

June 3, 2026

NOTICE OF DEBARMENT FROM ALL STATE CONTRACTS

Mr. Jacob Roy
Equity Builders & Construction Services
14033 Commerce Avenue North
Prior Lake, MN 55372

Re: State of MN Vendor Number: 0000836608

Dear Mr. Roy:

On December 8, 2025, you were notified by letter that the Office of State Procurement (OSP) suspended Equity Builders & Construction Services (EBCS), its owners, officers and affiliates, from eligibility to receive solicitations, the award of contracts or selling any products or services to state agencies. See Exhibit 1, Suspension Letter.

You were also notified that to avoid debarment, EBCS was to have met the following requirements during the suspension period:

1. Address irregular bidding practices. Provide a detailed explanation of the bidding patterns identified in this letter. Confirm that EBCS complies with all applicable statutes, rules, and policies related to workers' compensation, unemployment insurance, prevailing wage laws, and the Fair Labor Standards Act. Explain how EBCS ensures its bids do not materially deviate from project specifications.
2. Respond to compliance issues. Demonstrate how EBCS complied with the contract provisions cited, or provide justification for any deviations, including evidence of good cause.
3. Address performance concerns. Explain why the listed projects do not constitute failure to perform or unsatisfactory performance or show that any non-performance was beyond EBCS's control.
4. Explain the visit to the Commissioner of Administration's personal residence. Provide a full account of the uninvited visit to the Commissioner's home, including the purpose and circumstances.
5. Verify compliance with Minnesota's Responsible Contractor Law. Confirm that EBCS met all requirements of the Responsible Contractor Law from the date of its bid on the Armory Project (March 25, 2025) through the project's termination (November 14, 2025). Confirm that EBCS meets Responsible Contract Law when it submits public bids.
6. Neither Jacob Roy or Gerard Roy may bid on State projects as a Related Entity or as a Principal, which are defined in Minnesota Statute §16C.285 subd 1.

Page 2 of 15

7. **Certify Accuracy of Response.** Certify that all information submitted to OSP in response to this letter is true, accurate, and reliable for the purpose of determining whether there is probable cause for debarment.

The Office of State Procurement received a response from your attorney on January 7, 2026, and that correspondence did not sufficiently meet the above-stated requirements with the exception of Item 4. See Exhibit 2, EBCS Suspension Response. After reviewing all relevant factors, pursuant to [Minnesota Rules Part 1230.1150](#), the Department of Administration has debarred Equity Builders & Construction Services its owners, officers and affiliates from State of Minnesota purchasing and contracting. This debarment is effective immediately and will remain in effect until June 2, 2029.

Background

On March 3, 2017, Gerard “Jerry” Roy of Omni Contracting, Omni Construction Company, Omni-Midwest, Inc., Restoration Specialists, Inc., RSI Associates Inc., Road Spec Corporation, and Olympic Construction Services was debarred by OSP based on a conviction in federal court for fraud. The debarment was effective through March 3, 2020. See Exhibit 3, Gerard Roy Debarment. The subsequent actions and entity formation by Jerry Roy and Jacob Roy after this initial debarment are critical to understand the entanglement of their various businesses.

On February 4, 2021, the Minnesota Department of Natural Resources (DNR) noted a bid submission that may have been from a vendor on the suspension/debarment list. The bid was submitted by MACD Corp doing business as Equity Builders. OSP investigated further and determined that MACD Corp was owned by Jerry Roy and advised the DNR that MACD Corp was ineligible to do business with the State. Jacob Roy signed the bid documents as a Vice President. See Exhibit 4, OSP Emails Re MACD Corp.

On March 15, 2021, Jerry Roy requested removal from the suspension/debarment list and noted he was eligible for reinstatement. Chief Procurement Officer Betsy Hayes followed up with information about reinstatement procedures. See Exhibit 5, Reinstatement Procedures. There is no record of Jerry Roy making a formal request for reinstatement.

On May 22, 2025, the Minnesota Department of Military Affairs (MDMA) executed a contract with Equity Builders & Construction Services for exterior improvements to the Cottage Grove National Guard Armory (CGNGA). See Exhibit 6, EBCS Contract with MDMA. On October 13, 2025, a representative on behalf of Equity Builders & Construction Services delivered notice of a claim on the CGNGA project to the Commissioner of Administration. That notice prompted OSP to investigate the matter further. On October 29, 2025 OSP issued notice to EBCS that it was considering suspension. On December 8, 2025, OSP suspended EBCS from receiving solicitations, being awarded contracts, or selling goods or services to state agencies to determine if there was probable cause for debarment.

Page 3 of 15

In the course of its investigation, OSP reviewed substantial documentation related to Equity Builders & Construction Services. The information reviewed ranged from contractual documents, payroll reporting, IC-134 forms submitted to the Minnesota Department of Revenue, filings with the Minnesota Office of Secretary of State (OSS), proof of claim documents, and both email and formal correspondence. The investigation revealed substantial connection between Equity Builders & Construction Services, MACD Corporation doing business as Equity Builders Company, Commercial Midwest Roofing and Commercial Midwest Concrete.

EBCS was incorporated by Jacob Roy, who is also listed as the registered agent. See Exhibit 7, EBCS Articles of Incorporation. MACD Corporation, which does business as Equity Builders Company, was incorporated by Jerry Roy. See Exhibit 8, Equity Builders Company Articles of Incorporation. A web search for EBCS leads to a website for Equity Builders Company. The website is branded for Equity Builders & Construction Services and the copyright at the bottom is for Equity Builders Company. See Exhibit 9, EBCS Website Information. The entries on “who was working” from MACD Corporation as subcontractors for Equity Builders contain language such as:

“my self (sic) and my father as owners of the company.”

“my son and myself as owners of the company performed safety and management work.”

“Owners and principles of MACD Corp. only.”

Further, the entries from Equity Builders and Construction Services describe “who was working” as follows:

“my father and myself also worked on this project, but are not employees.”

“all work was performed by the owners of Equity Builders.”

“Jacob Roy, President and Jerry Roy, lead Carpenter supervised the project.”

See Exhibit 10, IC-134 Data.

Commercial Midwest Roofing surfaced as a related entity in OSS data. The business records show Commercial Midwest Roofing listed as an “applicant” associated with Equity Builders Company. See Exhibit 11, OSS Data for Applicants of Equity Builders Company. The OSS business search identifies Linda Jerviss as the registered agent, with a registered office address of 403 9th Avenue Circle NW, Kasson, MN 55944—which is also the registered office for Equity Builders Company. See Exhibit 12, Commercial Midwest Roofing Articles of Incorporation and See Exhibit 8. Linda Jerviss frequently notarizes documents on behalf of EBCS See Exhibits 13, Linda Jerviss Notary. Additionally, Linda Jerviss signed as a project

Page 4 of 15

manager for Equity Builders & Construction Services. See Exhibit 14, EBCS Contract with the City of Jordan.

On Monday, December 1, 2025, a bid for roofing the fleet garage for the City of Bloomington was submitted through the Equity Builders & Construction Services bidder profile. See Exhibit X, Bid 25-50 Fleet Garage. The bid submittal form listed, “Equity Builders Co dba Commercial Midwest Roofing, Inc.” and the bidder’s contact for the project was listed as Gerard Roy. Gerard Roy signed the certification for that bid as the CFO. See Exhibit 15, Bid Submittal Form 25-50.

Additionally, Jerry Roy in email communications to Paul Kempton of MDMA, says, “...the employees have been hired by a company that I formed, Commercial Midwest Roofing.” See Exhibit 16, Certified Payrolls Email. Although no IC-134 forms were submitted for Commercial Midwest Roofing, the Department of Revenue confirmed that the company’s e-services account was accessed using the email address, groy1875@gmail.com, which Jerry Roy used to request reinstatement information. See Exhibit 5. The same IP address (70.35.108.245) was used to access this account as well as the EBCS and MACD Corporation accounts. The “text message” phone number (612-900-4486) used to access the account via 2-step verification is the same phone number used in many of the IC 134 submitted by Jacob and Jerry Roy for EBCS and Equity Builders Company. See Exhibit 17, Revenue EServices Login Data and Exhibit 10.

And the last entity that is entangled with EBCS is Commercial Midwest Concrete. The Minnesota Department of Veteran Affairs (MDVA) engaged EBCS to do concrete work at a veterans home in Luverne and requested EBCS to do warranty work. In the email exchange, Jerry Roy informed the MDVA that “...we renamed the concrete division of Equity Builders to Commercial Midwest Concrete. See Exhibit 18, MVH Luverne Concrete Replacement.

EBCS, MACD Corporation dba Equity Builders Company, Commercial Midwest Roofing Inc., and Commercial Midwest Concrete operate in an entangled and overlapping alignment. Including these entities, their owners and officers in this debarment is necessary to protect the integrity of the process and uphold the very purpose of debarment, which is to protect the State’s interests.

Of note, Commercial Midwest Roofing has made three bond claims totaling \$1,435,000 against the payment bonds on EBCS projects.

Debarment

The Office of State Procurement has determined the grounds for debarment are as follows:

Violation of contract provisions, as set forth in (a) and (b) below, of a character that is regarded by the director to be so serious as to justify debarment action:

Page 5 of 15

- (a) Failure without good cause to perform according to the specifications, time limits, or any terms or conditions in the contract; or*
- (b) A record of failure to perform, or of unsatisfactory performance, according to the terms of one or more contracts as measured by standard commercial practices; provided that this failure to perform or unsatisfactory performance was not caused by acts beyond the control of the contractor.*

And

Any other cause the director determines to be serious and compelling including, but not limited to, threatening, abusive, or intimidating behavior; collusion with other vendors to restrain competition; giving false information on a vendor's registration application or response to a solicitation; violating terms of suspension; and all acts that would disqualify the person as a responsible vendor, as defined in part [1230.0150](#), subpart 20, including debarment by another governmental entity.

Equity Builders has exhibited a pattern of contract violations working with the State and local government entities. The violations at issue are not isolated or reasonably accidental; they reflect a clear, serial disregard for fundamental contract requirements. These include the obligation to promptly pay subcontractors, the duty to perform all work in accordance with required standards and specifications, and the basic requirement to simply perform the work in the first place. Breaching any one of these obligations is significant; breaching all of them, repeatedly, demonstrates a sustained pattern of noncompliance that undermines project integrity, harms subcontractors, and defeats the essential purpose of the contracting process.

The grounds for debarment and corresponding evidence are described in detail below:

(1)A Record of Failure to Perform

Across multiple public-sector construction projects, EBCS exhibited a recurring pattern of material nonperformance, financial instability, and failure to meet fundamental contractual obligations. The City of Saint Paul, MDMA, the City of Roseau, and the City of Plymouth each encountered significant deficiencies in EBCS's workmanship, project management, safety compliance, and payment practices, ultimately resulting in terminations for cause and substantial financial exposure to the contracting agencies and their subcontractors. The following sections summarize the contractual failures associated with each project and the resulting actions taken by the respective public entities.

City of Saint Paul, Como Streetcar Project

On April 16, 2024, the City of Saint Paul executed a contract with EBCS for the replacement of the roof on the Como Streetcar Station. See Exhibit 19, EBCS Contract with the City of Saint

Page 6 of 15

Paul. On October 22, 2024, the City of Saint Paul terminated that contract for cause. The contract was terminated specifically for:

- Safety violations such as working without safety equipment, not properly installing safety equipment and unsecured equipment and scaffolding
- Unsatisfactory performance including improper installation of materials, ongoing specification deficiencies that went uncorrected, attempts to hide deficiencies, and failure to secure the building causing water damage.
- Labor requirement violations such as not submitting payrolls for subcontractors, hiring subcontractors with no notification to the City.

See Exhibit 20, City of Saint Paul Termination letter.

On January 22, 2025, the City of Saint Paul notified EBCS that they were not in compliance with prevailing wage requirements. Specifically, EBCS failed to submit accurate certified payroll records noting significant discrepancies in the payroll reports submitted by EBCS as compared to the actual workers identified on site. The City of Saint Paul identified that EBCS owed workers \$77,381.66 due to prevailing wage non-compliance. See Exhibit 21, City of Saint Paul Notice of Withholding. On January 31, 2025, the City of Saint Paul and EBCS entered into a conciliation agreement with EBCS agreeing to deliver checks to the City for distribution to the identified workers in exchange for releasing the full amount due to EBCS. See Exhibit 22, City of Saint Paul, Conciliation Agreement.

In sum, EBCS's performance under the Como Streetcar Station roof replacement contract was marked by repeated and significant contractual failures. These included pervasive safety violations, deficient workmanship that remained uncorrected despite notice, and multiple breaches of labor requirements. The City's subsequent enforcement actions, including the prevailing wage withholding and conciliation agreement, underscore the seriousness and breadth of EBCS's contractual breaches.

State of Minnesota, Military Affairs, Cottage Grove National Guard Armory

On June 3, 2025, the MDMA, issued notice to proceed to EBCS for exterior upgrades to brick and stucco, roof replacement, and masonry work for the CGNGA to be completed by October 26, 2025. See Exhibit 6. On November 14, 2025, MDMA issued termination for cause to EBCS. The letter cited numerous material breaches of the contract including failure to provide a site superintendent, failure to complete project milestones, failure to complete contract submittals and failure to pay a subcontractor. See Exhibit 23, MDMA Termination Letter. On February 17, 2026, MDMA issued to EBCS a Decision to Withhold EBCS' pay application. In the letter MDMA cited that the cost of the outstanding work exceeded the amount of EBCS' pay application. The letter outlined performance issues such as:

- Roofing had been mis-installed and did not meet contractual obligation requiring removal of current roofing.

Page 7 of 15

- Failure to protect building resulting in water damage.
- Work will not be completed within the Contract Time and the unpaid balance would not be adequate to cover actual or liquidated damages for the anticipated delay.
- EBCS did not seek submittal reconciliation between Architect and Supplier of which roof material Contractor installed. Contractor submitted one system to Architect and another system to manufacturer. Installation was incorrect requiring tear-off. The installation could not be warranted.
- Contractor did not store materials in accordance with specification 040511.
- Contractor failed to timely pay subcontractor Liberty Exteriors.

See Exhibit 24, MDMA Withholding Pay Application Letter.

Nine subcontractors have made claims on the payment bonds, totaling \$3,235,571.79. EBCS was paid \$1,362,941.25 for work on the CGNGA as of September 2, 2025.

Claimant	Date of Notice to Surety	Last Day of Work	Claim Amount
4 Corners Architectural Metal	12/29/25	11/07/25	\$70,000.00
Commercial Midwest Roofing	01/14/2025	10/24/25	\$695,000.00
Concrete Cutting and Coring	03/09/2026	08/22/25	\$825.00
Liberty Exteriors	01/14/2026	Unknown	\$1,120,310.30
Lloyd's Construction	2/2/26 Mail	10/31/25	\$4,480.00
Morgan Francis	2/24/26	11/07/25	\$2,645.00
Restoration Systems	12/17/25	11/13/25	\$509,837.60
Roofers Mart Payment Bond Claim	11/17/25	Unknown	\$769,949.55
Siwek Lumber	01/21/26	09/11/25	\$62,524.34

See Exhibit 25, MDMA Proof of Claim Documents.

MDMA concluded EBCS breached the following contractual obligations:

- §3.9.1 Failure to employ a competent superintendent
- §3.10.1-3 Failure to uphold schedule milestones, provide progress and recovery schedules
- §3.12.5 Failure to submit to the architect shop drawings and other required submittals in accordance with approved schedule
- §9.6.2.1 Failure to timely pay subcontractors

See Exhibit 23.

EBCS's performance on the CGNGA project reflects a pattern of substantial and repeated contractual failures. EBCS failed to provide required onsite supervision, missed critical project

Page 8 of 15

milestones, and neglected essential contract submittals, resulting in termination for cause. Review of EBCS’s work revealed serious workmanship deficiencies, including mis-installed roofing, inadequate protection of the building leading to ongoing water damage, improper material storage, and installation errors significant enough to prevent warranty eligibility. In addition, EBCS failed to timely pay its subcontractors, ultimately leaving nine subcontractors unpaid in amounts totaling more than \$3 million. These pervasive and material breaches demonstrate that EBCS was unable or unwilling to perform in accordance with its contractual obligations, requiring MDMA to intervene to prevent further delay, damage, and financial exposure. To date, the CGNA roofing and exterior work is incomplete.

City of Roseau, Roseau Memorial Arena

On July 14, 2025, the City of Roseau executed a contract with EBCS to replace the roof on the Roseau Memorial Arena with a substantial completion date of December 31, 2025, for \$875,000. See Exhibit 26, EBCS Contract with the City of Roseau. On January 29, 2026, the City of Roseau terminated the contract with Equity Builders & Construction Services for failing to maintain liability insurance and for failure to pay subcontractors. See Exhibit 27, City of Roseau Notice Letter. On January 30, 2026, Jacob Roy responded in an email to Michelle Moren, Roseau City Attorney that EBCS would be unable to complete the project and could not pay their subcontractors. See Exhibit 28, Email from Jacoy Roy to Michelle Moren. On February 10, 2026, the City of Roseau issued notice of default to EBCS citing the failure to maintain liability insurance, failure to pay subcontractors, EBCS’s own admission that they could not perform, failure to obtain a roof warranty, and failure to install roof edging according to specifications. See Exhibit 29, City of Roseau Termination Letter.

Five companies have made claims on the payment bonds. The amount of the claims total \$517,159.93. The amount paid to EBCS by the City of Roseau for the arena roof as of August 8, 2025; was \$742,662.50.

Claimant	Date of Notice to Surety	Last Day of Work	Claim Amount
Commercial Midwest Roofing	2/14/26	11/20/25	\$475,000.00
Roof 1 RBR	12/17/25	11/5/25	\$23,430.92
4 Corner Archit. Sheet Metal	2/10/26	10/31/25	\$14,408.31
KTI Fencing	03/02/26	09/24/25	\$1,750.26
R & Q Trucking	02/23/26	11/03/25	\$2,570.44

See Exhibit 30, City of Roseau Proof of Claim Documents.

The City of Roseau concluded EBCS breached the following contractual obligations in attached A201-201 document:

- § 3.5.1 Failure to obtain a warranty

Page 9 of 15

- § 8.2.3 Failure to achieve substantial completion.
- § 9.6.2 Failure to pay subcontractors
- § 11.1.1 Failure to maintain Contractor's Insurance

See Exhibit 29.

EBCS's performance on the Roseau Memorial Arena project was marked by fundamental breaches of contract that undermined the project from both operational and financial standpoints. EBCS failed to maintain required liability insurance, failed to pay subcontractors, and expressly acknowledged that it could neither complete the project nor satisfy its outstanding obligations. The City further identified failures to secure a roof warranty and to install roof edging in compliance with specifications. These deficiencies resulted in significant financial exposure, evidenced by five payment-bond claims totaling over \$500,000. EBCS's actions demonstrated an inability or unwillingness to perform in accordance with its contractual duties, necessitating termination and protective measures by the City of Roseau.

City of Plymouth, Hilde Performance Center

In January 2025, the City of Plymouth issued a bid for site improvements to the Hilde Performance Center, with bids opened on January 30, 2025. EBCS submitted the lowest bid, and the next highest bid was 118% higher. See Exhibit 31, City of Plymouth Hilde Performance Center Project Documents. The contract, fully executed on March 3, 2025, included several key requirements:

- Milestone 1 was to be substantially complete and accepted by the City by April 25, 2025.
- Any work initiated before April 25, 2025; was required to be completed by that date.
- No work was permitted between May 1, 2025; and September 29, 2026, with full project completion due by November 26, 2026.

See Exhibit 32, EBCS Contract with the City of Plymouth (Hilde Performance Center).

To facilitate timely completion, the City allowed EBCS to continue working during the "no-work" period. Nevertheless, Milestone 1 items were not completed until July 7, 2025, and the truss lighting, removed prior to April 25, 2025, was not replaced by the required deadline and remains incomplete. In approximately October 2025, EBCS submitted a change order proposal requesting an additional \$141,499.66 for providing and installing truss lighting, an amount representing nearly 50% of its original bid. The request relied on a quote from Preferred Electric that was based on project plans dated January 9, 2025. The City did not grant the change order. On April 23, 2026, the City's attorney notified EBCS of contract termination due to EBCS's lack of responsiveness in resolving outstanding issues. See Exhibit 31, City of Plymouth Hilde Performance Center Project Documents. The work at the Hilde Performance Center remains incomplete.

Page 10 of 15

The project reflects several significant contractual issues, beginning with EBCS submitting a substantially lower bid than all competitors and later attempting to recoup costs through a large change order that constituted nearly half of its original bid amount. Key project elements, such as the truss lighting, were either omitted from the original bid or not accounted for in a manner consistent with the contract requirements. EBCS then failed to meet mandatory completion deadlines, including the April 25, 2025, milestone, and left required work incomplete despite being granted access to the site during the no-work period. These combined actions indicate a pattern of underbidding, relying on post-award price increases, and failing to perform contractual obligations, ultimately resulting in termination for nonperformance

(2) Failure to Meet Contract Specifications

On ten different projects, with seven different government entities, EBCS failed to timely pay subcontractors a total \$1,864,445.27 on twenty-eight separate subcontracts.

Failure to pay subcontractors timely—or at all—on a government construction contract constitutes a serious violation of the prime contractor’s contractual duties. Prompt payment requirements are fundamental protections embedded in construction contracts, and a pattern of noncompliance reflects a disregard for mandatory financial controls and for the rights of subcontracting partners.

City of Bloomington, Civic Plaza and Fire Station 3

On July 31, 2025, the City of Bloomington executed a contract with EBCS for site improvements at Civic Plaza and concrete repair at Fire Station 3 for \$498,764.00. See Exhibit 33, EBCS Contract with the City of Bloomington. Clause 30 requires prompt payment to subcontractors within 10 days of receipt of payment from the city. Four subcontractors have made claims on payments. The amount of the claims total \$299,834.30. EBCS was paid \$470,250 for the projects in Bloomington as of December 8, 2025.

Claimant	Date of Notice to Surety	Last Day of Work	Claim Amount
Concrete Cutting and Coring	03/09/2026	08/27/25	\$6,700.00
Hoffman McNamara	02/06/2026	11/14/25	\$181,000.00
Killmer Electric	01/26/2026	01/13/26	\$108,880.00
Safety Signs	02/25/2026	10/32/2026	\$3,254.30

See Exhibit 34, City of Bloomington Proof of Claims Documents.

Page 11 of 15

State of Minnesota, Department of Natural Resource, Blue Mounds State Park

On February 27, 2025, the DNR entered into a contract with EBCS for rehabilitation of the Blue Mounds State Park Day Use site for \$255,052.00. See Exhibit 35, EBCS Contract with DNR. § 9.6.2 requires timely payment of subcontractors. Three subcontractors have made claims that they were not paid by EBCS totaling \$86,361.41. EBCS was paid \$251,812.93 as of October 7, 2025.

Claimant	Date of Notice to Surety	Last Day of Work	Claim Amount
Buffalo Ridge	12/04/25	08/26/25	\$19,249.51
Musch Construction	12/17/25	08/27/25	\$66,746.65
W& N Construction	03/05/26	10/07/25	\$365.25

See Exhibit 36, DNR Proof of Claim Documents.

City of Jordan, Broadway Plaza Improvements

On April 14, 2025, the City of Jordan executed a contract with EBCS for Broadway Plaza improvement for \$137,750. See Exhibit 14. Article 6.03 of the Agreement Forms requires the timely payment of subcontractors. Three subcontractors have made claims that they were not paid by EBCS totaling \$118,940.53. As of August 20, 2025, EBCS was paid \$118,227.50 by the City of Jordan for the Broadway Plaza improvements.

Claimant	Date of Notice to Surety	Last Day of Work	Claim Amount
Goodmanson Construction	12/30/25	08/08/25	\$48,782.03
Hoffman & McNamara Company	02/06/2026	10/08/25	\$14,399.50
Killmer Electric	01/20/26	10/18/25	\$55,759.00

See Exhibit 37, City of Jordan Proof of Claim Documents.

Columbia Heights, Alley Improvements, Sullivan Lake Fitness Park,

On April 28, 2025, the City of Columbia Heights executed a contract with EBCS for alley improvements for \$1,072,500. See Exhibit 38, EBCS Contract with the City of Columbia Heights (Alleys). On June 9, 2025, Columbia Heights executed a contract with EBCS for the Sullivan Lake Fitness Park for \$86,180. See Exhibit 39, EBCS Contract with the City of Columbia Heights (Sullivan Lake). Six subcontractors claim that EBCS has not paid them a total of \$673,816.25. EBCS was paid \$916,743.47 by the City of Columbia Heights for both projects.

Page 12 of 15

Claimant	Date of Notice to Surety	Last Day of Work	Claim Amount
Aslakson’s Services	12/02/25	10/20/25	\$59,822.97
Concrete Cutting and Coring	03/09/2026	10/02/25	\$10,750.00
Goodmanson Construction, Inc.	12/30/25	11/25/25	\$463,932.03
Joseph Construction	02/02/2026	11/07/25	\$47,680.00
PAC LLC	01/29/26	10/01/25	\$88,006.25
Safety Signs	02/11/26	11/25/25	\$3,625.00

See Exhibit 40, City of Columbia Heights Proof of Claim Documents.

Goodhue Public Schools, Roof Replacement

On February 3, 2025, Goodhue Public Schools executed a contract with EBCS for roof replacement for \$506,367.74. See Exhibit 41, EBCS Contract with Goodhue Public Schools. Four subcontractors have made claims that they never received payment from EBCS totaling \$479,446.69. EBCS was paid \$582,348.66 by Goodhue Public Schools as of October 22, 2025.

Claimant	Date of Notice to Surety	Last Day of Work	Claim Amount
4 Corner Metal	02/10/26	08/01/25	\$79,000
Commercial Midwest Roofing	01/15/26	10/31/25	\$265,000
Roofers Mart	11/21/25	Unknown	\$129,716.69
Sun Mechanical	02/11/26	12/05/25	\$5,730.00

See Exhibit 42, Goodhue Public Schools Proof of Claim Documents.

City of Plymouth, City Hall Roof

On June 24, 2025, the City of Plymouth executed a contract with EBCS for a roof replacement for City Hall. See Exhibit 43, EBCS Contract with the City of Plymouth (City Hall) for \$398,750. Clause 10 of the contract requires that the prime contractor pay all subcontractors within ten days of receipt of payment from the City

Six subcontractors claim that EBCS has not paid them totaling \$120,900.05. The City of Plymouth paid EBCS \$392,924.04 for the City Hall roof as of October 23, 2025.

Claimant	Date of Notice to Surety	Last Day of Work	Claim Amount
Lloyd’s Construction Services	01/28/26	10/29/25	\$11,718.75
Safety Signs	01/15/26	10/31/25	\$3,753.17

Page 13 of 15

Sun Mechanical	11/21/25	Unknown	\$15,864.25
Roof 1 RBR	02/11/26	12/05/25	\$62,434.57
Herculift	04/02/26	11/07/25	\$13,991.23
KTI Fencing	03/02/26	10/29/25	\$13,138.08

See Exhibit 44, City of Plymouth Proof of Claim Documents.

Dakota County, ADA Improvements and Drainage

Dakota County executed a contract with EBCS in February 2025 for ADA improvements and drainage work on roadways near Simley High School. The contract required work to begin on June 16, 2025, and be completed by August 15, 2025. See Exhibit 45, EBCS Contract with Dakota County. Notable provisions include:

- Section X, subpart B, requiring submission of certified payroll reports (CPRs) within 14 calendar days after the end of each contractor pay period, and requiring contractors to pay employees at least once every 14 days.
- Page 22, providing specific notice of Minn. Stat. § 471.425, which requires prime contractors to pay subcontractors within ten days of receiving payment from the municipality.
- Pages 7–19, Special Provisions Division A – Labor, confirming the contract is subject to the Minnesota Prevailing Wage Act.

On January 7, 2026, an attorney for Goodmanson Construction, a subcontractor of EBCS, notified the project’s surety of non-payment. The documents submitted to the payment bond company identified \$85,139.21 in outstanding amounts owed to Goodmanson. These documents include a November 17, 2025 communication in which EBCS acknowledged that it had been paid by the County and owed payment to Goodmanson. Stacey Riley of Dakota County confirmed that EBCS was paid on November 14, 2025. On December 9, Jerry Roy instructed Goodmanson to pursue payment directly from the surety. The submission also includes an email from Stacy Reilly of Dakota County noting that EBCS was out of compliance with Section X because it failed to submit required CPRs, and the payrolls it did submit were incorrect and not compliant with prevailing wage requirements. See Exhibit 46, Goodmanson Letter to Surety.

Additional emails from Dakota County show that, as of April 1, 2026—well past the statutory payment deadline—another EBCS subcontractor, Safety Signs, still had not been paid \$3,760. See Exhibit 47, Dakota County Emails to Safety Signs.

(3) Serious and Compelling Misconduct Determined by the Director

All of the assertions in Parts 1 and 2 of this debarment action are reinstated as serious and compelling misconduct as determined by the Director.

EBCS has left a trail of financial, operational, and structural harm across the State of Minnesota—spanning from Blue Mounds State Park to the Roseau Memorial Arena. The harm has been inflicted on one school district, one county, two state entities, six cities and twenty-four subcontractors. The company consistently failed to pay subcontractors timely, and in many instances documented in this action, they did not pay them at all. These failures alone have affected ten government entities, twelve projects, and \$5,617,070.96 in late or unpaid obligations on forty-two separate subcontracts. Additionally, timely payment to subcontractors is not just a contractual obligation, but a statutory one. Minn. Stat. § 471.425 requires prime contractors on local government projects to pay subcontractors within 10 days of receiving payment from the public entity. Minn. Stat. § 15.72 requires the same of prime contractors working on state agency projects.

But the misconduct does not end with financial neglect. EBCS repeatedly failed to perform the work it was contracted to complete, delivered poor workmanship that government owners were forced to remediate, and in several instances failed to properly secure project sites—resulting in avoidable damage and increased costs to public entities. These failures disrupted project performance, left essential public facilities unfinished or unsafe, and in some cases brought work to a complete standstill. The cascading effect on lower-tier vendors has been significant, creating financial strain and disrupting their normal business operations as a result of EBCS's failure to meet its contractual obligations.

Taken together, these actions reveal a sustained pattern of mismanagement, unreliability, and a breakdown of the internal controls required of a responsible government contractor. Debarment is therefore not only justified, but necessary to protect the government's interests and ensure that public funds are entrusted to contractors who demonstrate integrity, competence, and respect for their legal obligations.

Terms of Debarment

The terms of the debarment are as follows:

- 1) Equity Builders & Construction Services, its owners, officers and affiliates are ineligible to receive solicitations, submit responses, or receive awards from the State of Minnesota and any of its agencies.

Page 15 of 15

- 2) Equity Builders & Construction Services, its owners, officers and affiliates must not attest to being a Responsible Contractor pursuant to Minn. Stat. 16C.285 during the term of the debarment.
- 3) Equity Builders & Construction Services owners, officers, and affiliates include Jacob Roy, Gerard Roy, MACD Corporation doing business as Equity Builders Company, Commercial Midwest Concrete, and Commercial Midwest Roofing Inc, including its principal Linda Jerviss.
- 4) Any company in which Jacob Roy, Gerard Roy, or Linda Jerviss serves as an owner, officer, principal, or senior level manager must follow reinstatement procedures and timelines set forth in Minnesota Rules, Part 1230.1175 in order to resume business with the State.

In accordance with Minnesota rules Part 1230.1150, subpart 4, this decision may be appealed within 30 calendar days, in writing, to Commissioner of Administration, 200 Administration Building, 50 Sherburne Avenue, St. Paul, MN 55155. The Commissioner shall, within 45 days, decide whether the actions taken were according to statutes and regulations, and were fair and in the best interest of the state. If you appeal and receive an adverse decision from the Commissioner, you may appeal in any appropriate court of the state.

Vendors and person(s) who have been debarred may not seek reinstatement until one year from the end of the debarment period. A request for reinstatement must be made to the Chief Procurement Officer, Office of State Procurement, in writing, and must include a written narrative outlining all steps taken to ensure that the cause for debarment has been corrected, with appropriate supporting documents. See the enclosed rules for more information regarding reinstatement.

Sincerely,

Rachel Dougherty, Chief Procurement Officer
Office of State Procurement

Enclosure: MN Rules 1230.1150 and 1230.1175

cc: Martina Cameron, Deputy Chief Procurement Office of Operations, Office of State Procurement
Igbal Mohammed, Manager, Office of State Procurement