

Assigned for all purposes to: Stanley Mosk Courthouse, Judicial Officer: Michelle Williams Court

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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

DIRK T. GRIFFIN on behalf of himself and )  
the tax payers of the State of California; )  
PINNER CONSTRUCTION CO., INC., a )  
California corporation; MECHANICAL )  
TECHNOLOGY SYSTEMS, INC., a )  
California corporation; MCGUIRE )  
CONTRACTING, INC., a Nevada )  
corporation, )

Plaintiffs, )

vs. )

MARK W. STRAUSS, an individual; DACM )  
PROJECT MANAGEMENT, INC., a Florida )  
corporation; ARCADIS U.S., INC., a )  
Delaware corporation; JACOBS )  
ENGINEERING GROUP INC., a Delaware )  
corporation; KEVIN TYRELL, an individual; )  
GIG PUKPRAYURA, an individual; QDG )  
INCORPORATED, a California corporation; )  
and, LOS ANGELES COMMUNITY )  
COLLEGE DISTRICT, an agency organized )  
and existing pursuant to the laws of the State )  
of California; and DOES 1-50, inclusive. )

Defendants. )

Case No.: **22STCV24860**

COMPLAINT FOR:

1. TAXPAYER ACTION FOR BREACH OF FIDUCIARY DUTY;
2. VIOLATION OF THE RACKETEER INFLUENCED AND CORRUPT ORGANIZATIONS ACT [18 U.S.C.A. §1961 et seq.];
3. INTENTIONAL INTERFERENCE WITH CONTRACT;
4. IMPLIED CONTRACTUAL INDEMNITY; AND
5. TEMPORARY AND PERMANENT INJUNCTIONS BASED ON UNFAIR COMPETITION [B&P CODE §17203].

Plaintiffs, jointly and severally, complain and allege as follows:

**GENERAL ALLEGATIONS**

1           1. This complaint will demonstrate fraud, corruption, and racketeering conduct in the  
2 construction of a public performing and media arts center meant to service a vital local  
3 community college. The complaint will allege a corrupt scheme by a number of consultants to  
4 delay the construction of this public project for the sole purpose of increasing the fees that they  
5 could charge the taxpayers of California. These consultants are “racketeers” — who must be  
6 brought to justice and held accountable. This is behavior that should concern not just this court,  
7 but the California State Legislature and California Attorney General as well.

8           2. The causes of action stated below represent a money demand of more than twenty-five  
9 thousand dollars (\$25,000.00) and are ones in which the above-entitled Court has jurisdiction.

10          3. Plaintiff is informed and believes and thereon alleges that this Court is the proper court  
11 for the commencement and maintenance of this action because causes of action occurred as well  
12 as the performance and/or failure of the obligations alleged herein occurred within this Judicial  
13 District.

14          4. Plaintiff PINNER CONSTRUCTION CO., INC. (“PINNER”) is a corporation organized  
15 and existing under the laws of the State of California. At all times relevant herein, PINNER was  
16 duly licensed by the California Contractor’s State License Board and doing business as such in  
17 the County of Los Angeles.

18          5. Plaintiff MECHANICAL TECHNOLOGY SYSTEMS, INC. (“MTS”) is a corporation  
19 organized and existing under the laws of the State of California. At all times relevant herein,  
20 MTS was duly licensed by the California Contractor’s State License Board and doing business as  
21 such in the County of Los Angeles.

22          6. Plaintiff MCGUIRE CONTRACTING, INC., (“MCGUIRE”) is a corporation organized  
23 and existing under the laws of the State of Nevada. At all times relevant herein, MCGUIRE was  
24 duly licensed by the California Contractor’s State License Board and doing business as such in  
25 the County of Los Angeles.

1 7. Plaintiff DIRK T. GRIFFIN (“GRIFFIN”) is an individual residing in and who pays taxes  
2 to the State of California and on that basis has standing to and hereby brings certain causes of  
3 action in this Complaint on behalf of himself and the tax payers of the State of California  
4 pursuant to *Davis v. Fresno Unified Sch. Dist.*, 237 Cal. App. 4th 261, 187 Cal. Rptr. 3d 798  
5 (2015).

6 8. Plaintiffs are informed and believe, and on that basis alleges that Defendant MARK W.  
7 STRAUSS, (“STRAUSS”) is, and at all times mentioned was, an individual and an employee of  
8 DACM PROJECT MANAGEMENT, INC. (“DACM”).

9 9. Plaintiffs are informed and believe, and on that basis alleges that Defendant DACM is,  
10 and at all times mentioned was, a Florida corporation authorized to do business in the State of  
11 California.

12 10. Plaintiffs are informed and believe, and on that basis alleges that Defendant ARCADIS  
13 U.S., INC. (“ARCADIS”) is, and at all times mentioned was, a Delaware corporation authorized  
14 to do business in the State of California.

15 11. Plaintiffs are informed and believe, and on that basis alleges that Defendant JACOBS  
16 ENGINEERING GROUP INC. (“JACOBS”) is, and at all times mentioned was, a Delaware  
17 corporation authorized to do business in the State of California.

18 12. Plaintiffs are informed and believe, and on that basis alleges that Defendant KEVIN  
19 TYRELL (“TYRELL”) is an individual and employee of QDG INCORPORATED, (“QDG”).

20 13. Plaintiffs are informed and believe, and on that basis alleges that Defendant GIG  
21 PUKPRAYURA (“PUKPRAYURA”) is an individual and employee of QDG.

22 14. Plaintiffs are informed and believe, and on that basis alleges that Defendant QDG is a  
23 California corporation authorized to do business in the State of California.

1 15. Plaintiffs are informed and believe, and on that basis alleges that Defendant LOS  
2 ANGELES COMMUNITY COLLEGE DISTRICT (“LACCD”) is a is California Community  
3 College District organized and existing pursuant to the laws of the State of California.

4 16. The true names and capacities of Defendants DOES 1 through 50 are unknown to  
5 Plaintiffs, who therefore sues them by fictitious names. Plaintiffs will seek leave of Court to  
6 amend the complaint to insert the correct names and identities of each of the DOE Defendants  
7 when ascertained by Plaintiffs. Plaintiffs are informed and believes and thereon alleges that the  
8 Defendants, STRAUSS, DACM, ARCADIS, JACOBS, TYRELL, PUKPRAYURA, QDG were  
9 the Authorized Agents and/or Employees and/or Servants of STRAUSS, DACM, ARCADIS,  
10 JACOBS, TYRELL, PUKPRAYURA, QDG, and in doing the Acts and Events complained of  
11 herein, did so within the course and scope of such agency, servitude and/or employment and/ or  
12 ratified STRAUSS, DACM, ARCADIS, JACOBS, TYRELL, PUKPRAYURA, QDG wrongful  
13 conduct.

#### 14 **INTRODUCTION**

15 17. This case arises out of the Contract entered into between PINNER and the LACCD for  
16 construction of a large, multi-building, performing & media arts center, to be built on the campus  
17 of the Los Angeles Valley College (“Project”). The Project consists of a 2-story concrete and  
18 steel structure with a partial basement, a 430-seat Main Stage Theater, a 143-seat Horseshoe  
19 Theater, a 221-seat Screening Theater, a 76-seat smart lecture hall, several classrooms, several  
20 shops studios, and a radio station.

21 18. Once the Project is completed, this state-of-the-art educational center with close access to  
22 Hollywood, will draw students from all states of the nation and around the world.

23 19. After completion of a preconstruction effort with PINNER where LACCD promised to  
24 carry a separate contingency for errors and omissions in the construction documents and third-  
25 party agency requirements, PINNER agreed to build the Project for a Guaranteed Maximum

1 Price (“GMP”) of \$78,508,391 (“Agreement”). The initial duration for the Project was 851 days.  
2 Per the terms of the Agreement: (A) PINNER would receive only limited additional  
3 compensation if the Project were delayed by LACCD; and (B) PINNER would be charged  
4 liquidated damages by LACCD if the Project was delayed by PINNER or its subcontractors.

5 20. Defendants STRAUSS, DACM, ARCADIS, JACOBS, TYRELL, PUKPRAYURA and  
6 QDG (hereinafter collectively “RACKETEERS”) are third party construction managers, program  
7 managers and architects each under contract with LACCD for the Project. RACKETEERS, and  
8 each of them, were also involved in the preconstruction effort for the Project. Plaintiffs are  
9 informed and believe that part of RACKETEERS preconstruction scope was reviewing the  
10 contract documents for errors and omissions, and developing the construction budget for the  
11 Project. During that process, RACKETEERS promised LACCD’s board that the Project could be  
12 built on time and within budget.

13 21. Unlike PINNER, RACKETEERS essentially work hourly and are: (A) guaranteed to  
14 receive unlimited additional compensation if the Project is delayed by PINNER; (B) guaranteed  
15 to receive even more unlimited additional compensation if claims filed by PINNER are  
16 arbitrated; and (C) are not charged liquidated damages if Project delays are determined to have  
17 been caused by themselves or LACCD.

18 22. At the time the Project started, ARCADIS had a previous history of wrongful misconduct  
19 related to PINNER on a previous construction project for LACCD at Los Angeles Harbor  
20 College (“HARBOR”). Acting as a construction manager for LACCD on HARBOR, ARCADIS  
21 induced PINNER through misrepresentation and economic duress to sign certain “no cost” time  
22 extension change orders which released and/ or waived PINNER’s right to recover  
23 approximately \$5mil for delays based on promises by ARCADIS that the extra costs incurred  
24 would be negotiated at the end of the project. Despite PINNER completing HARBOR as agreed  
25 in 2016, ARCADIS offered no compensation and instead used the “no cost” time extension

1 change orders as a basis for denying PINNER and its subcontractors the \$5mil in extra costs  
2 incurred.

3 23. On or about March 9, 2017, when certain errors and omissions in the contract documents  
4 were discovered at the Project, RACKETEERS, and each of them, to save their own professional  
5 reputations, orchestrated a plot. Acting in concert, RACKETEERS maliciously conspired to  
6 delay the Project, blame it on PINNER and earn themselves millions of additional dollars in the  
7 process.

8 24. RACKETEERS, as experienced construction mangers, program managers and architects,  
9 knew that a public works construction project could be delayed by interfering with needed  
10 approvals from the Department of State Architect (“DSA”), delaying needed design direction  
11 and/ or robbing the contractor and its subcontractors of the capital needed for manpower by  
12 cutting monthly payment applications, increasing the cost of performance and/ or refusing to pay  
13 change orders.

14 25. As conceived, RACKETEERS conspiracy, would and did, have a significant effect on  
15 interstate commerce because: (A) Students from other states and around the world would not be  
16 able to enroll at Los Angeles Valley College or use the \$78,508,391 state-of-the-art center for  
17 over a year later than anticipated; (B) Many of PINNER’s subcontractors are residents of other  
18 states who have and will be damaged by RACKETEERS intentional acts as alleged herein; and  
19 (C) STRAUSS, DACM, ARCADIS and JACOBS as out state corporations and/or employees of  
20 out of state corporations who were the wrongful recipients of millions of dollars in ill-gotten-  
21 gains.

22 26. RACKETEERS plot was even more insidious considering what they knew about the  
23 contract documents. RACKETEERS, and each of them, knew that PINNER and its  
24 subcontractors would never be made whole as a result of the delay because: (A) The contract  
25 documents PINNER was forced to sign in the teeth of the recession liquidated PINNER and its

1 subcontractor's to recovery at thousands of dollars less per day than their actual costs; and (B)  
2 PINNER and its subcontractor recovery could be further diminished by forcing them to complete  
3 the alternative dispute resolution procedures because recovery of attorney and expert fees  
4 incurred during those procedures is precluded by the Contract.

5 27. Plaintiffs are informed and believe that RACKETEERS, and each of them, committed  
6 significant and numerous acts in furtherance of their malicious conspiracy to defraud Plaintiffs.  
7 As alleged below, RACKETEERS malicious, willful and intentional acts were frequent and  
8 similar constituting an indivisible course of conduct actionable in its entirety. As a result, the  
9 causes of action alleged herein did not begin to accrue against RACKETEERS, or any of them,  
10 until the commission of RACKETEERS last malicious act pursuant to *Willis vs. City of Carlsbad*  
11 (2020) 48 Cal.App.5<sup>th</sup> 1104, 1124.

12 28. RACKETEERS first opportunity to effectuate their plot involved delays to the Project  
13 resulting from the need for DSA approval of changes to basement wall penetrations, delays to the  
14 Project resulting from the need for DSA approval of changes to embeds and splicing of vertical  
15 reinforcing steel above 30' in the cast-in-place walls of the theater.

16 29. RACKETEERS had no ability to affect the amount of delay to the Project resulting from  
17 basement wall penetrations or embeds because those delays were fixed depending on how long it  
18 took the DSA to approve necessary Construction Change Directives ("CCD"). RACKETEERS  
19 could, however and did, wrongfully advise LACCD to deny PINNER and its subcontractors,  
20 compensation in accordance with the terms of the Contract for those delays.

21 30. Unlike the basement wall penetrations and rebar congestion at embeds, the splicing issue  
22 presented a huge opportunity for delay of the Project. RACKETEERS, and each of them, knew  
23 that if LACCD could be convinced to prohibit PINNER from splicing vertical reinforcing steel  
24 above 30' in the theater walls, it would delay the Project for well over a year.

1           31. On or about July 26, 2017, a CCD was pending with the DSA (“CCD 19”) that would  
2 have allowed PINNER to splice vertical reinforcing steel above 30’ at the Project. The DSA had  
3 returned CCD 19 to LACCD with notes indicating that it was incomplete requesting that it be  
4 resubmitted after RACKETEERS made certain corrections to the submission. Between July 26,  
5 2017 and November 29, 2017, STRAUSS and TYRELL, as ratified by, PUKPRAYURA,  
6 DACM, ARCADIS and JACOBS, mailed and emailed a series of false and fraudulent written  
7 reports to LACCD’s board and Chief Facilities Executive recommending that CCD 19 not be  
8 resubmitted. The written reports falsely state that the contract documents clearly prohibit  
9 splicing, that making the changes requested by the DSA to CCD 19 would be cost prohibitive,  
10 that resubmission of CCD 19 would trigger review and potential changes to work already in  
11 place, that resubmission of CCD 19 would be analogous to dropping an atomic bomb at the  
12 Project and that prohibiting PINNER from splicing above 30’ would not delay the Project.

13           32. At the time STRAUSS and TYRELL mailed and emailed these reports, RACKETEERS,  
14 and each of them, concealed from LACCD’s board and Chief Facilities Executive the true facts  
15 which included:

- 16           A. Splicing vertical reinforcing steel above 30’ at horizontal construction in cast-in-place  
17           concrete walls at maximum 20’ intervals is industry standard.
- 18           B. The contract documents for the Project do not expressly preclude splicing of vertical  
19           reinforcing steel above 30’.
- 20           C. At most, the contract documents are ambiguous about whether splicing is permitted.
- 21           D. RACKETEERS had not contacted the original designer, Simon Rees, to ascertain  
22           whether he intended to prohibit splicing when he created the contract documents.
- 23           E. Pursuant to RACKETEERS own previous interpretation of identical contract language  
24           for the Project splicing of vertical reinforcing steel above 30’ was permitted.



1 F. Pursuant to RACKETEERS own previous interpretation of identical contract language  
2 for the Project, DSA approval of splicing of vertical reinforcing steel above 30' was not  
3 even necessary.

4 G. That the Project's DSA inspector said that he was ok with approving splices of vertical  
5 reinforcing steel above 30' in shop drawing without submission of a CCD to DSA so  
6 long as he was provided with engineering calculations.

7 H. Performing the additional work requested by the DSA for resubmission of CCD 19 would  
8 cost less than \$22,000.

9 I. Resubmission of CCD 19 would not trigger review of work already in place.

10 J. RACKETEERS, by approving PINNER's construction schedule, knew and authorized  
11 PINNER to splice above 30'.

12 K. LACCD's College Project Manager admitted that PINNER and its subcontractors acted  
13 reasonably in basing their bid for the Project on being able to splice above 30'.

14 L. Forcing PINNER to build the Project without splices above 30' would delay the Project  
15 for significantly more than a year.

16 M. PINNER and its subcontractors would be entitled to millions of dollars in damages  
17 authorized by the contract documents if they were not allowed to splice above 30'.

18 N. Finally, RACKETEERS concealed that they would be entitled, under their respective  
19 contracts, to millions of dollars in extra compensation as a result of the delay.

20 33. Based on RACKETEERS misrepresentations and concealments as alleged in paragraphs  
21 31 and 32, LACCD's Chief Facilities Executive David Salazar made the decision not to resubmit  
22 CCD 19 and instead ordered PINNER and its performance bond surety Hartford Fire Insurance  
23 Company, ("HARTFORD") a resident of Seattle Washington, by certified mail, to commence  
24 building the Project without splices above 30' on November 21, 2017. This written order sent by  
25 US Mail was a mechanism used by RACKETEERS to effectuate their conspiracy that delayed

1 the completion of the Project 458 days. As a result of the delay RACKETEERS earned an  
2 estimated \$2,509,382 in additional compensation which was paid by US Mail.

3 34. On November 12, 2018 PINNER submitted change order claims totaling \$10,705,820 for  
4 TIAs 1.3 & 2.2 (compensation for excessive rain), TIA 3.2 (the basement wall penetrations), TIA  
5 4.1 (initial splicing delays) and TIA 5 (rebar congestion at embeds) (hereinafter TIAs 1-5).

6 35. On or about December 12, 2018, STRAUSS and TYRELL, as ratified by DACM.  
7 ARCADIS and JACOBS, mailed and emailed false and fraudulent written reports to LACCD's  
8 board and Chief Facilities Executive stating that there was no merit to the \$10,705,820 being  
9 sought by PINNER for TIAs 1-5. At the time STRAUSS and TYRELL mailed and emailed  
10 these reports, RACKETEERS, and each of them, continued to conceal from LACCD's board and  
11 Chief Facilities Executive the true facts as alleged in Paragraph 31 and 32 of this Complaint and  
12 that their opposition to TIAs 3.2 and 5 (Pinner should have identified the error and omission is  
13 the plans related to basement wall penetration and rebar congestion sooner) violated applicable  
14 provisions of the Public Contract Code.

15 36. At the time RACKETEERS mailed and emailed their reports regarding the merit of TIAs  
16 1-5, RACKETEERS, and each of them, maliciously and intentionally misrepresented and/ or  
17 concealed the true facts from LACCD's board and Chief Facilities Executive with the specific  
18 intent to damage and further delay the Project by denying PINNER and its subcontractors access  
19 to working capital needed for manpower and forcing them to retain the claims consultants,  
20 experts and attorney's necessary to comply with the alternative dispute resolution process  
21 required by the contract documents.

22 37. In reliance on the intentional misrepresentation made by RACKETEERS as alleged in  
23 paragraphs 31, 32 and 35, LACCD's Chief Facilities Executive made no offer of settlement in  
24 response to PINNER's claim for TIAs 1-5, forcing PINNER and its subcontractors, including  
25 those who are residents of other states, to retain claims consultants, experts and attorneys,

1 depriving them of working capital needed for manpower and effecting commerce in California  
2 and other states.

3 38. Commencing on or about December 2018, RACKETEERS in furtherance of their plan to  
4 delay the Project, started to unreasonably reduce PINNER's monthly payment applications.  
5 RACKETEERS, and each of them, intentionally and maliciously committed this monthly and  
6 recurring act with the specific intent to further deprive PINNER and its subcontractors of  
7 working capital needed for manpower effecting commerce in California and other states.

8 39. Commencing on or about December 2018, RACKETEERS in furtherance of their plan,  
9 began to delay the Project through non-responsive, combative, deceptive, incomplete and/ or  
10 misleading RFI responses often quoting contract language out of context and/ or forcing  
11 PINNER and its subcontractors to assume responsibility for design in violation of applicable  
12 provisions of the Public Contracts Code. Between December 2018 and the date of the drafting of  
13 this Complaint, PINNER has submitted more than two thousand (2,000) RFI's. The vast  
14 majority of RACKETEERS responses thereto were willfully late, non-responsive, combative,  
15 deceptive, misleading and otherwise intentionally failed to provide the design direction PINNER  
16 and its subcontractors needed to complete their work on the Project in a timely and efficient  
17 manner.

18 40. Commencing on or about December 2018, RACKETEERS in furtherance of their plan,  
19 began to delay the Project through, incomplete and/ or ever-changing responses to submittals  
20 often quoting contract language out of context and/ or preventing PINNER and its subcontractors  
21 from ordering needed materials.

22 41. In July and August 2019, STRAUSS and TYRELL, as ratified by DACM, ARCADIS  
23 and JACOBS, mailed and emailed false and fraudulent written reports to LACCD's board and  
24 Chief Facilities Executive recommending no offer of settlement at the initial and final mandatory  
25 meetings for TIAs 1-5. These mailed and emailed reports continued to misrepresent the merit of

1 the \$10,705,820 being sought by PINNER for TIAs 1-5, concealed from LACCD's board and  
2 Chief Facilities Executive the true facts as alleged in Paragraphs 31, 32 and 35 and were sent  
3 with the specific intent of further depriving PINNER and its subcontractors of working capital  
4 needed for manpower.

5 42. In reliance on the intentional misrepresentation made by RACKETEERS as alleged in  
6 paragraphs 31, 32 and 35, LACCD's Chief Facilities Executive made no offer of settlement for  
7 TIAs 1-5 at the initial or final mandatory meetings, forcing PINNER and its subcontractors to  
8 incur costs for claims consultants, experts and attorneys, depriving them of working capital  
9 needed for manpower and effecting commerce in other states.

10 43. PINNER and its subcontractors mediated their claims for TIAs 1-5 with LACCD in  
11 September 2019. At the mediation, RACKETEERS and each of them, continued to misrepresent  
12 and conceal the true facts related to the merit of the \$10,705,820 being sought by PINNER and  
13 its subcontractors. Over RACKETEERS' objection, PINNER and its subcontractors were  
14 offered and accepted \$5,000,000 which was an agreement that PINNER would have accepted if  
15 it had been offered in December 2018.

16 44. At the time of the TIA 1-5 settlement, PINNER was ignorant of RACKETEERS criminal  
17 enterprise and the intentional misrepresentations, concealments and interference alleged herein.  
18 As a result, any release in favor of RACKETEERS contained in the TIA 1-5 settlement is void in  
19 that it was obtained by fraud and/or concealment and/or against public policy.

20 45. As a proximate result of RACKETEERS intentional misrepresentations, concealments  
21 and interference related to TIAs 1-5, PINNER, MTS and MCGUIRE were damaged in an  
22 amount to be proven at trial currently estimated to be: (A) \$500,000 for wrongfully denying  
23 PINNER, MTS and MCGUIRE access to capital; (B) \$1,000,000 for unnecessary fees paid to  
24 claims consultants and attorneys to prepare for and complete two mandatory meetings and  
25 mediation; and (C) \$1,500,000 representing portion of PINNER, MTS and MCGUIRE's daily

1 overhead costs they could not recover under the contract documents during the 101 day TIA 4.1  
2 splicing delay.

3 46. As a proximate result of RACKETEERS intentional misrepresentations, concealments  
4 and interference related to TIAs 1-5, the California taxpayers were damaged in an amount to be  
5 proven at trial currently estimated to be: (A) \$553,379 in extra compensation paid to  
6 RACKETEERS for the 101 day TIA 4.1 splice delay; (B) \$553,379 for loss of use of the facility  
7 during the 101 day TIA 4.1 splice delay; (C) \$1,000,000 in unnecessary fees paid to claims  
8 consultants and attorneys by LACCD to prepare for and complete the two mandatory meetings  
9 and mediation; and, (C) \$1,500,000 representing the estimated TIA 4.1 splicing delay portion of  
10 the TIA 1-5 settlement paid by LACCD to PINNER.

11 47. On or about June 5, 2020, PINNER submitted claims for TIA 6 for \$2,091,506, TIA 7 for  
12 \$2,400,853 and COP 292 for \$1,384,932 representing 215 days of additional delay and extra  
13 costs resulting from withdrawal of CCD 19 (hereinafter "TIAs 6 - 7 and COP 292").

14 48. On or about July 5, 2020, STRAUSS and TYRELL, as ratified by DACM, ARCADIS  
15 and JACOBS mailed and emailed false and fraudulent reports to LACCD's board and Chief  
16 Facilities Executive stating that there was no merit to the \$5,877,291 sought by PINNER for  
17 TIAs 6-7 and COP 292. At the time RACKETEERS, and each of them, mailed and emailed their  
18 reports regarding the merit of TIAs 6-7 and COP 292, RACKETEERS continued to maliciously  
19 and intentionally misrepresented and/ or conceal the true facts alleged in paragraphs 31 and 32 of  
20 this Complaint from LACCD's board and Chief Facilities Executive with the specific intent to  
21 damage and further delay the Project by denying PINNER and its subcontractors access to  
22 working capital needed for manpower and forcing them to retain the claims consultants, experts  
23 and attorney's necessary to comply with the alternative dispute resolution process required by  
24 the contract documents.

1 49. In reliance on the intentional misrepresentation made by RACKETEERS as alleged in  
2 paragraphs 31 and 32 of this Complaint, LACCD's new Chief Facilities Executive, Dr. Rueben  
3 C. Smith ("DR. SMITH") made no offer of settlement in response to submission of the TIA 6-7  
4 and COP 292 claims, forcing PINNER and its subcontractors, including those who are residents  
5 of other states, to retain claims consultants, experts and attorneys, depriving them of working  
6 capital needed for manpower and effecting commerce in California and other states.

7 50. In September, October and November 2020, STRAUSS and TYRELL, as ratified by  
8 DACM, ARCADIS and JACOBS mailed and emailed false and fraudulent written reports to  
9 LACCD's board and Chief Facilities Executive recommending no offer of settlement at the  
10 initial mandatory meeting, the final mandatory meeting or mediation for TIAs 6-7 and COP 292.  
11 These mailed and emailed reports continued to misrepresent the merit of the \$5,877,291 being  
12 sought by PINNER for TIAs 6-7 and COP 292, concealed from LACCD's board and Chief  
13 Facilities Executive the true facts as alleged in Paragraph 31 and 32 of this Complaint and were  
14 sent with the specific intent of denying PINNER and its subcontractors access to working capital  
15 needed for manpower and forcing them to retain the claims consultants, experts and attorney's  
16 necessary to complete binding arbitration.

17 51. In September, October and November 2020, based on RACKETEERS' willful and  
18 malicious misrepresentation, concealment and interference, DR. SMITH made no offer of  
19 settlement at either mandatory meeting or mediation forcing PINNER and its subcontractors to  
20 retain claims consultants, experts and attorneys necessary to complete a six-week binding  
21 arbitration, depriving them of working capital needed for manpower and effecting commerce in  
22 California and other states.

23 52. The binding arbitration was held between April 6, 2021 and September 23, 2021. At the  
24 hearing, Plaintiffs learned for the first time of the conspiratorial acts of RACKETEERS and the  
25 false and fraudulent misrepresentations and concealments alleged herein. After hearing all the

1 evidence, the arbitrators final ruling dated April 1, 2022 finds that LACCD was exclusively liable  
2 for 90% of the Project delays related to TIAs 6-7, that RACKETEERS breached the covenant of  
3 good faith and fair dealing by committing the acts described in paragraphs 31 and 32 of this  
4 Complaint and based thereon awarded PINNER \$3,172,612 in damages.

5 53. PINNER and its subcontractors would have accepted \$3,172,612 in settlement of TIAs 6-  
6 7 and COP 292 if DR. SMITH had made such an offer in June of 2020.

7 54. As a proximate result of RACKETEERS intentional misrepresentations, concealments  
8 and interference related to TIAs 6-7 and COP 292, PINNER and its subcontractors were  
9 damaged in an amount to be proven at trial currently estimated to be: (A) \$500,000 for  
10 wrongfully denying them access to capital; (B) \$2,000,000 for attorney fees and costs incurred in  
11 the unnecessary dispute resolution meetings, mediation and binding arbitration; and (C) over  
12 \$2,500,000 in PINNER, MTS and MCGUIRE's daily overhead costs resulting from the TIA 6-7  
13 splicing delay that could not recover under the contract documents.

14 55. As a proximate result of RACKETEERS intentional misrepresentations, concealments  
15 and interference related to TIAs 6-7 and COP 292, the California taxpayers were damaged in an  
16 amount to be proven at trial currently estimated to be: (A) \$1,177,985 in extra compensation paid  
17 to RACKETEERS for the 215 day TIA 6-7 splice delay; (B) \$1,177,985 for loss of use of the  
18 facility during the 215 day TIA 6-7 splice delay (C) \$2,500,000 000 in unnecessary fees paid by  
19 LACCD to claims consultants, attorneys and JAMS to prepare for and complete the two  
20 mandatory meetings, mediation and binding arbitration; and (D) the entirety of the \$3,172,612  
21 paid to PINNER for TIAs 6-7 and COP 292 because the entirety of the award results from  
22 RACKETEERS maliciously inducing LACCD to withdraw CCD 19.

23 56. Commencing in 2020, RACKETEERS, and each of them, have, using false statements,  
24 maliciously interfered with and delayed installation of certain roof air conditioning duct  
25 supports. As early as 2017, RACKETEERS directed PINNER's subcontractor MTS, under the

1 pretext that it was required by contract documents, to provide ISAT engineered drawings to  
2 redesign the roof air conditioning duct supports. This statement was false. In furtherance of its  
3 perceived contractual obligations MTS then provided the ISAT drawings redesigning all the duct  
4 supports on the roof as verbally directed by STRAUSS. RACKETEERS then rejected the ISAT  
5 submittal because redesigning all the duct supports increased the roof loading by 100,000 pounds  
6 and significantly increased duct support costs. In response to RACKETEERS rejection, MTS  
7 resubmitted ISAT drawings for only selected duct supports as further directed by  
8 RACKETEERS (hereinafter “Rev 3”). RACKETEERS have delayed releasing Rev 3/Rev 9 for  
9 construction for over two years through improper use of the “Revise and Resubmit” procedure  
10 demanding minor clerical and detailing changes that could have been accepted “As Noted.”  
11 Although RACKETEERS bad faith abuse of the submittal process with regard to the duct  
12 supports has not delayed the Project as yet, PINNER and MTS’ have suffered damages for  
13 additional costs incurred in an amount to be proven at trial but currently estimated to be  
14 \$1,000,000.

15 57. Commencing in 2021 RACKETEERS, and each of them, have, using false statements,  
16 maliciously interfered with, delayed and attempted force PINNER to redesign of a rain gutter  
17 system. For over a year, PINNER warned RACKETEERS that the rain gutter system could not  
18 be installed as designed and/ or created a safety hazard if installed as designed. It was only after  
19 RACKETEERS directed PINNER to install the rain gutter per plan and PINNER attempted to do  
20 so that the DSA stopped the installation and directed RACKETEERS to redesign the way it was  
21 attached to Building “A” of the Project. Although RACKETEERS acts and omissions related to  
22 the rain gutter has not as yet delayed the Project, PINNER suffered damages for additional costs  
23 incurred in an amount to be proven at trial currently estimated to be \$500,000.

24 58. On or about March 15, 2022, PINNER submitted TIA 8 seeking \$1,396,839 and TIA 9 in  
25 the amount of \$3,157,097 seeking change orders for 139 days of delay to the Project because



1 withdrawal of CCD 19 also had an impact on structural steel which occurred between April 13,  
2 2019 and October 31, 2019 (hereinafter “TIAs 8-9”). Prohibiting PINNER from splicing  
3 reinforcing steel above 30’ delayed the Project an additional 139 days because PINNER’s  
4 structural steel subcontractor was forced to work out of sequence and in a time period where it  
5 was nearly impossible to obtain qualified structural steel erection and/ or welding labor due to  
6 the SoFi Stadium and other projects currently being built in Los Angeles.

7 59. Although PINNER has not, as yet, received a formal rejection of TIAs 8-9, Plaintiffs are  
8 informed and believe that STRAUSS and TYRELL, as ratified by DACM, ARCADIS and  
9 JACOBS, have already mailed and emailed false and fraudulent reports to LACCD’s board and  
10 Chief Facilities Executive stating that there is no merit to the \$4,553,936 sought with the specific  
11 intent to damage and further delay the Project by denying PINNER and its subcontractors access  
12 to working capital needed for manpower and forcing them to retain the claims consultants,  
13 experts and attorney’s necessary to comply with the alternative dispute resolution process  
14 required by the contract documents.

15 60. As a proximate result of RACKETEERS intentional misrepresentations, concealments  
16 and interference related to TIAs 8-9, PINNER and its subcontractors will be damaged in an  
17 amount to be proven at trial currently estimated to be: (A) \$500,000 for wrongfully denying them  
18 access to capital; (B) \$4,553,926 in extra costs incurred by PINNER and its subcontractors as a  
19 result of impacts to structural steel; and (C) any attorney or consultants fees PINNER is forced to  
20 incur to complete the alternative dispute resolution process with LACCD.

21 61. As a proximate result of RACKETEERS intentional misrepresentations, concealments  
22 and interference related to TIAs 8-9, it is anticipated that the California taxpayers will be  
23 damaged in an amount to be proven at trial currently estimated to be: (A) \$761,581 in extra  
24 compensation paid to RACKETEERS for the 139 day TIA 8-9 steel delay; (B) \$761,581 for loss  
25 of use of the facility during the 139 day TIA 8-9 steel delay (C) any portion of the \$4,553,936 in

1 extra costs that LACCD pays PINNER in accordance with the contract documents; and (D) any  
2 attorney or consultants fees LACCD is forced to incur to complete the alternative dispute  
3 resolution process with PINNER.

4 62. Beginning on or about November 1, 2019 and continuing through August 31, 2021,  
5 RACKETEERS, and each of them identified their next big opportunity to effectuate their plan to  
6 defraud PINNER and the taxpayers of the State of California through delay of the Project.  
7 Original Project specifications called for wood to be harvested from the Project site and used as  
8 paneling for the main theater and lobby. Knowing that the harvested wood material specified in  
9 the contract documents could never be made to pass fire retardant requirements, RACKETEERS,  
10 and each of them, delayed the Project 436 days through the guise of multiple failed attempts to  
11 use the requested on-site materials. As a result of RACKETEERS orchestrated, willful and  
12 malicious acts related to the harvested wood, RACKETEERS earned themselves and estimated  
13 \$2,388,844 in wrongful additional compensation paid by US mail effecting commerce in  
14 California and other states.

15 63. On or about March 15, 2022, PINNER submitted TIA 10 in the amount of \$12,741,996  
16 seeking a change order for 436 days of delay to the Project related to the harvested wood  
17 redesign. Although PINNER has not, as yet, received a formal rejection to TIA 10, Plaintiffs are  
18 informed and believe that STRAUSS and TYRELL, as ratified by DACM, ARCADIS and  
19 JACOBS have already mailed and emailed false and fraudulent reports to LACCD's board and  
20 Chief Facilities Executive stating that there is no merit to the \$12,741,996 sought by PINNER  
21 for TIA 10 with the specific intent to damage and further delay the Project by denying PINNER  
22 and its subcontractors of access to working capital needed for manpower and forcing them to  
23 retain the claims consultants, experts and attorney's necessary to comply with the alternative  
24 dispute resolution process required by the contract documents.

1       64. As a proximate result of RACKETEERS intentional misrepresentations, concealments  
2 and interference related to TIA 10, PINNER and its subcontractors will be damaged in an  
3 amount to be proven at trial currently estimated to be: (A) \$1,000,000 for wrongfully denying  
4 them access to capital; (B) \$12,741,996 in extra costs incurred by PINNER and its  
5 subcontractors related to harvested wood; and (C) any attorney or consultants fees PINNER is  
6 forced to incur to complete the alternative dispute resolution process.

7       65. As a proximate result of RACKETEERS intentional misrepresentations, concealments  
8 and interference related to TIAs 10, it is anticipated that the California taxpayers will be  
9 damaged in an amount to be proven at trial currently estimated to be: (A) \$2,388,844 in extra  
10 compensation paid to RACKETEERS for the 436 day TIA 10 harvested wood delay; (B)  
11 \$2,388,844 for loss of use of the facility during the 436 day TIA 10 harvested wood delay; (C)  
12 any portion of the \$12,741,996 in extra costs paid by LACCD to PINNER for the TIA 10  
13 harvested wood delay in accordance with the contract documents; and (D) any attorney or  
14 consultants fees LACCD is forced to incur to complete the alternative dispute resolution process  
15 with PINNER.

16       66. Commencing September 21, 2021 three final issues developed at the Project which could  
17 potentially allow RACKETEERS to delay the Project an additional 200 days earning themselves  
18 an estimated one million, ninety-five thousand eight hundred (\$1,095,800) additional dollars  
19 effecting commerce in California and other states.

20       67. The first two issues involve design changes to audio visual software/ equipment and door  
21 hardware. Delays to date from RACKETEERS related to these issues consist of delay in  
22 providing design direction after being informed by PINNER that changes were necessary  
23 because of errors and omission in the original design.

24       68. Unlike audio visual and door hardware changes, the third issue is different. Commencing  
25 in December of 2020, RACKETEERS, and each of them, interfered with and delayed installation

1 of the Trespa engineered exterior cladding system at the Project for the purpose of increasing  
2 their illegally obtained extra compensation. The contract documents identify certain “J”  
3 channels using graphic depictions, in numerous locations, as required components of the Trespa  
4 system to be installed at the Project. RACKETEERS’ bad faith conduct related to the Trespa  
5 system includes approving shop drawings which identify the “J” channels as being used to install  
6 Trespa panels, approving a mock-up of the Trespa system using the “J” channels and then  
7 approving installation of the Trespa system on Building “D” using the “J” channels, just to  
8 demand that the Trespa panels be removed from Building “D” so that the “J” channels can be  
9 replaced with 4” custom extruded aluminum hat channels which are not part of the ICC approved  
10 pre-engineered and tested Trespa system, have never been tested and cannot be warranted by  
11 Trespa.

12 69. RACKETEERS’ bad faith acts include refusing numerous verbal requests from the DSA  
13 to submit a CCD which would have allowed the Trespa system installed on Building “D” to  
14 remain in place. Then on or about December 3, 2021 the DSA issued a field trip note #52 which  
15 put the requests for a CCD in writing giving RACKETEERS the option to: (1) Submit a CCD  
16 that would allow the Trespa system to remain as installed on Building “D”; or (2) submit a CCD  
17 eliminating what the DSA called an “incorrect reference” to the “J” channels that exist at  
18 numerous locations in the plan details, then directing PINNER to follow the new plans after  
19 approval of the new plans by DSA.

20 70. Realizing that the DSA’s comments in Field Trip Note 52 would either defeat their plan  
21 to further delay the Project or guarantee PINNER’s entitlement to compensation for replacement  
22 of the Trespa system on Building “D”, RACKETEERS, and each of them, corruptly persuaded  
23 Robert Liu, the DSA representative who created Field Trip Note 52, to rewrite his field trip note  
24 removing the option to leave the work in place and pretending that the improper reference to the  
25 “J” channels does not exist in the contract documents.

1 71. The meeting between Robert Liu and RACKETEERS occurred sometime between  
2 December 3, 2021 and December 23, 2021 with the intent to “alter and conceal” the original  
3 version of Field Trip Note 52, affecting its “integrity and availability for use in an official  
4 proceeding” in violation of 18 U.S.C.A. § 1512.

5 72. PINNER anticipates submitting a change order request for audio visual, door hardware  
6 and Trespa in the amount of \$3,183,612 within the next thirty (30) days.

7 73. As a proximate result of RACKETEERS intentional interference related to audio visual,  
8 door hardware and Trespa as alleged herein, PINNER and its subcontractors will be damaged in  
9 an amount to be proven at trial currently estimated to be: (A) \$500,000 for wrongfully denying  
10 them access to capital; (B) \$3,183,612 in additional costs incurred by PINNER and its  
11 subcontractors related to audio visual, door hardware and Trespa; and (C) any attorney or  
12 consultants fees PINNER is forced to incur to complete the alternative dispute resolution process  
13 with LACCD.

14 74. As a proximate result of RACKETEERS intentional misrepresentations, concealments  
15 interference and witness tampering related to audio visual, door hardware and Trespa, it is  
16 anticipated that the California taxpayers will be damaged in an amount to be proven at trial  
17 currently estimated to be: (A) \$1,095,800 in extra compensation paid to RACKETEERS for the  
18 estimated 200 day delay; (B) \$1,095,800 for loss of use of the facility during the estimated 200  
19 day delay (C) any portion of the \$3,183,612 paid by LACCD to PINNER in accordance with the  
20 contract documents; and (C) any attorney or consultants fees PINNER is forced to incur to  
21 complete the alternative dispute resolution process with LACCD.

22 75. Still unsatisfied with the damage and destruction that RACKETEERS intentional  
23 misrepresentations, concealments, interference and witness tampering had caused,  
24 RACKETEERS commenced on or about January 1, 2022 with a campaign to interfere with  
25 PINNER’s existing and future contracts with Los Angeles Unified School District. On or about

1 January 1, 2022, STRAUSS made telephone calls to Robert Lester and Alvaro Rosales who are  
2 managing employees of Los Angeles Unified School District’s construction program alleging  
3 that PINNER was failing to provide sufficient subcontractor manpower for the Project, was  
4 otherwise delaying the Project and was failing to provide necessary administrative, project  
5 management and executive support for the Project, forever damaging PINNER’s reputation with  
6 Los Angeles Unified School District, interfering with PINNER’s contract for Taft Charter High  
7 School (“TAFT”) and damaging Pinner’s ability obtain new work through Los Angeles Unified  
8 School’s best value project award system.

9 **FIRST CAUSE OF ACTION**

10 **(TAXPAYER ACTION FOR BREACH OF FIDUCIARY DUTY)**

11 (Against STRAUSS, DACM, JACOBS, TYRELL, PUKPRAYURA, QDG and DOES 1-50)

12 76. Plaintiffs hereby incorporate by reference each and every allegation contained within  
13 paragraphs 1 through 75, as though fully set forth herein.

14 77. GRIFFIN brings this action on behalf of California taxpayers pursuant to Code of Civil  
15 Procedure § 526a.

16 78. *Code of Civil Procedure § 526a* permits a taxpayer to bring an action to restrain or  
17 prevent an illegal expenditure of public money. No showing of special damage to a particular  
18 taxpayer is required as a requisite for bringing a taxpayer suit. The primary purpose of § 526a is  
19 to enable a large body of the citizenry to challenge governmental action which would otherwise  
20 go unchallenged in the courts because of the standing requirement. To promote this remedial  
21 purpose, § 526a is construed broadly. The breadth of taxpayer's actions is demonstrated by the  
22 variety of legal theories that may be raised. For example, “a taxpayer's action may include claims  
23 alleging fraud, collusion, ultra vires transaction, or the failure to perform mandatory duties.”  
24

25 *Davis v. Fresno Unified School District* (2020) 57 Cal.App.5<sup>th</sup> 911. California Supreme Court

1 precedent expressly permits actions against third-parties for “restoration of funds”. See *Miller v.*  
2 *McKinnon* (1942) 20 Cal.2d 83.

3 79. Despite being served with the arbitrator’s partial final award which identified  
4 RACKETEERS bad faith misrepresentations and concealments November 30, 2021, LACCD  
5 has failed to commence an action for restoration of funds against RACKETEERS based on the  
6 acts and omissions alleged herein. Plaintiffs are informed and believe and based thereon allege  
7 that LACCD officials have not commenced such action as a result of their potential involvement  
8 in, and/ or ratification of, the acts and omissions and misconduct alleged in this Complaint. As  
9 such, Plaintiffs were not required to make prior demand to LACCD to commence a proceeding  
10 against RACKETEERS because such demand would have been “unavailing.” *Gilbane Building*  
11 *Co., v. Superior Court* (2014) 223 Cal.App.4th

12 80. RACKETEERS, as third-party program managers, construction managers and architects  
13 under contract with LACCD to provide recommendation and evaluation of change orders, CCDs  
14 and claims, owed a fiduciary duty to LACCD and the taxpayers of the state of California to use  
15 the utmost good faith and honesty in all communication with LACCD regarding their  
16 recommendations and evaluation of change orders, CCDs and claims.

17 81. RACKETEERS, and each of them, breached that fiduciary by: (A) Maliciously  
18 misrepresenting and concealing the true facts related to resubmission of CCD 19 as alleged in  
19 paragraphs 31 and 32 which delayed the Project a total of 458 days; (B) Intentionally delaying  
20 redesign of harvested wood as alleged in paragraphs 62 and 63 which delayed the Project 436  
21 days; (C) Intentional interference and witness tampering with audio visual design, door hardware  
22 design and Trespa as alleged in paragraphs 65 through 70 which in combination will delay the  
23  
24  
25

1 Project an estimated 200 days; and (D) Fomenting litigation through bad faith recommendation  
2 not to pay change order requests for each of the foregoing issues.

3 82. As a proximate result of RACKETEERS breach of fiduciary duty, the damages suffered  
4 by California taxpayers subtotal:

5 (A) \$5,977,589 in estimated additional fees paid to RACKETEERS during the 1,091 days  
6 they intentionally delayed the Project.

7 (B) \$5,977,589 in estimated loss of use of the facility for 1,091 days.

8 (C) \$4,672,612 in total extra costs paid to PINNER and its subcontractors related to  
9 splicing delays to date.

10 (D) \$3,500,000 in total unnecessary fees paid by LACCD to claims consultants and  
11 attorney to date.

12 (E) Plus, additional costs incurred by LACCD related to the issues alleged herein after the  
13 date of the filing of this Complaint.

14 83. WHEREFORE, the Plaintiffs, respectfully request that this Court enter a Judgement in  
15 favor of the taxpayers of the state of California and against the Defendants, STRAUSS, DACM,  
16 ARCADIS, JACOBS, TYRELL, PUKPRAYURA, QDG in an amount to be proven at trial but  
17 currently estimated to exceed \$20,127,790.

18  
19 **SECOND CAUSE OF ACTION**

20 **(RICO 18 U.S.C. §1962(c))**

21 (Against STRAUSS, DACM, JACOBS, ARCADIS, TYRELL, PUKPRAYURA, QDG)

22 84. Plaintiffs hereby incorporate by reference each and every allegation contained within  
23 paragraphs 1 through 83, as though fully set forth herein.

24 85. RACKETEERS, STRAUSS, DACM, JACOBS, TYRELL, PUKPRAYURA, QDG are  
25 all persons and entities within the meaning of 18 U.S.C. § 1961(3).



### The RICO Enterprise

1  
2 86. At all relevant times, RACKETEERS, STRAUSS, DACM, ARCADIS, JACOBS,  
3 TYRELL, PUKPRAYURA and QDG constituted an association-in-fact within the meaning of  
4 U.S.C. § 1961(4).

5 87. The members of the Enterprise are a group of persons and companies associated together  
6 for the common purpose of carrying on an ongoing enterprise; specifically, the Enterprise had a  
7 common, unlawful goal of delaying a public construction project, for several years, using  
8 fraudulent, deceptive and criminal means, including but not limited to falsely implicating  
9 PINNER and its subcontractors as the cause of the delays for the common purpose of saving  
10 RACKETEERS professional reputations and earning themselves millions of additional dollars.

11 88. By virtue of RACKETEERS professional relationship as construction managers, program  
12 managers and architects retained by LACCD to perform services related to the Project, the  
13 Enterprise had an existence and legitimate business purpose separate and apart from racketeering  
14 activity itself.

15 89. As alleged hereinabove, the Enterprise affected interstate and foreign commerce by: (A)  
16 Delaying completion of a unique state-of-the-art facility that will attract non-resident students  
17 from other states and around the world; (B) the extra construction costs incurred by LACCD as a  
18 result of RACKETEERS bad faith conduct will deprive Los Angeles Valley College of needed  
19 funding from State, Local and Federal sources for current non-resident school and student  
20 services; (C) RACKETEERS bad faith conduct has damaged PINNER and its subcontractors,  
21 several of which are residents of other States; (D) JACOBS, ARCADIS and DACM are out of  
22 state corporations that have benefited financially from the Enterprise; and (E) STRAUSS is an  
23 employee of an out of state corporation who has benefited financially from the Enterprise.  
24  
25

1 90. The Enterprise was formed in early 2017 and remains ongoing and continuing to the  
2 present day.

3 91. Considering the nature of RACKETEERS long standing professional relationships and  
4 the nature of the Enterprise's goals, the longevity of the Enterprise is sufficient to permit  
5 RACKETEERS to continue the Enterprises ongoing goal of damaging the California taxpayers,  
6 PINNER and its subcontractors through the acts and omissions alleged hereinabove.

7 92. The members of the enterprise have longstanding inter-relationships rooted in their  
8 professional connections, in addition to common control, ongoing business dealings and mutual  
9 interest and participation in common activities and dealings.

10 93. The Enterprise has, or at all times relevant had, and organized, clearly delineated,  
11 ongoing organizational framework and command structure for carrying out its objectives lead by  
12 STRAUSS. STRAUSS and his employer DACM, who in addition to ARCADIS had a previous  
13 history of illegal conduct. In 2015 DACM's controller Arthur Cade was arrested for embezzling  
14 a total of \$500,000 from a combination of public agencies including Los Angeles Unified School  
15 District. Plaintiffs are informed and believe that STRAUSS and DACM concealed their previous  
16 misconduct from LACCD in order for DACM to obtain and/ or retain its contract for the Project.

17 94. STRAUSS as leader of the Enterprise, worked in tandem with TYRELL and his  
18 subordinate PUKPRAYURA whose intentional misconduct as alleged herein was repeatedly  
19 ratified by DACM, ARCADIS and JACOBS.  
20

21 95. No RACKETEER has withdrawn, or otherwise disassociated itself from the Enterprise.  
22

### 23 **The Predicate Acts**

24 96. §1961(1) of RICO provides that "racketeering activity" includes any act indictable under  
25 18 U.S.C. § 1341(relating to mail fraud), 18 U.S.C. § 1343 (related to wire fraud) and 18 U.S.C.

1 §1512 (related to tampering with at witness, victim or informant). As set forth herein, in  
2 furtherance of the scheme to defraud Plaintiffs, RACKETEERS engaged in numerous acts in  
3 violation of 18 U.S.C. § 1341, 1343 and 1512, including without limitation, as set forth herein.

4 97. Each RACKETEER has conducted and participated in, directly or indirectly, the  
5 management, conduct and/ or operation of the Enterprise and its affairs through a pattern of  
6 racketeering activity including acts indictable under 18 U.S.C. § 1341(mail fraud), 18 U.S.C. §  
7 1343 (wire fraud) and 18 U.S.C. § 1512 (tampering with at witness).

8 98. RACKETEERS have regularly and consistently committed acts of racketeering activity  
9 spanning from March 2017. The multiple acts shared a common related purpose, goal, result,  
10 participants, victims, and methods of commission.

11 99. As alleged in paragraphs 31 and 32, beginning or around March 2017, RACKETEERS  
12 commenced engaging in a wide-ranging and fraudulent scheme to concoct a false narrative that CCD  
13 19 should not be resubmitted, that building the Project without splices above 30' would not delay the  
14 Project, that the plans clearly precluded splicing above 30' and the Pinner and its subcontractors were  
15 not entitled to extra compensation. These statements were proven false and fraudulent at an  
16 arbitration which spanned the summer of 2021. Undaunted, Plaintiffs are informed and believe that  
17 RACKETEERS continued to willfully and maliciously delay the Project through misrepresentations  
18 and concealments made to LACCD's board and Chief Facilities Executive related to harvested wood,  
19 audio visual design and door hardware design and Trespa culminating with witness tampering related  
20 to executed DSA documents.  
21

22 100. RACKETEERS, through their deceptive and fraudulent conduct intended to mislead  
23 LACCD's board and Chief Facilities Executive, and the public at large and to impede, obstruct and  
24 falsely provoke LACCD to deny PINNER's claims related to the forgoing, forcing PINNER, its  
25

1 subcontractors and the California tax payers to expend millions of dollars on unnecessary dispute  
2 resolution procedures which included binding arbitration.

3 101. In furtherance of this scheme, the Defendants committed multiple related acts, each  
4 of which constitutes an act of racketeering activity, and which, collectively, constitute a pattern of  
5 racketeering activity.

6  
7 ***Mail Fraud (18 U.S.C. § 1341)***

8 102. In violation of 18 U.S.C. § 1341, on or about the specific dates alleged in this  
9 Complaint, RACKETEERS abused and exploited the United States Mail as a vehicle to enrich  
10 themselves while damaging PINNER, its Surety and subcontractors effecting commerce in  
11 California, Washington, Nevada, Texas, Delaware and Florida.

12 103. RACKETEERS were aware of, and active participants in, the conspiracy to violate  
13 the Mail Fraud and Other Fraudulent Offenses Act, 18 U.S.C. § 1341, and each of the  
14 RACKETEERS committed at least one act in furtherance of this goal.

15 ***Wire Fraud (18 U.S.C. § 1343)***

16 104. In violation of 18 U.S.C. § 1343, on or about the specific dates alleged in this  
17 Complaint RACKETEERS, and each of them, transmitted false, fraudulent and misleading reports to  
18 the DSA, LACCD's board and Chief Facilities Executive as a vehicle to enrich themselves while  
19 damaging PINNER, its Surety and its subcontractors effecting commerce in California, Washington,  
20 Nevada, Texas, Delaware and Florida.

21  
22 105. RACKETEERS were aware of, and active participants in, the conspiracy to violate  
23 the Fraud by Wire, Radio or Television Act, 18 U.S.C. § 1343, and each of the RACKETEERS  
24 committed at least one act in furtherance of this goal.

25 ***Witness Tampering (18 U.S.C. § 1512(b)(2)(B))***



1 of extra construction costs, overhead, claims consultant fees, legal fees, and related expenses incurred  
2 in connection with RACKETEERS intentional delay and interference at the Project, in addition to  
3 the loss of existing and future business opportunities for PINNER and its subcontractors.

4 113. California taxpayers were forced to incur expenses in an amount to be determined at  
5 trial, but estimated to be in excess of \$20,127,790 and continuing to accrue, in the form of wrongful  
6 payments to RACKETEERS, loss of use the Project, extra construction costs paid to PINNER and  
7 its subcontractors, unnecessary claims consultant fees, legal fees, and related expenses incurred in  
8 connection with RACKETEERS intentional delay and interference at the Project.

9 114. All of these injuries were sustained within, and were the result of conduct occurring  
10 within the United States.

11 115. The Plaintiffs are entitled to recover, pursuant to Title 18 United States Code §  
12 1964(c), treble damages in the amount to be determined by offer of proof at time of trial. The  
13 Plaintiffs are also entitled to recover attorneys' fees and costs of this litigation, as well as damages  
14 arising from lost profits and/or lost business opportunities attributable to the activities engaged in by  
15 RACKETEERS committed in furtherance of the Enterprise.

16 116. WHEREFORE, the Plaintiffs, respectfully request that this Court enter a Judgment  
17 for Plaintiffs and against the Defendants, STRAUSS, DACM, ARCADIS, JACOBS, TYRELL,  
18 PUKPRAYURA, QDG for damages, including Compensatory and Treble damages, costs, attorneys'  
19 fees, and such further and other relief as this honorable Court may deem just and proper.  
20

21 **THIRD CAUSE OF ACTION**

22 **(INTENTIONAL INTERFERENCE WITH CONTRACT)**

23 (Against STRAUSS, DACM, ARCADIS, JACOBS, TYRELL, PUKPRAYURA, QDG and  
24 DOES 1-50)  
25

1 117. Plaintiffs hereby incorporate by reference each and every allegation contained  
2 within paragraphs 1 through 116, as though fully set forth herein.

3 118. On or about July 16, 2009, PINNER entered into a valid design-build contract  
4 with LACCD construction of a new Science Complex located at the Los Angeles Harbor  
5 College, (“HARBOR”).

6 119. On or about September 18, 2016, PINNER entered into a valid construction  
7 services agreement with LACCD for construction of the Valley Academic and Cultural Center at  
8 Los Angeles Valley College, (“Project”).

9 120. On or about September 18, 2016, PINNER entered into a valid construction  
10 contract with Los Angeles Unified School District for the TAFT project. The contracts for  
11 HARBOR, the Project and TAFT are hereinafter collectively referred to as “CONTRACTS”)

12 121. STRAUSS, as an employee of DACM, is, and at all times mentioned was, a third-  
13 party, independent contractor, acting pursuant to contract with LACCD as the College Project  
14 Director for the Project.  
15

16 122. ARCADIS, is a third-party, independent contractor, acting pursuant to contract  
17 with LACCD as a construction manager for both the HARBOR and the Project construction  
18 contracts, and who subcontracted the College Project Director position for the Project to DACM.

19 123. JACOBS is, and at all times mentioned was, a third-party, independent contractor,  
20 acting pursuant to contract with LACCD as Program Manager for all projects currently under  
21 construction by LACCD.

22 124. QDG is, and at all times mentioned was, a third-party, independent contractor,  
23 acting pursuant to contract with LACCD as the Architect of Record for the Project.  
24  
25

1           125.       TYRELL, is the President of QDG, and was, at all times mentioned a licensed  
2 California Architect.

3           126.       PUKPRAYURA, is an employee of QDG, and was, at all times mentioned a  
4 licensed California Architect.

5           127.       RACKETEERS, and each of them, had knowledge of the existence of the  
6 CONTRACTS.

7           128.       RACKETEERS, and each of them, were strangers to the CONTRACTS.

8           129.       RACKETEERS were not the agents of LACCD in committing the intentional  
9 acts, willful misrepresentations and malicious concealments alleged herein. RACKETEERS  
10 were never authorized by anyone to contract Los Angeles Unified School District for any  
11 purpose related to PINNER. RACKETEERS, were also, pursuant to the terms of their respective  
12 agreements never granted discretionary authority to act on behalf of LACCD with regard to: (A)  
13 Inducing PINNER to execute the “no cost” time extension change order son HARBOR; (B)  
14 Resubmitting CCD 19 on the Project; (C) Ordering PINNER to build the Project without splices  
15 above 30’; (D) Changing the design of the harvested wood for the Project; (E) Changing the  
16 design of the audio visual and door hardware for the Project; (F) Ordering PINNER and its  
17 subcontractors to remove and replace the Trespa system on Building “D” for the Project; or (G)  
18 Refusing to timely offer fair compensation in response to change orders requests and/ or claims  
19 submitted by PINNER for these issues at both HARBOR and the Project.  
20

21           130.       Plaintiffs are informed and believe and based thereon allege that LACCD was  
22 induced to breach its Contract with PINNER for the Project by committing the acts listed in  
23 Paragraph 129 (B) through (G) above, based on RACKETEERS willful misrepresentations and  
24 concealments as alleged in this Complaint.  
25



1           131.       RACKETEERS are not immune from liability for the acts alleged herein because:  
2 (A) “the Managers Privilege does not exempt a manger from liability when he or she tortiously  
3 interferes with a contract or relationship between third parties” (*Asahi Kasei Pharma*  
4 *Corporation v. Actelion Ltd.* (2013) 222 Cal.App.4<sup>th</sup> 945, 967); and/ or (B) RACKETEERS, and  
5 each of them, acted with personal motives, to protect their professional reputations, while having  
6 a “material financial interest”, with no regard to the best interest of LACCD (*Huynh v. Vu* (2003)  
7 111 Cal.App.4<sup>th</sup> 1383, 1398.

8           132.       As a direct and proximate result of RACKETEERS’ actions, the Plaintiffs have  
9 suffered, and continue to suffer, significant damages, including but not limited to, actual,  
10 compensatory, special, incidental, and consequential damages in addition to costs of defense and  
11 attorneys’ fees.

12           133.       PINNER and its subcontractors were forced to incur expenses in an amount to be  
13 determined at trial, but estimated to be \$5mil on HARBOR in excess of \$24,879,570 on the Project  
14 and continuing to accrue, in the form of extra construction costs, overhead, claims consultant fees,  
15 legal fees, and related expenses incurred in connection with RACKETEERS intentional delay and  
16 interference at the Project, in addition to the loss of existing and future business opportunities for  
17 PINNER and its subcontractors.

18           134.       California taxpayers were forced to incur expenses in an amount to be determined at  
19 trial, but estimated to be in excess of \$20,127,790 and continuing to accrue, in the form of wrongful  
20 payments to RACKETEERS, loss of use the Project, extra construction costs paid to PINNER and  
21 its subcontractors, unnecessary claims consultant fees, legal fees, and related expenses incurred in  
22 connection with RACKETEERS intentional delay and interference at the Project.

23           135.       WHEREFORE, the Plaintiffs respectfully request that this Court enter a Judgment for  
24 Plaintiffs and against the Defendants, STRAUSS, DACM, ARCADIS, JACOBS, TYRELL,  
25

1 PUKPRAYURA, QDG for damages, including Compensatory and Punitive damages, costs, and  
2 such further and other relief as this honorable Court may deem just and proper.

3 **FOURTH CAUSE OF ACTION**

4 **(Implied Contractual Indemnity)**

5 (Against STRAUSS, DACM, ARCADIS, JACOBS, TYRELL, PUKPRAYURA, QDG and  
6 DOES 1-50)

7 136. Plaintiffs hereby incorporate by reference each and every allegation contained  
8 within paragraphs 1 through 135, as though fully set forth herein.

9 137. RACKETEERS and each of them breached their respective contracts with  
10 LACCD through the acts and omission alleged herein.

11 138. The contracts RACKETEERS undertook to perform services for LACCD  
12 necessarily implied an obligation to perform the services involved in a proper manner and to  
13 discharge foreseeable damages to third-parties resulting from improper performance.

14 139. PINNER and its subcontractors were forced to incur expenses in an amount to be  
15 determined at trial, but estimated to be \$5mil on HARBOR in excess of \$24,879,570 on the Project  
16 and continuing to accrue, in the form of extra construction costs, overhead, claims consultant fees,  
17 legal fees, and related expenses incurred in connection with RACKETEERS intentional delay and  
18 interference at the Project, in addition to the loss of existing and future business opportunities for  
19 PINNER and its subcontractors.

20 140. California taxpayers were forced to incur expenses in an amount to be determined at  
21 trial, but estimated to be in excess of \$20,127,790 and continuing to accrue, in the form of wrongful  
22 payments to RACKETEERS, loss of use the Project, extra construction costs paid to PINNER and  
23 its subcontractors, unnecessary claims consultant fees, legal fees, and related expenses incurred in  
24 connection with RACKETEERS intentional delay and interference at the Project.  
25

1 141. WHEREFORE, the Plaintiffs respectfully request that this Court enter a Judgment for  
2 Plaintiffs and against the Defendants, STRAUSS, DACM, ARCADIS, JACOBS, TYRELL,  
3 PUKPRAYURA, QDG for damages for implied contractor indemnity and such further and other  
4 relief as this honorable Court may deem just and proper.

5 **FIFTH CAUSE OF ACTION**

6 **(Temporary and Permanent Injunction Based on Unfair Competition [Business and  
7 Professions Code §17203)**

8 (Against LACCD, STRAUSS, DACM, ARCADIS, JACOBS, TYRELL, PUKPRAYURA, QDG  
9 and DOES 1-50)

10 142. Plaintiffs hereby incorporate by reference each and every allegation contained  
11 within paragraphs 1 through 141, as though fully set forth herein.

12 143. RACKETEERS, acts and omissions as alleged herein were and are unlawful,  
13 unfair and fraudulent business acts and practices as those terms are defined by Business and  
14 Professions Code § 17200.

15 144. Plaintiffs are among the class of persons who have standing to pursue an injunction  
16 because they have suffered actual injury and damages as a result of RACKETEERS wrongful conduct  
17 pursuant to Business and Professions Code § 17204.

18 145. Business and Professions Code § 17203 states that “any person who engages, has  
19 engaged, or proposes to engage in unfair competition may be enjoined in any court of competent  
20 jurisdiction. The court may make such orders or judgments, including the appointment of a receiver, as  
21 may be necessary to prevent the use or employment by any person of any practice which constitutes  
22 unfair competition, as defined in this chapter.”

23 146. WHEREFORE, the Plaintiffs respectfully request that this Court issue a temporary and  
24 permanent injunction directing LACCD to prohibit Defendants, STRAUSS, DACM, ARCADIS,  
25

JACOBS, TYRELL, PUKPRAYURA, QDG from having any further involvement in the Project until the date of its final completion and acceptance by LACCD.

Date: August 02, 2022

  
\_\_\_\_\_  
Newton W. Kellam  
Attorney for Plaintiffs DIRK T. GRIFFIN,  
PINNAR CONSTRUCTION CO., INC.,  
MECHANICAL TECHNOLOGY  
SYSTEMS, INC., and MCGUIRE  
CONTRACTING, INC.