

**ORANGE COUNTY
DISTRICT ATTORNEY****PRESS RELEASE****TONY RACKAUCKAS,
District Attorney**

Susan Kang Schroeder, *Chief of Staff*
Office: 714-347-8408
Cell: 714-292-2718

Roxi Fyad, *Spokesperson*
Office: 714-347-8405
Cell: 714-323-4486



Case # 13CF3959

Date: March 23, 2015

**CONSTRUCTION COMPANY FOREMAN SENTENCED FOR DEFRAUDING
EMPLOYEES BY TAKING \$330,000 IN WAGES FROM TWO PUBLIC WORKS
CONTRACTS AND BURGLARIZING NEIGHBOR'S HOME**

***Co-defendant in this case is scheduled for a preliminary hearing tomorrow**

SANTA ANA – A construction company foreman was convicted and sentenced Friday for defrauding employees of \$330,000 in wages and keeping the money for himself from two public works contract. Antonio Naranjo Jr., 41, Costa Mesa, pleaded guilty Friday, March 20, 2015, to 11 felony counts of taking and receiving a portion of a worker's wage on public works project and two felony counts of recording a false and forged instrument. He was sentenced to four years and six months in state prison. Naranjo Jr. is currently serving two years and eight months in state prison for a residential burglary conviction in 2012 (Case #12HF3186) and will now serve seven years and four months in state prison.

Co-defendant and construction company owner Mustafa Mohamed Bdaiwi, 43, Irvine, is charged with 11 felony counts of taking and receiving a portion of a worker's wage on public works project, 10 felony counts of willful failure to pay tax, four felony counts of misrepresenting facts to state compensation insurance fund, two felony counts of recording a false and forged instrument, and sentencing enhancements for property loss over \$200,000. If convicted on all counts, he faces a maximum sentence of 21 years in state prison. He is out of custody on \$2 million bail and is scheduled for a preliminary hearing tomorrow, March 24, 2015, at 8:30 a.m. in Department C-55.

Naranjo Jr. was convicted of and Bdaiwi is accused of committing the following crimes:

At the time of the crime, Bdaiwi owned a construction company, Malcon Civils Inc. (MCI). Naranjo Jr. worked for Bdaiwi as his project administrator at MCI. In December 2010, Bdaiwi was awarded a project by the City of Irvine and given contracts to do work at an Irvine elementary school. Bdaiwi and Naranjo Jr. are constructed a wall, which later began to lean over and subsequently needed to be removed due to faulty construction and causing a safety hazard. The defendants were awarded a

project by the City of Hemet, and upon completion, embezzling the funds meant to be used to pay their workers for the construction.

Between Jan. 11, 2011, and Aug. 10, 2011, Bdaiwi and Naranjo Jr. required workers to return a portion of their wages and threatening to terminate their employment if they did not comply. Over the course of the two projects, the defendants submitted fraudulent and forged certified payroll records showing the correct amount due to his staff for proper bookkeeping. The defendants had employees return some of their wages back to them and keeping that money for their own personal use.

In 2011, the Center for Contract Compliance started an investigation into Bdaiwi and Naranjo Jr. and shortly thereafter contacted the OCDA to further investigate the case.

Bdaiwi is being prosecuted by the Orange County District Attorney's Office (OCDA) for embezzling funds from their workers during the construction projects in Irvine and Hemet.

On March 15, 2012, Naranjo broke into his neighbor's Newport Beach home and stole an iPad from the living room and jewelry from the victim's bedroom. The case was reported to the Newport Beach Police Department (NBPD), who investigated the burglary. NBPD officers identified and arrested Naranjo Jr. after discovering the defendant's DNA on items in the victim's bedroom.

Deputy District Attorney Donde McCament of the Insurance Fraud Unit is prosecuting this case.

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