youssef, Individuals
Case No.: SAC 5308

PROOF OF SERVICE

I, Tina Provencio declare and state as follows:

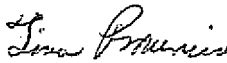
I am employed in the State of California, County of Los Angeles; I am over the age of 18 years old and not a party to the within action; my business address is 300 Oceangate, Suite 850, Long Beach, California 90802.

On March 27, 2014, I served the foregoing document(s) described as: **PROPOSED STATEMENT OF DECISION RE DEBARMENT OF RESPONDENTS FROM PUBLIC WORKS PROJECT [Labor Code §1777.1]** on the interested parties to this action by delivering a copy thereof in a sealed envelope at the following addresses:

SEE ATTACHED SERVICE LIST

- (BY MAIL)** I am readily familiar with the business practice for collection and processing of correspondence for mailing with the United States Postal Service. This correspondence shall be deposited with the United States Postal Service this same day in the ordinary course of business at our office address in Long Beach, California. Service made pursuant to this paragraph, upon motion of a party served, shall be presumed invalid if the postal cancellation date of postage meter date on the envelope is more than one day after the date of deposit for mailing contained in this affidavit.
- (BY E-MAIL SERVICE)** I caused such document(s) to be delivered electronically via e-mail to the e-mail address of the addressee(s) set forth in the attached service list.
- (BY OVERNIGHT DELIVERY)** I served the foregoing document(s) by FedEx, an express service carrier which provides overnight delivery, as follows: I placed true copies of the foregoing document in sealed envelopes or packages designated by the express service carrier, addressed to each interested party as set forth above, with fees for overnight delivery paid or provided for.
- (BY FACSIMILE)** I caused the above-referenced document to be transmitted to the interested parties via facsimile transmission to the fax number(s) as stated on the attached service list.
- (BY PERSONAL SERVICE)** I caused such envelope to be delivered by hand to the offices of the above-named addressee(s).
- (STATE)** I declare under penalty of perjury, under the laws of the State of California that the above is true and correct.

Executed this 27th day of March, 2014, at Long Beach, California.


Tina Provencio
Declarant

Tadros & Youssef Construction, Inc.; Kamel Shaker Tadros
And Makram Youssef, Individuals
Case No.: SAC 5308

SERVICE LIST

Tadros & Youssef Construction, Inc.
1221 E. 8th Street, Unit A
Upland, CA 91786

Makram Youssef Youssef
8356 Terranove Circle
Huntington Beach, CA 92646

Kamel Shaker Tadros
8252 Dancy Circle
Huntington Beach, CA 92646

Max D. Norris, Esq.
State of California/DIR
Division of Labor Standards Enforcement
300 Oceangate, Suite 850
Long Beach, CA 90802
By Personal Delivery

Sarah Cheung, DLC
State of California/DIR
DLSE Public Works
464 West 4th Street, Suite 348
San Bernardino, CA 92401

1 **STATE OF CALIFORNIA**
2 Department of Industrial Relations
3 Division of Labor Standards Enforcement
4 EDNA GARCIA EARLEY, State Bar No. 195661
5 300 Oceangate, Suite 850
6 Long Beach, California 90802
7 Tel.: (562) 590-5461
8 Fax: (562) 499-6438
9 eearley@dir.ca.gov

10 Attorney for the Labor Commissioner

11 **BEFORE THE DIVISION OF LABOR STANDARDS ENFORCEMENT**
12 **DEPARTMENT OF INDUSTRIAL RELATIONS**
13 **FOR THE STATE OF CALIFORNIA**

14 In the matter of the) Case No.: SAC 5308
15 Debarment Proceeding Against:)
16) **DECISION RE DEBARMENT OF**
17) **RESPONDENTS FROM PUBLIC**
18) **WORKS PROJECTS**
19 Tadros & Youssef Construction, Inc.;)
20 Kamel Shaker Tadros and Makram) [Labor Code §1777.1]
21 Youssef Youssef, Individuals,)
22)
23 Respondents.)
24)
25)
26)
27)
28)

29 The attached Proposed Statement of Decision of Hearing Officer Edna Garcia
30 Earley, debaring Respondents Tadros & Youssef Construction, Inc., Kamel Shaker
31 Tadros and Makram Youssef Youssef, Individuals, from working on public works
32 projects in the State of California for three years, is hereby adopted by the Division of

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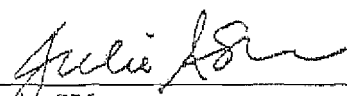
Labor Standards Enforcement as the Decision in the above-captioned matter.

The debarment shall commence in 45 days on May 10, 2014.

IT IS SO ORDERED

Dated: March 26, 2014

DIVISION OF LABOR STANDARDS ENFORCEMENT
Department of Industrial Relations
State of California

By: 

JULIE A. SU
State Labor Commissioner

Tadros & Youssef Construction, Inc.; Kamel Shaker Tadros
And Makram Youssef, Individuals
Case No.: SAC 5308

PROOF OF SERVICE

I, Tina Provencio declare and state as follows:

I am employed in the State of California, County of Los Angeles; I am over the age of 18 years old and not a party to the within action; my business address is 300 Oceangate, Suite 850, Long Beach, California 90802.

On March 27, 2014, I served the foregoing document(s) described as: **DECISION RE DEBARMENT OF RESPONDENTS FROM PUBLIC WORKS PROJECTS [Labor Code §1777.1]**, on the interested parties to this action by delivering a copy thereof in a sealed envelope at the following addresses:

SEE ATTACHED SERVICE LIST

- (BY MAIL)** I am readily familiar with the business practice for collection and processing of correspondence for mailing with the United States Postal Service. This correspondence shall be deposited with the United States Postal Service this same day in the ordinary course of business at our office address in Long Beach, California. Service made pursuant to this paragraph, upon motion of a party served, shall be presumed invalid if the postal cancellation date of postage meter date on the envelope is more than one day after the date of deposit for mailing contained in this affidavit.
- (BY E-MAIL SERVICE)** I caused such document(s) to be delivered electronically via e-mail to the e-mail address of the addressee(s) set forth in the attached service list.
- (BY OVERNIGHT DELIVERY)** I served the foregoing document(s) by FedEx, an express service carrier which provides overnight delivery, as follows: I placed true copies of the foregoing document in sealed envelopes or packages designated by the express service carrier, addressed to each interested party as set forth above, with fees for overnight delivery paid or provided for.
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- (STATE)** I declare under penalty of perjury, under the laws of the State of California that the above is true and correct.

Executed this 27th day of March, 2014, at Long Beach, California.



Tina Provencio
Declarant

DECISION RE DEBARMENT

