



Public Works Department

Alfredo Quintero Jr., EI, CFM, CGC, CCC
Public Works Director
ISA Certified Arborist

MEMORANDUM

Date: March 7, 2018
To: Rafael Casals, Town Manager
From: Alfredo Quintero, Public Works Director *MQJ*
Reference: Award of ITB No. 17-10 Manta Drive Roadway Improvement Project

Please be advised on January 31, 2018 at 10:00 AM the public forum for the bid opening of Invitation to Bid (ITB) No. 17-10 Manta Drive Roadway Improvement Project was held at Town Hall and fifteen (15) potential bidders were in attendance as well as the Construction Engineering Inspector (R.J. Behar & Company). At the bid opening on February 22, 2018 at 3:00 PM five (5) bid packages were opened and read publicly. Please see **Attachment "I"** for bid opening results. The bid tabulation packages ranked from lowest to highest as follows:

<u>Bidder's Name:</u>	<u>Total Bid Amount</u>
1. Metro Express, Inc.	\$357,007.50
2. Florida Engineering & Development Corp	\$377,500.00
3. Acosta Tractor, Inc.	\$426,973.09
4. Roadway Construction LLC	\$480,876.19
5. F.H. Paschen/FHP Tectonics Corp	\$491,779.00

In order to properly evaluate the lowest responsive and responsible Bidder, the Town of Cutler Bay Public Works Department performed a thorough reference check of **Metro Express, Inc.**

Metro Express, Inc.:

A comprehensive Bid Submittal Review was completed by the Town's Public Works Department which verified **Metro Express, Inc.** is a Florida Department of Transportation (FDOT) Prequalified Contractor at the time of bid opening and the recommendation of Metro Express, Inc. as the lowest and responsive bidder. Based on the bid package review and reference checks performed by the Public Works Department, the lowest bidder has been in business for twenty-one (21) years. A complete review was performed on **Metro Express Inc.**, which included the following:

- Contacting all of the provided references, as per ITB No. 17-10 (**Attachment II**)
- Town Staff, Contractor and Subcontractor facilities inspection, as per ITB No. 17-10 (**Attachment III**)
- Confirmation of "good standing" with the State of Florida Department of Business and Professional Regulations which, included any registered complaints. (**Attachment IV**)





- Financial Statement (*Attachment "V"*)
- Insurance Certificates (*Attachment "VI"*)
- FDOT Prequalified Contractors List (*Attachment "VII"*)

DEPARTMENT RECOMMENDATION:

The Department recommends that **Metro Express, Inc.** is the lowest responsive/responsible bidder (\$357,007.50) and should be awarded ITB No. 17-10 Manta Drive Roadway Improvement Project, based on their experience, available work force, and project management.

ATTACHMENTS:

Attachment I – Bid Opening Results
Attachment II – References
Attachment III – Facilities Inspection
Attachment IV – Florida Department of Business and Professional Regulations
Attachment V – Financial Statement
Attachment VI – Insurance Certificates
Attachment VII - FDOT Prequalified Contractors List





TOWN OF CUTLER BAY
BID OPENING - ITB#17-10
MANTA DRIVE ROADWAY IMPROVEMENT PROJECT
THURSDAY, FEBRUARY 22, 2018 – 3:00PM

<u>NAME</u>	<u>ADDRESS</u>	<u>TOTAL BID AMOUNT</u>
F. H. Paschen/FHP Tectonics Corp	2501 East Commercial Boulevard, FT Lauderdale, FL 33308	\$491,779.00
Florida Engineering & Development Corp	12076 NW 98 Ave, Hialeah Gardens, FL 33018	\$377,500.00
Metro Express Inc.	9442 NW 109 ST, Medley, FL 33178	\$357,007.50
Roadway Construction LLC	12391 SW 130 ST, Miami, FL 33186	\$480,876.19
Acosta Tractors Inc.	11986 NW 97 AVE, Hialeah Gardens, FL 33018	\$426,973.09



Public Works Department

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REFERENCE CHECK

Contract – ITB #17-10 – Manta Drive Roadway Improvement Project

BIDDER/PROPOSER COMPANY NAME: METRO EXPRESS, INC.

Name of Person providing reference information:	Julia H. Abraham
Telephone Number:	(305) 609-5702
E-mail Address	abraham@coralgables.com
Reference Project Description/Name:	Citywide ROW Improvements

Please answer the following questions regarding services provided by the bidder/proposer listed above.

You may email your response to: Alfredo Quintero, Jr., Public Works Director at aquintero@cutlerbay-fl.gov or fax at (305) 234-4251

QUESTIONS:

1. Rate the level of commitment of the contractor to your project. Did the contractor devote the time and personnel necessary to successfully complete your project?

1 Lowest	2	3	4	5 Highest
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2. Rate the competence and accessibility of the personnel directing, supervising and performing the work on your project.

1 Lowest	2	3	4	5 Highest
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3. Rate the contractor's success at keeping you updated and informed about the progression of the project, particularly when special needs or problems arise.

1 Lowest	2	3	4	5 Highest
----------	---	---	---	-----------





4. Rate the contractor's success at completing tasks within the timeline established for completion of your project.

1 Lowest	2	3	4	5 Highest

5. Rate the contractor's success at completing your project within the contract price.

1 Lowest	2	3	4	5 Highest

6. Rate the contractor's success at completing your project according to specifications and design standards.

1 Lowest	2	3	4	5 Highest

7. Rate the accessibility of the contractor after completion of your project.

1 Lowest	2	3	4	5 Highest

8. Rate the overall performance of the contractor on your project.

1 Lowest	2	3	4	5 Highest

9. If you had a similar project to undertake in the future, would the contractor be considered to perform the work?

YES ☒ NO ☐

10. Description of the job performed:

DRAINAGE Improvement, Traffic Improvement, Sidewalk Installation and, Replacement, Alley Improvement @ various locations





Additional Comments:

Responsive, accessible, good workmanship, fast solving problems

PERSON PROVIDING REFERENCE PLEASE PRINT NAME:	Julia Abraham
PLEASE PRINT TITLE:	Julia Abraham

SIGNATURE: _____

Date: _____





Public Works Department

Alfredo Quintero Jr., EI, CFM, CGC, CCC
Public Works Director
ISA Certified Arborist

REFERENCE CHECK

Contract – ITB #17-10 – Manta Drive Roadway Improvement Project

BIDDER/PROPOSER COMPANY NAME: METRO EXPRESS, INC.

Name of Person providing reference information:	Lazaro Garaboa
Telephone Number:	305) 805-5170 ext 4225
E-mail Address	garaboa@miamisprings-fl.gov
Reference Project Description/Name:	Milling Paving stripping & sidewalks

Please answer the following questions regarding services provided by the bidder/proposer listed above.

You may email your response to: Alfredo Quintero, Jr., Public Works Director at aquintero@cutlerbay-fl.gov or fax at (305) 234-4251

QUESTIONS:

1. Rate the level of commitment of the contractor to your project. Did the contractor devote the time and personnel necessary to successfully complete your project?

1 Lowest	2	3	4	5 Highest
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2. Rate the competence and accessibility of the personnel directing, supervising and performing the work on your project.

1 Lowest	2	3	4	5 Highest
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3. Rate the contractor's success at keeping you updated and informed about the progression of the project, particularly when special needs or problems arise.

1 Lowest	2	3	4	5 Highest
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4. Rate the contractor's success at completing tasks within the timeline established for completion of your project.

1 Lowest	2	3	4	5 Highest
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5. Rate the contractor's success at completing your project within the contract price.

1 Lowest	2	3	4	5 Highest
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6. Rate the contractor's success at completing your project according to specifications and design standards.

1 Lowest	2	3	4	5 Highest
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7. Rate the accessibility of the contractor after completion of your project.

1 Lowest	2	3	4	5 Highest
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8. Rate the overall performance of the contractor on your project.

1 Lowest	2	3	4	5 Highest
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9. If you had a similar project to undertake in the future, would the contractor be considered to perform the work?

YES ☒ NO ☐

10. Description of the job performed:

Sidewalk, Milling, Paving & stripping



Additional Comments:

PERSON PROVIDING REFERENCE PLEASE PRINT NAME:	Lazaro Garaboa
PLEASE PRINT TITLE:	Project Manager

SIGNATURE: L. Garaboa Date: 3-6-18



**Public Works Department**

Alfredo Quintero Jr., EI, CFM, CGC, CCC
Public Works Director
ISA Certified Arborist

REFERENCE CHECK

Contract – ITB #17-10 – Manta Drive Roadway Improvement Project

BIDDER/PROPOSER COMPANY NAME: METRO EXPRESS, INC.

Name of Person providing reference information:	LUIS MENDOZA
Telephone Number:	305 494 0220
E-mail Address	LMENDOZA@MANAGARDENS-FL.GOV
Reference Project Description/Name:	SIDWALK REPLACEMENT & INSTALLATION

Please answer the following questions regarding services provided by the bidder/proposer listed above.

You may email your response to: Alfredo Quintero, Jr., Public Works Director at aquintero@cutlerbay-fl.gov or fax at (305) 234-4251

QUESTIONS:

1. Rate the level of commitment of the contractor to your project. Did the contractor devote the time and personnel necessary to successfully complete your project?

1 Lowest	2	3	4	5 Highest

✓

2. Rate the competence and accessibility of the personnel directing, supervising and performing the work on your project.

1 Lowest	2	3	4	5 Highest

✓

3. Rate the contractor's success at keeping you updated and informed about the progression of the project, particularly when special needs or problems arise.

1 Lowest	2	3	4	5 Highest

✓



4. Rate the contractor's success at completing tasks within the timeline established for completion of your project.

1 Lowest	2	3	4	5 Highest

✓

5. Rate the contractor's success at completing your project within the contract price.

1 Lowest	2	3	4	5 Highest

✓

6. Rate the contractor's success at completing your project according to specifications and design standards.

1 Lowest	2	3	4	5 Highest

✓

7. Rate the accessibility of the contractor after completion of your project.

1 Lowest	2	3	4	5 Highest

✓

8. Rate the overall performance of the contractor on your project.

1 Lowest	2	3	4	5 Highest

✓

9. If you had a similar project to undertake in the future, would the contractor be considered to perform the work?

YES [✓] NO []

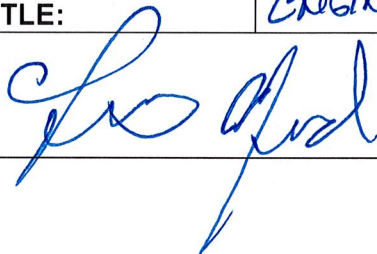
10. Description of the job performed:

METRO HAS WORKED FOR MANY GARDENS FOR FIVE YEARS. THEY HAVE DONE DRAINAGE INSTALLATION, MILLING AND RE-SURFACING AND SIDEWALKS REPAIR & INSTALLATION.



Additional Comments:

PERSON PROVIDING REFERENCE PLEASE PRINT NAME:	LUIS MENDOZA
PLEASE PRINT TITLE:	ENGINEERING PROJECT COORDINATOR

SIGNATURE:  Date: 3/7/18





Facility Inspection

Metro Express, Inc.
9442 NW 109 Street
Medley, FL 33178









Licensee Details

Licensee Information	
Name:	TRASOBARES, DELIO ALBERT (Primary Name) METRO EXPRESS INC (DBA Name)
Main Address:	9442 N.W 109 ST MEDLEY Florida 33178
County:	DADE
License Mailing:	
LicenseLocation:	9442 N.W. 109 ST MEDLEY FL 33178
County:	DADE
License Information	
License Type:	Certified General Contractor
Rank:	Cert General
License Number:	CGC050965
Status:	Current,Active
Licensure Date:	07/28/1990
Expires:	08/31/2018
Special Qualifications	Qualification Effective
Construction Business	02/20/2004
Alternate Names	
View Related License Information	
View License Complaint	

2601 Blair Stone Road, Tallahassee FL 32399 :: Email: **Customer Contact Center** :: Customer Contact Center: 850.487.1395

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However email addresses are public record. If you do not wish to supply a personal address, please provide the Department with an email address which can be made available to the public.

Complaint Details

Below is a listing of public complaints regarding the person or entity selected. This may not reflect all public complaints filed with the Department; for example, all complaints against Community Association Managers (CAMs) are available to the public, regardless of whether any appear below, and may be requested directly from the Department. The Department is also precluded from disclosing any complaints which are confidential pursuant to Florida Statutes.

If you would like a full list of public complaints against an individual or entity or to make a public records request for complaints listed please visit our [Public Records](#) page.

You can search for public records pertaining to unlicensed activity complaints through an additional database by visiting our [Search Unlicensed Activity Complaints](#) page. For more information about CAM complaints, please visit the [CAMs page](#).

Name:

The Status and Discipline Description below is only the status of a complaint. To see the status of this license select the "Back" button to return to the Licensee Details page.

Number	Class	Incident Date	Status	Disposition	Disposition Date	Discipline Date - Description
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2601 Blair Stone Road, Tallahassee FL 32399 :: Email: [Customer Contact Center](#) :: Customer Contact Center: 850.487.1395

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Under Florida law, email addresses are public records. If you do not want your email address released in response to a public-records request, do not send electronic mail to this entity. Instead, contact the office by phone or by traditional mail. If you have any questions, please contact 850.487.1395. *Pursuant to Section 455.275(1), Florida Statutes, effective October 1, 2012, licensees licensed under Chapter 455, F.S. must provide the Department with an email address if they have one. The emails provided may be used for official communication with the licensee. However email addresses are public record. If you do not wish to supply a personal address, please provide the Department with an email address which can be made available to the public.

**FINANCIAL STATEMENTS AND
INDEPENDENT ACCOUNTANTS' REVIEW REPORT**

METRO EXPRESS, INC.

June 30, 2017

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**HERNANDEZ & TACORONTE, P.A.**

Certified Public Accountants

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Stockholder of
Metro Express, Inc.

We have reviewed the accompanying financial statements of Metro Express, Inc. which comprise the balance sheet as of June 30, 2017, and the related statements of income and retained earnings, and cash flows for the six months then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our report.

Accountants' Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Other Matter

The supplementary information contained in the accompanying Schedules I, II, III and IV is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The supplementary information has been subjected to the review procedures applied in our review of the basic financial statements. We are not aware of any material modifications that should be made to the supplementary information. We have not audited the supplementary information and, do not express an opinion on such information.

Miami, Florida
July 25, 2017

8500 West Flagler Street • Suite B-208 • Miami, Florida 33144

Tel: (305) 225-8646 • Fax: (305) 226-2446

Metro Express, Inc.
Balance Sheet
 June 30, 2017
 (See independent accountants' review report)

ASSETS

CURRENT ASSETS

Cash	\$ 4,295,974
Contracts receivable	3,955,676
Cost and estimated earnings in excess of billings on uncompleted contracts	1,075,025
Due from affiliate	577,869
Refundable deposit	<u>18,363</u>
Total current assets	9,922,907

PROPERTY AND EQUIPMENT – NET

1,908,157

Total assets

\$ 11,831,064

LIABILITIES AND STOCKHOLDER'S EQUITY

CURRENT LIABILITIES

Accounts payable and accrued expenses	\$ 3,504,242
Billings in excess of cost and estimated earnings on uncompleted contracts	3,493,420
Installment loans payable, current	<u>285,716</u>
Total current liabilities	7,283,378

INSTALLMENT LOANS PAYABLE

519,133

Total liabilities

7,802,511

STOCKHOLDER'S EQUITY

Common stock – \$1 par value, 500 shares authorized, issued and outstanding	500
Paid-in capital	1,383,337
Retained earnings	<u>2,644,716</u>

Total stockholder's equity

4,028,553

Total liabilities and stockholder's equity

\$ 11,831,064

The accompanying notes are an integral part of this statement

Metro Express, Inc.
Statement of Income and Retained Earnings
 For the six months ended June 30, 2017
 (See independent accountants' review report)

Contracts revenues earned	\$ 11,694,024
Cost of revenues earned	<u>8,887,065</u>
Contracts gross profit	2,806,959
General and administrative expenses	<u>1,026,524</u>
Income from operations	<u>1,780,435</u>
Other income (expense)	
Other income	55,334
Interest expense	<u>(5,180)</u>
	<u>50,154</u>
Net income	1,830,589
Retained earnings, January 1, 2017	1,059,242
Distributions	<u>(245,115)</u>
Retained earnings, June 30, 2017	<u><u>\$ 2,644,716</u></u>

The accompanying notes are an integral part of this statement

Metro Express, Inc.
Statement of Cash Flows
 For the six months ended June 30, 2017
 (See independent accountants' review report)

Cash flows from operating activities

Net income	\$ 1,830,589
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation	260,372
Changes in assets and liabilities (Increase) decrease:	
Contracts receivable	544,621
Cost and estimated earnings in excess of billings on uncompleted contracts	(924,575)
Due from affiliate	(41,163)
Increase (decrease):	
Accounts payable and accrued expenses	449,845
Billings in excess of cost and estimated earnings on uncompleted contracts	<u>(1,149,241)</u>
Net cash provided by operating activities	<u>970,448</u>

Cash flows from investment activities

Acquisition of equipment	(579,691)
Disposition of fixed assets	<u>107,694</u>
Net cash used in investing activities	<u>(471,997)</u>

Cash flows from financing activities

Net borrowing of installment loans	53,065
Distributions	<u>(245,115)</u>
Net cash used in financing activities	<u>(192,050)</u>

INCREASE IN CASH 306,401

Cash at January 1, 2017 3,989,573

Cash at June 30, 2017 \$ 4,295,974

Supplementary cash flows disclosure:

Cash paid for interest \$ 5,180

The accompanying notes are an integral part of this statement

Metro Express, Inc.
Notes to Financial Statements
June 30, 2017
(See independent accountants' review report)

NOTE A – ORGANIZATION AND NATURE OF OPERATIONS

Metro Express, Inc. (the Company) is a Florida corporation incorporated in 1996. The Company is engaged in general contracting work.

The length of the contracts varies but is typically between one and two years. In accordance with normal practice in the construction industry, the Company includes asset and liability accounts relating to construction contracts in current assets and liabilities even when such amounts are realizable or payable over a period in excess of one year.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of the Company is presented to assist in understanding its financial statements. These financial statements are representations of the Company's management who is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

1. Revenue Recognition

The Company recognizes revenues on contracts using the percentage-of-completion method. Under this method, the percentage of contract revenue to be recognized currently is computed as that percentage of estimated total revenue that incurred costs to date bear to total estimated costs, after giving effect to the most recent estimates of cost to complete. It is reasonably possible that changes in cost and revenue estimates may occur in the near term. Revisions in cost and revenue are reflected in the period in which the facts which require the revision become known. When the revised cost estimates indicate a loss on an individual contract, the total estimated loss is provided for currently in its entirety without regard to the percentage of completion.

Contract costs include direct material and labor costs and those indirect costs related to contract performance, such as indirect labor, supplies, equipment rental, repairs and subcontractor costs. Selling, general and administrative expenses are charged to operations as incurred.

The asset, "costs and estimated earnings in excess of billings on uncompleted contracts," represents revenues recognized in excess of amounts billed. The liability "billings in excess of costs and estimated earnings on uncompleted contracts," represents billings in excess of revenues recognized.

Metro Express, Inc.
Notes to Financial Statements - Continued
 June 30, 2017
 (See independent accountants' review report)

NOTE B – Continued

2. Concentration of Credit Risk

Financial instruments which potentially subject the Company to concentration of credit risk consist principally of bank deposits. At June 30, 2017, the Company had bank deposits in excess of FDIC coverage. Contracts receivable are primarily from local municipal governments. The Company performs ongoing evaluations of its accounts receivable and monitors its exposure for credit losses.

3. Property, Equipment and Depreciation

Property and equipment are stated at cost. Depreciation is provided on the straight-line basis over the estimated service lives of the assets, ranging from five to thirty-nine years.

4. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE C – INCOME TAXES

The Company uses the percentage of completion method of reporting income from long-term construction contracts for financial statement purposes and for income tax purposes.

The Company has elected to be treated as a Subchapter S-Corporation. As an S-Corporation, the Company passes through items of income and expense to the stockholder each year, and thus pays no federal corporate income tax itself. However, the Company generally distributes funds to the shareholder through bonuses and/or capital distributions to pay income taxes attributable to corporate earnings.

At June 30, 2017, current federal income tax liabilities passed through to the shareholder using an estimated effective rate of 39% are summarized as follows:

Estimated taxable income pass-through to stockholder	\$ 1,830,589
Estimated effective tax rate	<u>39%</u>
Estimated stockholder's current tax liability	713,930
Less: estimated tax deposits and credits	<u>58,394</u>
Net stockholder's current federal tax due	<u>\$ 655,536</u>

Metro Express, Inc.
Notes to Financial Statements - Continued
 June 30, 2017
 (See independent accountants' review report)

NOTE C – Continued

Although not accrued in the accompanying financial statements, deferred federal income taxes passed through to the stockholder at June 30, 2017 are summarized as follows:

	<u>Current</u>	<u>Long-Term</u>	<u>Total</u>
Differences in depreciation methods	\$ 5,903	\$ 23,610	\$ 29,513
Differences in revenue recognition related to the completed contract method for long-term contracts	<u>145,104</u>	<u>580,415</u>	<u>725,519</u>
Net deferred federal tax liability pass-through	<u>\$ 151,007</u>	<u>\$ 604,025</u>	<u>\$ 755,032</u>

NOTE D – CONTRACTS RECEIVABLE

At June 30, 2017, contracts receivable billed consisted of the following:

Billed		
Completed contracts		\$ 802,270
Contracts in progress		
Due	\$ 2,561,110	
Retainage	<u>734,144</u>	
		<u>3,295,254</u>
		4,097,524
Less: Allowance for bad debt		<u>141,848</u>
		<u>\$ 3,955,676</u>
These receivables are aged as follows:		
0 - 30 days		\$ 2,750,499
31 - 60 days		37,944
61 - 90 days		47,040
Over 90 days		527,897
Retainage		<u>734,144</u>
		<u>\$ 4,097,524</u>

The Company collected approximately \$1,616,829 of the receivables through July 25, 2017, which includes \$155,943 of receivables older than 90 days.

Metro Express, Inc.
Notes to Financial Statements - Continued
 June 30, 2017
 (See independent accountants' review report)

NOTE E – PROPERTY AND EQUIPMENT

At June 30, 2017, property and equipment consisted of the following:

Machinery and equipment	\$ 5,411,711
Trucks and trailers	1,739,759
Building	<u>22,541</u>
	7,174,011
Less accumulated depreciation	<u>5,265,854</u>
	<u><u>\$ 1,908,157</u></u>

During the six months ended June 30, 2017, depreciation expense of \$260,372 was charged to operations.

NOTE F – COSTS AND ESTIMATED EARNINGS ON UNCOMPLETED CONTRACTS

At June 30, 2017, cost and estimated earnings on uncompleted contracts consisted of the following:

Costs incurred on uncompleted contracts	\$ 13,475,551
Estimated earnings	<u>1,383,273</u>
	14,858,824
Less billings to date	<u>17,277,219</u>
	<u><u>\$ (2,418,395)</u></u>

Presented in the accompanying balance sheet under the following caption:

Costs and estimated earnings in excess of billings on uncompleted contracts	\$ 1,075,025
Billings in excess of costs and estimated earnings on uncompleted contracts	<u>(3,493,420)</u>
	<u><u>\$ (2,418,395)</u></u>

NOTE G – LINE OF CREDIT

The Company has a line of credit with a bank in the amount of \$2,750,000 at 3.75% interest rate. Principal is payable on demand and interest is payable monthly. Renewals are at the lender's discretion. Advances are secured by a general business security agreement on all of the Company's present and future assets and real estate owned by the stockholder. At June 30, 2017, there were no advances under this line of credit.

Metro Express, Inc.
Notes to Financial Statements - Continued
 June 30, 2017
 (See independent accountants' review report)

NOTE H – INSTALLMENT LOANS PAYABLE

The Company financed the acquisition of equipment and other assets with installment loans payable in monthly installments totaling approximately \$25,364 at interest rates ranging from 0 to 6.14%.

Principal payments due for the years ending June 30, 2017 are:

2017	\$ 285,716
2018	284,139
2019	205,808
2020	29,186
2021	<u>-</u>
Total	804,849
Less current portion	<u>285,716</u>
LONG-TERM DEBT	<u>\$ 519,133</u>

NOTE I – ASSIGNMENT OF RIGHTS AND PROPERTY UNDER INDEMNITY AGREEMENT

In order to procure a bonding line, the Company has assigned certain rights and property collateral to secure its obligations under the indemnity agreements. These rights consist principally of rights under construction contracts, subcontracts, insurance policies and legal claims. The property assigned consists of all property and equipment, cash and accounts receivable.

NOTE J – BACKLOG

The following schedule summarizes changes in backlog on contracts during the year ended June 30, 2017. Backlog represents the amount of revenue the Company expects to realize from uncompleted contracts in progress at period end and from contractual agreements on which work has not yet begun:

Balance at January 1, 2017	\$ 12,244,633
New contracts	<u>11,887,672</u>
	24,132,305
Less: revenues earned during the period	<u>11,694,024</u>
Balance at June 30, 2017	<u>\$ 12,438,281</u>

Metro Express, Inc.
Notes to Financial Statements - Continued
June 30, 2017
(See independent accountants' review report)

NOTE K – ECONOMIC DEPENDENCY

For the six months ended June 30, 2017, four customers accounted for approximately 64% of total revenues, amounting to approximately \$7,400,000.

NOTE L – SUBSEQUENT EVENTS

In preparing the financial statements, the Company has evaluated events and transactions for potential recognition or disclosure through July 25, 2017 the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

Metro Express, Inc.

SCHEDULE I - ANALYSIS OF CONSTRUCTION CONTRACTS

For the six months ended June 30, 2017
 (See independent accountants' review report)

	Revenues Earned	Cost of Revenues	Gross Profit	Gross Profit Prior Period
Completed Contracts	\$ 4,870,566	\$ 2,693,089	\$ 2,177,477	\$ 795,227
Contracts in Progress	6,823,458	6,193,976	629,482	753,791
	<u>\$ 11,694,024</u>	<u>\$ 8,887,065</u>	<u>\$ 2,806,959</u>	<u>\$ 1,549,018</u>

Metro Express, Inc.

SCHEDULE II - ANALYSIS OF COMPLETED CONTRACTS

For the six months ended June 30, 2017

(See independent accountants' review report)

Construction Project	Contract Totals			Before January 1, 2017			For the six months ended June 30, 2017		
	Revenues Earned	Cost of Revenues	Gross Profit	Revenues Earned	Cost of Revenues	Gross Profit	Revenues Earned	Cost of Revenues	Gross Profit
City ofventura	\$ 670,312	\$ 534,915	\$ 135,397	\$ 577,346	\$ 519,612	\$ 57,734	\$ 92,966	\$ 15,303	\$ 77,663
COM M-0096 (4 Ave & 6 St) 2016	1,298,967	1,133,395	165,572	1,217,972	1,096,175	121,797	80,995	37,220	43,775
C-Miami Beach South Pointe	139,136	76,854	62,282	-	-	-	139,136	76,854	62,282
Coral Gables 2013-07-10	3,827,179	3,263,457	563,722	3,229,950	2,906,955	322,995	597,229	356,502	240,727
Coral Gables 2016-02-15	1,866,659	1,499,625	367,034	1,289,173	1,224,715	64,458	577,486	274,910	302,576
City of North Miami	441,892	254,224	187,668	-	-	-	441,892	254,224	187,668
COM B-50699A Liberty City	208,037	204,732	3,305	-	-	-	208,037	204,732	3,305
Florida Sol - Mears	818,760	396,453	422,307	318,794	286,915	31,879	499,966	109,538	390,428
Florida Sol Other Projects	119,563	72,839	46,724	-	-	-	119,563	72,839	46,724
H & J Asphalt - Marine Stadium	465,717	369,032	96,685	62,907	56,617	6,290	402,810	312,415	90,395
Mastec North America	195,085	129,115	65,970	-	-	-	195,085	129,115	65,970
MDC 20140154	390,879	318,841	72,038	354,267	318,841	35,426	36,612	-	36,612
MDC # 20140156	163,839	76,853	86,986	81,757	73,582	8,175	82,082	3,271	78,811
MDC # 20140206	713,597	538,488	175,109	577,635	519,872	57,763	135,962	18,616	117,346
MDC # 20140207	620,198	392,734	227,464	207,798	187,019	20,779	412,400	205,715	206,685
MDC # 20150046	496,722	413,588	83,134	444,067	399,661	44,406	52,655	13,927	38,728
Port of Miami	642,309	565,493	76,816	470,513	446,988	23,525	171,796	118,505	53,291
Minor projects	623,894	489,403	134,491	-	-	-	623,894	489,403	134,491
	<u>\$ 13,702,745</u>	<u>\$10,730,041</u>	<u>\$ 2,972,704</u>	<u>\$ 8,832,179</u>	<u>\$ 8,036,952</u>	<u>\$ 795,227</u>	<u>\$ 4,870,566</u>	<u>\$ 2,693,089</u>	<u>\$ 2,177,477</u>

SCHEDULE III - ANALYSIS OF CONTRACTS IN PROGRESS

For the six months ended June 30, 2017

(See independent accountants' review report)

Construction Project	Total Contract			From Inception through June 30, 2017				At June 30, 2017			For the six months ended June 30, 2017			
	Amount	Estimated Gross Profit		Revenues Earned	Cost of Revenues	Gross Profit	Billed To Date	Estimated Cost to Complete	Cost and Estimated Earnings in Excess of Billings	Estimated Earnings	Billings in Excess of Cost and Estimated Earnings	Revenues Earned	Cost of Revenues	Gross Profit
COM B-40339	\$ 351,998	\$ 35,200	\$ 199,444	\$ 179,500	\$ 19,944	\$ 341,790	\$ 137,298	\$ -	\$ 142,346	\$ 39,566	\$ 35,609	\$ 3,957	56.7%	
COM B-40340	345,296	34,530	143,664	129,298	14,366	336,780	181,468	-	193,116	4,679	4,211	468	41.6%	
COM B-40342	162,005	16,201	141,648	127,484	14,164	158,261	18,321	-	16,613	1,750	1,575	175	87.4%	
COM B-40347/B-3008A Grove Park	1,136,770	68,206	1,116,295	1,049,318	66,977	1,128,006	19,246	-	11,711	(16,841)	29,495	(46,336)	98.2%	
COM B-40668 Flex Parks	7,000,000	700,000	4,597,568	4,137,812	459,756	6,236,200	2,182,188	-	1,638,632	205,257	184,732	20,525	65.7%	
COM B-78509B.00	371,799	37,180	292,525	263,273	29,252	362,340	71,346	-	69,815	292,525	263,273	29,252	78.7%	
COM M-0096 (4 Ave & 6 St) 2017	1,034,146	103,415	1,001,028	900,925	100,103	942,251	29,806	58,777	-	1,001,028	900,925	100,103	96.8%	
Coral Gables 2017-01-31	1,003,833	100,383	787,289	708,561	78,728	879,057	194,889	-	91,768	787,289	708,561	78,728	78.4%	
C Miami-Beach Espanola Way	1,691,135	169,114	861,424	775,282	86,142	1,414,553	746,740	-	553,129	861,424	775,282	86,142	50.9%	
C Miami-Beach Green Space Managem	250,000	25,000	220,876	198,789	22,087	189,611	26,211	31,265	-	220,876	198,789	22,087	88.4%	
C Miami-Beach Public Works	411,523	41,152	69,825	62,843	6,982	159,054	307,528	-	89,229	69,825	62,843	6,982	17.0%	
Dania Beach P.O. 2016	220,000	22,000	163,164	146,848	16,316	134,505	51,152	28,659	-	33,968	30,571	3,397	74.2%	
City of Homestead	221,047	22,105	205,803	185,223	20,580	59,476	13,719	146,327	-	205,803	185,223	20,580	93.1%	
MDC 20150201-R	712,732	71,273	178,077	160,270	17,807	189,056	481,189	-	10,979	178,077	160,270	17,807	25.0%	
MDC S-868R 2 Year S & Sewer	7,002,082	700,208	1,108,937	998,044	110,893	351,648	5,303,830	757,289	-	1,108,937	998,044	110,893	15.8%	
Mia-Gardens Sidewalk Repairs (2015)	1,388,501	69,425	1,158,939	1,100,993	57,946	1,553,276	218,083	-	394,337	164,115	155,910	8,205	83.5%	
Town of Medley NW S River Drive	3,343,050	334,305	2,339,712	2,105,741	233,971	2,545,086	903,004	-	205,374	1,392,574	1,253,316	139,258	70.0%	
Town of Miami Lakes PO General	350,000	35,000	127,203	114,483	12,720	203,574	200,517	-	76,371	127,203	114,483	12,720	36.3%	
Minor projects	301,188	30,119	145,403	130,864	14,539	92,695	140,205	52,708	-	145,403	130,864	14,539	-	
	\$27,297,105	\$2,614,815	\$14,858,824	\$13,475,551	\$1,383,273	\$17,277,219	\$11,206,740	\$ 1,075,025	\$ 3,493,420	\$ 6,823,458	\$ 6,193,976	\$ 629,482		

Metro Express, Inc.

Schedule IV – Statement of General and Administrative Expenses

For the six months ended June 30, 2017
 (See independent accountants' review report)

Auto expense	\$ 11,668
Bank charges	2,444
Depreciation and amortization	3,409
Insurance	58,638
Licenses and taxes	18,220
Miscellaneous	25,331
Office expenses and supplies	66,528
Payroll	455,959
Professional fees	76,560
Rent	23,769
Repairs and maintenance	178,602
State, local and other taxes	53,842
Telephone	9,317
Travel and entertainment	23,719
Utilities	<u>18,518</u>
	<u>\$ 1,026,524</u>



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

9/15/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Risk Strategies Company 3350 S Dixie Hwy Miami FL 33133		CONTACT NAME: PHONE (A/C, No, Ext): (305) 446-2271 FAX (A/C, No): E-MAIL: ADDRESS:	
INSURED Metro Express, Inc. 9442 NW 109th Street Suite 100 Medley FL 33178		INSURER(S) AFFORDING COVERAGE INSURER A: American Zurich Insurance Co NAIC # 16535 INSURER B: North River Ins Co 21105 INSURER C: Bridgefield Casualty Ins Co 10701 INSURER D: INSURER E: INSURER F:	

COVERAGES

CERTIFICATE NUMBER: CL1791543505

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY		GLO018418502	9/12/2017	9/22/2018	EACH OCCURRENCE \$ 1,000,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR	DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000				
	<input checked="" type="checkbox"/> XCU Included	MED EXP (Any one person) \$ 10,000				
	GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000				
A	AUTOMOBILE LIABILITY		BAP018418402	9/12/2017	9/22/2018	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	<input checked="" type="checkbox"/> ANY AUTO	<input type="checkbox"/> SCHEDULED AUTOS				BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS	<input checked="" type="checkbox"/> NON-OWNED AUTOS				BODILY INJURY (Per accident) \$
	<input checked="" type="checkbox"/> HIRED AUTOS					PROPERTY DAMAGE (Per accident) \$
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR		5811073434	9/12/2017	9/22/2018	EACH OCCURRENCE \$ 3,000,000
	<input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE					AGGREGATE \$ 6,000,000
	<input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 0					
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY		830-38388	9/22/2017	9/22/2018	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	Y/N				E.L. EACH ACCIDENT \$ 1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below	N/A				E.L. DISEASE - EA EMPLOYEE \$ 1,000,000
						E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER

CANCELLATION

Town of Cutler Bay
10720 Caribbean Blvd
Cutler Bay, FL 33189

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

M Christian/GENFLO

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DRAINAGE GRASSING, SEEDING AND SODDING		GRADING SIDEWALK	
MCINNIS CONSTRUCTION LLC F263790285005 EXPIRES: 6/30/2018		P.O. BOX 730 SUMMERDALE, AL 36580 (251)378-2660	203 INVESTMENT LANE SUMMERDALE, AL 36580 (251)378-2660
WORK CLASSES DRAINAGE GRADING MINOR BRIDGES		FLEXIBLE PAVING INTERMEDIATE BRIDGES	
MCLEOD LAND SERVICES, INC. F650810917003 EXPIRES: 6/30/2018		7405 28TH STREET COURT EAST SARASOTA, FL 34243 (941)922-1861	7405 28TH STREET COURT EAST SARASOTA, FL 34243 (941)922-1861
WORK CLASSES DRAINAGE GRADING MINOR BRIDGES * CONCRETE CURB & GUTTER		FLEXIBLE PAVING GRASSING, SEEDING AND SODDING SIDEWALK	
MCSHEA CONTRACTING, LLC F264642586001 EXPIRES: 6/30/2018		508 OWEN AVE. NORTH LEHIGH ACRES, FL 33971 (239)368-5200	508 OWEN AVE. NORTH LEHIGH ACRES, FL 33971 (239)368-5200
WORK CLASSES PAVEMENT MARKING			
METRO EXPRESS INC. F650711071003 EXPIRES: 6/30/2018		9442 N.W. 109TH. STREET MEDLEY, FL 33178 (305)885-1330	9442 N.W. 109TH. STREET MEDLEY, FL 33178 (305)885-1330
WORK CLASSES DRAINAGE * N/A		SIDEWALK	
METROPOWER, INC. F581383296002 EXPIRES: 6/30/2018		800 21ST AVE. P.O. BOX 5228 ALBANY, GA 31706 (229)432-7345	800 21ST AVE. P.O. BOX 5228 ALBANY, GA 31706 (229)432-7345
WORK CLASSES ELECTRICAL WORK		TRAFFIC SIGNAL	
MIDDLESEX CORPORATION (THE) F042534615002 EXPIRES: 6/30/2018		ONE SPECTACLE POND ROAD LITTLETON, MA 01460 (978)742-4400	ONE SPECTACLE POND ROAD LITTLETON, MA 01460 (978)742-4400