



## Inspector General Insights

**Background:** Hurricane Ian made landfall in Southwest Florida as a category 4 hurricane unleashing intense winds and rainfall throughout Collier County. As a result of this natural disaster, Collier County sought services from a contracted emergency vendor to provide the collection and disposal of debris services. The vendor executed a major debris collection operation, which included roughly 1.3 million cubic yards of debris. As per FEMA guidelines, the debris collection operation is to be monitored by a third party. Hence, the County sought services from a contracted monitoring vendor (vendor/Tetra Tech, Inc.).

**Objective:** The objective of this review consisted of the following:

1. Determine if the billing is compliant with contract 14-6188 “FEMA Acceptable Monitoring for Disaster Generated Debris”.
2. Determine if the amounts paid would be considered compliant and reasonable with a subsequent FEMA audit.

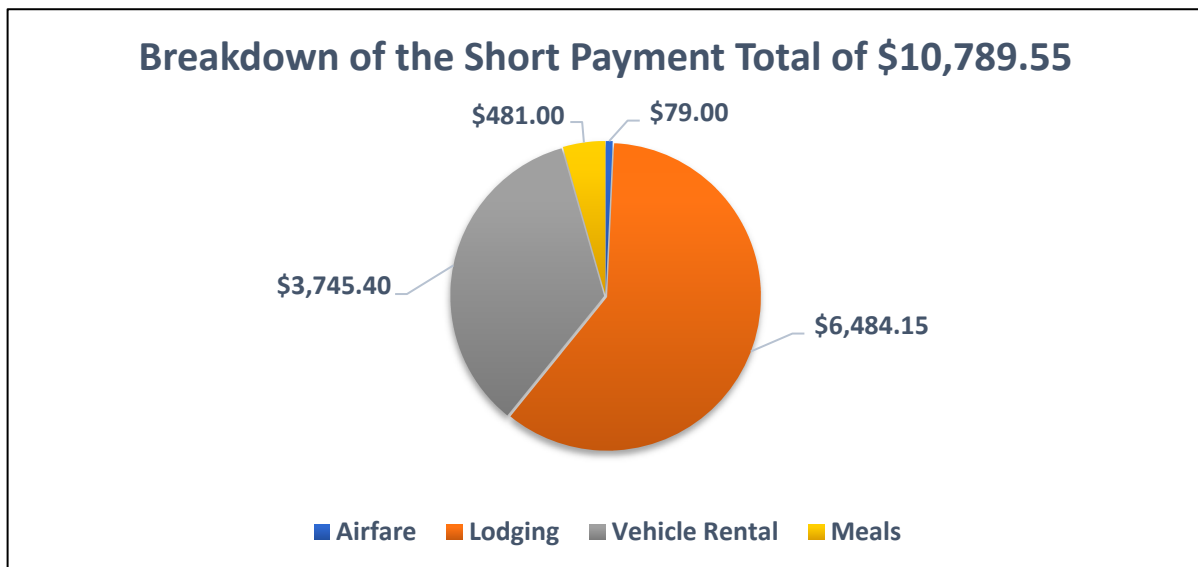
**Scope:** The original scope of the above-mentioned objectives consisted of the reviewing of invoices over \$100,000 under Purchase Order (PO) 4500220118, which is for services provided post-Hurricane Ian. The scope was expanded to include invoices under \$100,000, which were for the same billing period as the reviewed invoices over \$100,000.

**Observations:** During our review process we noted the following observations:

1. The Board of County Commissioners (BCC) approved a rate increase with a retroactive date. On March 28, 2023, under agenda item 16C2, the BCC approved the first amendment to contract 14-6188 “FEMA Acceptable Monitoring for Disaster Generated Debris”, which increased the fee schedule rates by 5.5% effective October 4, 2022. According to the Executive Summary that went in front of the BCC, at the time of the fourth renewal (third renewal ended on July 7, 2022), the vendor asked the County to consider a rate increase of 9.1%. As per the Executive Summary “Negotiations ensued into the time frame when Hurricane Ian became imminent and the vendor continued to work throughout the emergent state of Hurricane Ian, having agreed to accept a fourth renewal term signed on May 18, 2022, notwithstanding the then unfinished rate increase negotiations... Once much of the debris was removed, negotiations commenced with the County and vendor ultimately agreed to a 5.5% rate increase effective for services rendered during the fourth renewal and that those increased rates would remain effective through the final agreement renewal term expiring on July 7, 2024...”.

The request from Tetra Tech, Inc. came in on April 13, 2022 (see Exhibit A). It wasn’t until nine months later, on January 23, 2023, when the rate increase negotiations were finalized, the parties agreed on a 5.5% increase, and the increase was deemed reasonable as per the “Cost Analysis: Fair and Reasonable” document. As mentioned above, the item was approved by the BCC on March 28, 2023, which is almost a full year since the original price increase request from Tetra Tech, Inc. The increase is effective October 4, 2022, which is five months prior to the BCC approval and six days after Hurricane Ian made landfall on September 28, 2022. The net impact of this price increase is \$ 178,507.55.

- The backup documentation submitted in support of invoice #52065946 for travel reimbursement was questioned. In particular, the Office of Inspector General (OIG) questioned \$91,369.38 in travel reimbursement requests, and after further collaboration with the vendor, the OIG recommended a short payment of \$10,789.55. A breakdown of the short payment is shown in the chart below.



*Figure 1 - Breakdown of Short Payment*

- There were two employees with the same first and last name who had overlapping hours. The OIG questioned this and requested either additional documentation or to short pay the overlapping hours. Originally, the vendor claimed that the employees were father and son. Later, the vendor claimed that they were twins. Additional documentation was provided by Tetra Tech's Human Resources representative, including partially redacted drivers' licenses and social security numbers, that showed the two employees are, in fact, two different individuals. This information was validated through the OIG's licensed investigation database. Hence, payment was released to the vendor for the hours billed.
- The debris monitoring vendor submitted the invoices on behalf of the debris collection vendor for payment to the division via a shared Dropbox.
  - All vendor invoices were submitted first to the County Division and not to the Clerk's Accounts Payable Division. Submission of invoices directly to the Clerk is specifically outlined in the "Vendor Terms and Conditions" section of the Purchase Order. This may jeopardize the number of days the Clerk has to process payment as per Florida Statute. Further, it does not allow for proper segregation of duties or internal controls over the processing of invoices.
  - Invoices for the services rendered by the debris collection vendor were handled exclusively by the debris monitoring vendor. According to the contract, the debris monitoring vendor is tasked with overseeing the quantities of debris removed and validating, not originating, the amounts billed to the County. This lack of clarity creates an imbalance in duties between the two vendors and potentially grants excessive authority to the monitoring vendor over billing matters.

**Recommendations & Action:** The first three of the following recommendations were subsequently discussed and agreed upon with the vendor and BCC staff; the final one is for future consideration.

- Price increase negotiations and cost reasonableness evaluations should be done timely. Management agrees, and any rate increases are now required to have six months' notice. There is no valid public purpose for retroactive rate increases or for paying more than the current contractual amount.
- OIG staff recommended a short pay of \$10,789.55 for the billing inconsistencies found during the review of the travel reimbursement invoice. The Division staff and Finance staff agreed with the OIG recommendation and only partial payment was released to the vendor.
- For proper segregation of duties, all vendor invoices are to be submitted directly to Clerk's Accounts Payable (AP). This is required by the terms of the Purchase Order (see below). Division staff should not accept a vendor invoice or a draft invoice. Instead, they should advise the vendor of the requirement to submit the invoice directly to AP.

**VENDOR Terms and Conditions**

The VENDOR agrees to comply with all Purchase Order Terms and Conditions as outlined on the Collier County Procurement Services Division site: <http://www.colliercountyfl.gov/home/showdocument?id=74077>, including delivery and payment terms. Further the VENDOR agrees to:

1. Provide goods and services outlined in this Purchase Order with the prices, terms, delivery method and specifications listed above.
2. Notify department Immediately if order fulfillment cannot occur as specified.

3. Send all invoices to:

Collier County Board of County Commissioners Attn: Accounts Payable 3299 Tamiami Trl E Ste 700 Naples FL 34112-5749 OR email to: <a href="mailto:bccapclerk@collierclerk.com">bccapclerk@collierclerk.com</a>
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The Purchase Order is authorized under direction of Collier County Board of County Commissioners by:


 Sandra Herrera, Director, Procurement Services Division

Figure 2 - Vendor Terms and Conditions

- The division staff should consider adding temporary GPS tracking systems to the debris-hauling trucks. This could provide a secondary level of review that could provide reasonable assurance that the trucks utilized were billed properly. A review of the GPS tracking system could further help identify if there are trucks on standby.

**Conclusion:** The selected vendor continues to provide services to Collier County under the existing contract 14-6188 "FEMA Acceptable Monitoring for Disaster Generated Debris", which is expected to sunset on July 7, 2024.

Total # Transactions	Amounts Audited or Reviewed	Questioned Costs	Taxpayer Savings	# Observations / Recommendations
12,279	\$3,562,042.55	\$270,902.39	\$10,789.55	4

## Exhibit A



April 13, 2022

Sent via email to [Renewals@colliercountyfl.gov](mailto:Renewals@colliercountyfl.gov)

Vanessa Miguel  
Collier County Procurement Services Division  
3295 Tamiami Trail East, Bldg. C2  
Naples, FL 34112

RE: RFP No. 10-5444  
FEMA Acceptable Monitoring for Disaster Generated Debris  
Request for Contract Renewal and Rate Change

Dear Ms. Miguel,

Collier County, FL entered into a contract for Professional Debris Monitoring Services for Disasters with Tetra Tech, Inc. (Tetra Tech) for a period beginning on July 8, 2014 through July 8, 2019 with the option to renew the contract term for up to five (5) additional one (1) year periods. Tetra Tech is requesting Collier County to exercise the fourth renewal option from July 9, 2022 to July 8, 2023.


The calculation below is based on the CPI-U Base Price Adjustment:

<u>CPI for March 2021:</u>	255.319
<u>CPI for March 2022:</u>	278.598
<u>Increase Calculation:</u>	278.598 (March 2022) – 255.319 (March 2021) = 23.279
	23.279 / 255.319 (March 2021) = 9.1% increase

As such, Tetra Tech requests Collier County to consider increasing Tetra Tech's hourly rates by 9.1%. Please find enclosed the updated hourly rates for review and approval which includes the 9.1% increase (Attachment A) and a detailed calculation breakdown as well as the CPI-U Original Data Value for March 2021 to March 2022 (Attachment B).

Please contact me directly at [TDR.Contracts@tetratech.com](mailto:TDR.Contracts@tetratech.com) should you have any questions or need additional information.

Sincerely,

  
Marina Armanious  
Contracts Coordinator

**Tetra Tech, Inc.**  
2301 Lucien Way, Suite 120, Maitland, FL 32751  
Tel (321) 441-8511 Cell (407) 448-8232 Fax (321) 441-8501 | [tetratech.com](http://tetratech.com)

# ATTACHMENT A

**TETRA TECH, INC.**  
**UPDATED RATE SCHEDULE**  
**Collier County, FL**  
**FEMA Acceptable Monitoring for**  
**Disaster Generated Debris**  
**RFP No. 10-5444**

Positions	07/08/2014 - 7/08/2022 Hourly Rate	CPI 9.1% Increase	CPI \$ Increase	Hourly Rate w/ 9.1% CPI 07/09/2022 - 07/03/2023
Administrative/ Clerical Assistance	\$ 27.00	9.1%	\$ 2.46	\$ 29.46
Annual Table Top Exercise	Included	-	-	Included
Billing Invoice Analysis/Data Manager Invoice Reconciliation	\$ 55.00	9.1%	\$ 5.01	\$ 60.01
Damage/Customer Services	\$ 29.00	9.1%	\$ 2.64	\$ 31.64
Debris Site/Tower/Field/Crew Monitors	\$ 36.00	9.1%	\$ 3.28	\$ 39.28
Dispatch/Schedule Manager	\$ 52.00	9.1%	\$ 4.73	\$ 56.73
Emergency Management Planning	\$ 125.00	9.1%	\$ 11.38	\$ 136.38
Environment Specialist/Compliance Specialist	\$ 53.00	9.1%	\$ 4.82	\$ 57.82
Environmental Project Manager	\$ 75.00	9.1%	\$ 6.83	\$ 81.83
Federal Program Coordinator	\$ 110.00	9.1%	\$ 10.01	\$ 120.01
Field Supervisor/Collection & Disposal Operations	\$ 45.00	9.1%	\$ 4.10	\$ 49.10
GIS Analysis/Mapping Manager	\$ 55.00	9.1%	\$ 5.01	\$ 60.01
Grant Manager	\$ 115.00	9.1%	\$ 10.47	\$ 125.47
IT Manager	\$ 125.00	9.1%	\$ 11.38	\$ 136.38
IT Technician	\$ 65.00	9.1%	\$ 5.92	\$ 70.92
Load Ticket/Data Entry Clerk	\$ 29.00	9.1%	\$ 2.64	\$ 31.64
Operations Manager/Coordinator	\$ 70.00	9.1%	\$ 6.37	\$ 76.37
Post Project FEMA Close Out Support	\$ 85.00	9.1%	\$ 7.74	\$ 92.74
Project Coordinator	\$ 30.00	9.1%	\$ 2.73	\$ 32.73
Project Inspector/Roving QA QC Inspector	\$ 40.00	9.1%	\$ 3.64	\$ 43.64
Project Manager	\$ 79.00	9.1%	\$ 7.19	\$ 86.19
Public Assistant Officer/Public Information	\$ 80.00	9.1%	\$ 7.28	\$ 87.28

**CPI for All Urban Consumers (CPI-U)****Original Data Value**

Series Id: CUUR0300SA0,CUUS0300SA0  
 Not Seasonally Adjusted  
 Series Title: All items in South urban, all urban consumers, not  
 Area: South  
 Item: All items  
 Base Period: 1982-84=100  
 Years: 2012 to 2022

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
2012	220.497	221.802	223.314	224.275	223.356	223.004	222.667	223.919	225.052	224.504	223.404	223.109	223.242	222.708	223.776
2013	223.933	225.874	226.628	226.202	226.289	227.148	227.548	227.837	227.876	227.420	226.811	227.082	226.721	226.012	227.429
2014	227.673	228.664	230.095	231.346	231.762	232.269	232.013	231.611	231.762	231.131	229.845	228.451	230.552	230.302	230.802
2015	226.855	227.944	229.337	229.957	230.886	232.026	231.719	231.260	230.913	230.860	230.422	229.581	230.147	229.501	230.793
2016	229.469	229.646	230.977	231.975	232.906	233.838	233.292	233.561	234.069	234.337	234.029	234.204	232.692	231.469	233.915
2017	235.492	236.052	236.154	236.728	236.774	237.346	236.942	237.892	239.649	239.067	238.861	238.512	237.456	236.424	238.487
2018	239.772	241.123	241.595	242.486	243.279	243.770	243.776	243.605	243.640	244.163	243.484	242.150	242.737	242.004	243.470
2019	242.547	243.856	245.554	246.847	246.667	246.515	247.250	246.953	246.891	247.423	247.385	247.289	246.265	245.331	247.199
2020	248.005	248.412	248.136	246.254	245.696	247.223	248.619	249.639	250.193	250.542	250.255	250.693	248.639	247.288	249.990
2021	252.067	253.386	255.319	257.207	259.343	261.668	263.013	263.728	264.593	267.160	268.360	269.263	261.259	256.498	266.020
2022	271.634	274.688	278.598												

CPI for March 2021: 255.319

CPI for March 2022: 278.598

Increase Calculation: 278.598 (March 2022) - 255.319 (March 2021) = 23.279

23.279 / 255.319 (March 2021) = 9.1% increase