



Sheryl G. Steckler  
Inspector General

## OFFICE OF INSPECTOR GENERAL PALM BEACH COUNTY



Inspector General  
Accredited

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*“Enhancing Public Trust in Government”*

# Investigative Report

## 2014-0001

### December 11, 2013

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*“Provide leadership in the promotion of accountability and  
integrity of Government in Palm Beach County”*



Sheryl G. Steckler  
Inspector General

## OFFICE OF INSPECTOR GENERAL PALM BEACH COUNTY

### REPORT OF INVESTIGATION CASE NUMBER: 2014-0001



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*"Enhancing Public Trust in Government"*

#### EXECUTIVE SUMMARY

On July 1, 2013, the Town of Loxahatchee Groves (Town) entered into an *Agreement for Maintenance of Mowing and Vegetative Removal Services Within the Town of Loxahatchee Groves*, hereinafter referred to as "the Agreement," with Sirdar Trucking, Inc. (Sirdar). The Agreement was for a two year period ending June 30, 2015. According to the compensation provisions of the Agreement, Sirdar would be paid for mowing services (per hour), as well as vegetative debris removal and disposal (per cubic yard) services.

On September 26, 2013, The Office of Inspector General (OIG) received a complaint from Town Manager Mark Kutney alleging that Sirdar and/or its employees were submitting inflated invoices for work performed, specifically related to the volume of vegetative debris that had been removed, as well as its disposal through a third party, The One Stop Garden Shop<sup>1</sup> (One Stop).

Based on that information, the OIG initiated an investigation.

The allegation that Sirdar Trucking, Inc. and/or its employees submitted inflated invoices to the Town of Loxahatchee Groves for work performed pursuant to the Agreement between the Town and Sirdar is ***not supported***. That finding is based on the following:

- The Town disputed the volume of debris removed and/or disposed of by Sirdar and initiated its own "surveillance"<sup>2</sup> to determine whether or not Sirdar was inflating its invoices. However, because the Town's "surveillance" only lasted approximately one hour and did not detail an entire work day/shift, no reasonable conclusion could be formed.
- An analysis was conducted by a private engineering firm, Keshavarz and Associates, Inc. (K&A).<sup>3</sup> The analysis, based on FEMA guidelines and compaction ratios, determined that the maximum volumetric capacity of Sirdar's trailer was 10.84cy<sup>4</sup>; however, it was Sirdar's contention that his trailer (with modifications) was 16.9cy (affirmed by K&A's analysis of the trailer, which was

<sup>1</sup> One Stop does not have any contractual relationship with the Town.

<sup>2</sup> The term "surveillance" was used by Town Public Works Director Frank Schiola to describe his actions.

<sup>3</sup> The Town entered into an agreement with K&A to conduct a volumetric capacity analysis.

<sup>4</sup> It is noted that the analysis also used three other scenarios: hand loaded with top rail (7.62cy), hand loaded as measured (6.60cy), and mechanically loaded as measured (9.82cy); however, the OIG used the maximum capacity (mechanically loaded with top rail) for this Investigation.

measured at 12' L x 7.25' W x 5.25' H) and therefore, he based his trailer load size on the trailer's capacity.

- K&A's analysis differs greatly from that of Sirdar's, wherein Sirdar based his invoices to the Town on the maximum 16.9 cubic yards that his trailer was modified to carry and K&A utilized FEMA guidelines and compaction ratios to determine the maximum volumetric capacity. While it is difficult to conclude that Sirdar actually compacted vegetative debris to 16cy (as invoiced), the Agreement itself lacked any level of specificity as to compaction methods and/or measurement guidelines and only makes provisions related to the method of payment per cubic yard.

## ALLEGATIONS AND FINDINGS

### Allegation (1):

***Sirdar Trucking, Inc. and/or its employees submitted inflated invoices to the Town of Loxahatchee Groves for work performed pursuant to the Agreement between the Town and Sirdar. If supported, the allegation would constitute a violation of Sections 3.2, 3.4, 3.5, and 3.6 of Article 3 of the Agreement; and a potential violation of § 812.014(2)(b)(1), F.S.***

### Finding:

The information obtained ***does not support*** the allegation based on the following:

- The Town disputed the volume of debris removed and/or disposed of by Sirdar and initiated its own "surveillance" to determine whether or not Sirdar was inflating its invoices. However, because the Town's "surveillance" only lasted approximately one hour and did not detail an entire work day/shift, no reasonable conclusion could be formed.
- An analysis was conducted by a private engineering firm, Keshavarz and Associates, Inc. (K&A). The analysis, based on FEMA guidelines and compaction ratios, determined that the maximum volumetric capacity of Sirdar's trailer was 10.84cy; however, it was Sirdar's contention that his trailer (with modifications) was 16.9cy (affirmed by K&A's analysis of the trailer, which was measured at 12' L x 7.25' W x 5.25' H) and therefore, he based his trailer load size on the trailer's capacity.
- K&A's analysis differs greatly from that of Sirdar's, wherein Sirdar based his invoices to the Town on the maximum 16.9 cubic yards that his trailer was modified to carry and K&A utilized FEMA guidelines and compaction ratios to determine the maximum volumetric capacity. While it is difficult to conclude that Sirdar actually compacted vegetative debris to 16cy (as invoiced), the Agreement itself lacked any level of specificity as to compaction methods and/or measurement guidelines and only makes provisions related to the method of payment per cubic yard.

- Between July 1, 2013 and August 6, 2013, Sirdar submitted a total of five invoices, containing 70 One Stop debris disposal receipts, to the Town. A review of those invoices by the OIG disclosed the following:

Invoice Number (Invoice Date)	Billing Period	Total Hours Mowing (\$45.00 per hour)	VR <sup>5</sup> Cubic Yards (\$16.00 per cubic yard)	VRDF <sup>6</sup> Cubic Yards (\$18.00 per cubic yard)	Total Invoice
10088 (July 29, 2013)	July 5 – 16, 2013	80	336	336	\$ 15,024.00
10089 (July 29, 2013)	July 17 – 23, 2013	50	192	192	\$ 8,778.00
10090 (August 2, 2013)	July 24 – 31, 2013	60	288	288	\$ 12,492.00
10091 (August 2, 2013)	August 1 – 2, 2013	20	128	128	\$ 5,252.00
10097 (September 2, 2013)	August 5 – 6, 2013	20	176	176	\$ 6,884.00
<b>Total of All Invoices Billed to the Town</b>					<b>\$ 48,430.00</b>

#### Statement of Mark Kutney, Town of Loxahatchee Groves Manager

Mr. Kutney was advised by Perla Underwood, Underwood Management Services Group, LLC (UMSG<sup>7</sup>) Co-Owner, that on or about August 5, 2013, she received Sirdar's first set of invoices under the Agreement for their services (#s 10088, 10089, and 10090) totaling \$36,294.00. Those invoices included handwritten receipts from a third party, The One Stop Garden Shop (One Stop), where Sirdar disposed of the vegetative debris. According to Mr. Kutney, Ms. Underwood appeared suspicious of the invoices based purely on the high volume of vegetative debris allegedly removed and disposed of by Sirdar at One Stop. Mr. Kutney explained that Ms. Underwood conducted a comparison of those three invoices, which included receipts from One Stop, against One Stop's own records. Mr. Kutney advised that Ms. Underwood's review disclosed discrepancies between the amount of One Stop disposal receipts submitted by Sirdar with their invoices and the amount of disposal receipts maintained by One Stop. While Ms. Underwood was conducting her document review, Town Public Works Director Frank Schiola was also assigned to conduct physical surveillance on Sirdar employees for a day, after which Mr. Schiola provided a report (August 6, 2013) indicating that there was reason to believe that Sirdar's vegetative debris removal and disposal loads were not 16 cubic yards as invoiced. Mr. Kutney acknowledged that Mr. Schiola's report was based on a "monitoring" that lasted approximately one hour, not an entire shift.

Due to the discrepancies, on August 6, 2013, Mr. Kutney issued a cease and desist order until the issue could be resolved. It is noted that Sirdar submitted a second set of

<sup>5</sup> Reference Vegetation Removal.

<sup>6</sup> Reference Vegetation Removal Dumping Fees.

<sup>7</sup> UMSG "provides management services to the Town of Loxahatchee Groves, and as such, we provide the all-administrative functions for the Town to include Financial Services."

invoices (#s 10091 and 10097) on September 5, 2013 for services performed during the first week of August 2013 (prior to the cease and desist order), totaling \$12,136.00.

Mr. Kutney advised that on August 14, 2013, he and Ms. Underwood<sup>8</sup> met with Sirdar's owners, Chris and Samantha Sirdar, as well as their billing employee, Penny Riccio, to discuss the billing issues. Mr. Kutney indicated that there was no solution to the billing issues at this meeting; however, both parties agreed that the Town would hire an engineering firm, Keshavarz and Associates, Inc. (K&A<sup>9</sup>), to conduct a volumetric capacity analysis on the trailer used by Sirdar for their debris disposal. On August 26, 2013, K&A provided their findings to the Town, which essentially found that Sirdar's trailer could not have held 16 cubic yards of debris, as invoiced. K&A's findings, using FEMA Guidelines for a hand-packed trailer, indicated that the most Sirdar's trailer could have held was 6.60 cubic yards without a top rail and 7.62 cubic yards with a top rail.<sup>10</sup> Mr. Kutney stated that based on K&A's findings, the Town paid Sirdar \$26,546.58 of the total billed (\$48,430.00), which included \$10,350.00 for mowing fees that could not be confirmed as to whether or not the work was actually completed. The remaining fees that were paid, \$7,621.92 for vegetation removal and \$8,574.66 for disposal fees, were based on the analysis conducted by K&A.<sup>11</sup> Mr. Kutney advised that to date, the remainder (\$21,883.42) has not been paid.

**The OIG reviewed the following pertinent documents:**

- **The Agreement contained the following:**

Article 3 – Payment

3.1 As set forth in its Response, SIRDAR shall provide the following services at the following prices that include the cost for use of equipment, labor costs, fuel, equipment maintenance, equipment delivery charges, fuel surcharges, and any other charges:

(a) Mowing	Hourly	\$45.00
(b) Vegetative Removal	Cubic Yard	\$16.00
(c) Vegetative Removal Dumping Fees	Cubic Yard	\$18.00

*It is noted that the OIG's review of the Agreement did not disclose any provisions for measurement standards and/or compaction methods that were to be used by Sirdar.*

- **K&A's Volumetric Capacity Analysis report disclosed the following:**

- The Town paid K&A \$3,660.00 for their analysis.

<sup>8</sup> Ms. Underwood was present via telephone.

<sup>9</sup> Through a contractual agreement, K&A serves as the Town's Engineer.

<sup>10</sup> It is noted that there was not a top rail at the time of measurement on the Sirdar's trailer.

<sup>11</sup> According to Mr. Kutney, the average of the two cubic yard measurements (with and without a top rail) were used to calculate the payment method for the total cubic yards disposed of by Sirdar.



- K&A's measurements of the trailer were recorded as 12' x 7.25' x 5.25', which would equate to 16.91cy.
- Based on K&A's measurements of Sirdar's trailer, as well as Sirdar's own statement as to how the trailer was loaded (hand-packed), K&A used FEMA Guidelines to determine the Sirdar's trailer Volumetric Capacity. The analysis yielded the following results:
  - Hand loaded with top rail: bottom capacity was 7.62cy
  - Hand loaded as measured: bottom capacity was 6.60cy
  - Mechanically loaded with top rail-bottom capacity was 10.84cy
  - Mechanically loaded as measured: bottom capacity was 9.82cy

*It should be noted that although K&A's analysis was based on FEMA Guidelines and compaction ratios, the Agreement does not specify the use of FEMA Guidelines as measurement standards, nor does the Agreement specify compaction methods.*

**Statement of Perla Underwood, Underwood Management Services Group, LLC Co-Owner**

Ms. Underwood confirmed Mr. Kutney's account regarding her review of the Sirdar's documentation, as well as the subsequent meeting with Sirdar. Ms. Underwood added that she found some discrepancies that led her to believe that Sirdar had submitted inflated invoices. Ms. Underwood noted the following discrepancies:

- The amount of vegetative debris removal and disposal appeared to be excessive.
- One Stop's records contained 67 receipts related to vegetative debris disposal by Sirdar; however, Sirdar submitted a total of 70 receipts in its five invoices to the Town.
- All 70 of the receipts included in the five invoices submitted to the Town by Sirdar were for the same amount (16 cubic yards each).
- Of the 70 receipts included in the five invoices submitted to the Town by Sirdar, 66 were signed by Sirdar employees even though the receipts were issued by One Stop. The remaining 4 were not signed at all.
- **The OIG's review of One Stop's records and interview of a One Stop employee disclosed the following:**
  - One Stop's records contained 67 debris disposal receipts that had been provided to Sirdar. Those debris disposal receipts matched 67 of the 70 debris disposal receipts submitted by Sirdar to the Town in their five invoices.
  - The three remaining receipts were not accounted for in One Stop's records; however, One Stop advised the OIG that Sirdar's first three transactions were not recorded by One Stop because an account had not yet been created.

- Richard Adams, co-owner of One Stop, explained that they cannot calculate the capacity of debris that is brought for disposal because they do not have a scale to measure any trailer's capacity.
- Mr. Adams explained that their employees only visually inspect a vendor's trailer for debris prior to disposal, taking into account the vendor's statement as to the capacity of their trailer.
- Mr. Adams further explained that the vendor is responsible for paying the designated disposal fee (\$25.00 for a 2-axle trailer) to One Stop, at which time the vendor, not One Stop, provides a signature for their (One Stop's) receipt.

### **Statement of Frank Schiola, Town Director of Public Works**

Mr. Schiola advised there was an initial concern that Sirdar was over-billing the Town for debris removal. Mr. Schiola advised that on August 6, 2013, he was instructed to follow and video tape the work activities of Sirdar's employees. According to Mr. Schiola, Sirdar had only one truck/trailer and two employees and were only responsible for working on pre-scheduled roadways. Mr. Schiola advised that he began his surveillance on that same day at approximately 10:30 a.m. while the workers were hedging on Casey Road. Mr. Schiola acknowledged that he had already missed the workers hedging and making one vegetative debris disposal from the work completed earlier at 22 Place North. Mr. Schiola advised that during his surveillance, he observed two employees hedging and hand loading the trailer; however, he was only able to observe the workers hedging and filling the trailer this one particular time because his video camera failed after approximately one hour. Mr. Schiola further stated that after his video camera failed, he only followed Sirdar to One Stop where they disposed of what he estimated to be "four or five branches." Mr. Schiola opined that it was approximately five cubic yards, whereas Sirdar's receipt from One Stop indicated 16 cubic yards. Mr. Schiola again acknowledged that he did not conduct surveillance for the entire day (10 hour shift) and that it only consisted of approximately one hour of surveillance.

### **Statement of Samantha Sirdar, Sirdar Owner**

Ms. Sirdar advised they entered into the Agreement with the Town and subsequently initiated services in July 2013. Ms. Sirdar stated that she was never advised by any Town employee of a specific budget or billing limit on the amount of work Sirdar was suppose to perform each month or year. Ms. Sirdar further stated that the Agreement did not specify as to how or where Sirdar could dispose of debris, nor did it specify how such debris would be or could be measured.

Ms. Sirdar denied inflating its invoices to the Town and explained that they purchased a 16 cubic yard trailer<sup>12</sup> and customized the sides with plywood so that it could hold the maximum cubic yards at 16.9. According to Ms. Sirdar, they initially hand filled the

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<sup>12</sup> It is noted that the OIG later clarified this information for accuracy. The Sirdar's trailer was purchased from All American Trailer, Inc. and the model was a Big Tex Dump Trailer (10,000 lbs.) with a 6.1 cubic yard capacity. The Sirdar's trailer was then customized to 16.9 cubic yard capacity.

trailer; however, they subsequently used a mower boom to compact the vegetation to fill the trailer to its capacity. Ms. Sirdar indicated that she would consider a filled trailer to be 16 cubic yards, but acknowledged that they never used a scale or measuring device to actually calculate the cubic yardage and only used the trailer manufacturer's measurement specifications, plus their modifications. Ms. Sirdar explained that after filling the trailer, the vegetative debris was transported to One Stop for disposal, where they (Sirdar) paid One Stop a \$25 disposal fee. According to Ms. Sirdar, One Stop employees only visually inspected the trailer's contents, without measuring the volume of the vegetative debris. Ms. Sirdar stated that One Stop only took into account that their trailer was 16 cubic yards and that the trailer appeared to be full. Ms. Sirdar further explained that once the vegetative debris was disposed of, Sirdar was required to pay a \$25.00 disposal fee to One Stop, at which time One Stop would provide a receipt for their (Sirdar's) signature.

**Statement of Chris Sirdar, Sirdar Owner:**

Mr. Sirdar reiterated Ms. Sirdar's statement and clarified that the trailer they initially purchased held approximately 6.7 cubic yards and then it was customized to hold 16.9 cubic yards. Mr. Sirdar denied inflating its invoices to the Town and confirmed that he simply used the trailer's measurements, with modifications, to determine that their loads were 16 cubic yards. Mr. Sirdar further added that the Agreement never specified how or where Sirdar could dispose of debris, nor did it specify how such debris would be or could be measured. Mr. Sirdar also confirmed that his first three transactions with One Stop were not recorded because an account had not yet been created.

**Statement of Mark Kutney, Town Manager (2<sup>nd</sup> Interview):**

Mr. Kutney stated that he did not believe that Sirdar was ever advised that the Town's budget for their services for the entire year was only \$37,320.00 and in hindsight, the Agreement with Sirdar was not written specific enough to outline that fact. Mr. Kutney advised that it was their belief that Sirdar and/or its employees would be fair in calculating the amount of vegetative debris removed and/or disposed of; however, Mr. Kutney acknowledged that the Agreement did not contain any specifics as to how Sirdar or the Town should measure the volume of vegetative debris being removed and/or disposed of and that the Agreement only specified the hourly rates for each service. Mr. Kutney advised that the Town was currently reviewing the Agreement to determine their next course of action.

## RECOMMENDED CORRECTIVE ACTIONS

Although the allegation that Sirdar Trucking, Inc. and/or its employees submitted inflated invoices to the Town of Loxahatchee Groves for work performed pursuant to the Agreement between the Town and Sirdar was *not supported*, the OIG recommends the following corrective actions to the Town:

1. Consider amending the Agreement with Sirdar, to include specific monitoring requirements, to include compaction methods and measurement standards.



2. Determine whether or not the remaining outstanding invoices should be paid.

*Mr. Kutney advised that the Town is currently negotiating a settlement agreement.*

3. Review the standard language in all services agreements and determine whether or not additional strengthening is needed.

*Mr. Kutney advised that “the town is aware that any future agreement with a vendor will need to contain specific provisions related to measurement and debris removal.”*

#### IDENTIFIED, QUESTIONED, AND AVOIDABLE COSTS

<b>Identified Costs:</b>	\$30,206.58 <sup>13</sup>
<b>Questioned Costs:</b>	\$21,883.42 <sup>14</sup>
<b>Avoidable Costs:</b>	\$1,092,019.80 <sup>15</sup>

#### ARTICLE XII, SECTION 2-427

Pursuant to Article XII, Section 2-427 of the Palm Beach County Code, on November 18, 2013, Mr. and Ms. Sirdar were provided the opportunity to submit a written explanation or rebuttal to the findings as stated in this investigative report within ten (10) calendar days. On December 3, 2013, Mr. Sirdar and Ms. Sirdar submitted a response, via their attorney, indicating that “no written response is necessary.”

On December 3, 2013, the Town was provided the opportunity to submit a written explanation or rebuttal to the findings as stated in this investigative report within ten (10) calendar days. On December 9, 2013, the Town submitted the following pertinent responses (*responses in their entirety are attached*):

- *The Town indicated that they are in the process of finalizing the payment arrangement with Sirdar.*

**OIG Response:** The Corrective Action section will be updated to reflect this information.

- *The Town indicated that photographs taken by K&A at the time of their analysis, as well as a photograph submitted by Sirdar, do not support “the necessary modification to achieve the (12’L x 7.25’ W x 5.25’ H) measurement.”*

<sup>13</sup> Represents the \$26,546.58 paid to date to Sirdar and the \$3,660.00 paid to K&A for their analysis.

<sup>14</sup> Represents the outstanding invoices currently being disputed.

<sup>15</sup> Represents the potential costs of the Agreement, based on a two year period, with the daily average being \$1,562.26 (\$48,430.00 [Bill to Date] / 31 Days [Total Billing Days]).

**OIG Response:** K&A's analysis stated that "it should be noted that at the time of the measurements [with photographs], the top slat/rail was not in place for a total height of 4.5'." Because it is no longer possible to verify which modifications were in place at the time the debris was removed and/or disposed of, for purposes of this report, the maximum measurements possible (as documented in K&A's analysis and provided by Sirdar) were utilized in the OIG's calculations to determine the total capacity of debris that *could have* been removed and/or disposed of by Sirdar.

*This Investigation has been conducted in accordance with the ASSOCIATION OF INSPECTORS GENERAL Principles & Quality Standards for Investigations.*

**FUCHS AND JONES, P.A.**  
ATTORNEYS AT LAW

Telephone (561) 793-0600  
Telecopier (561) 793-7079

LAWRENCE M. FUCHS  
ROBERT D. JONES

12794 W. FOREST HILL BLVD., SUITE 32  
WELLINGTON FL 33414-4758

PERSONAL & CONFIDENTIAL

November 25, 2013

Donald J. Balberchak, Director  
Office of Inspector General  
Investigations Section  
P. O. Box 16568  
West Palm Beach, FL 33416

RE: OIG Case Number 2014-0001

Dear Mr. Balberchak:

This law firm represents Chris and Samantha Sirdar and Sirdar Trucking, Inc. After review of the draft findings, my clients believe that no written response is necessary.

Sincerely yours,

**FUCHS AND JONES, P.A.**

  
**ROBERT D. JONES**

RDJ:p



Sheryl G. Steckler  
Inspector General

OFFICE OF INSPECTOR GENERAL  
PALM BEACH COUNTY



Inspector General  
Accredited

December 6, 2013

From: Mark Kutney  
Town of Loxahatchee Groves Manager

Re: Response Letter (2014-0001)

GENERAL AGREEMENT WITH REPORT, SOME  
MINOR VARIATIONS ADDRESSED TO INVESTIGATION.  
THE TOWN HAS TAKEN CORRECTIVE ACTIONS  
RE: SETTLEMENT, MUTUAL <sup>AGREEMENT</sup> TO END CONTRACT,  
AND FUTURE CHANGES TO FOLLOWING CONTRACT  
COVERING SPECIFICITY.

- ① CORRECTION OF PERLA UNDRWOOD AS <sup>CO-</sup>OWNER  
OF UMSC UNDRWOOD MANAGING SERVICES  
GROUP.
- ② AGREEMENT CALLS FOR SETTLEMENT WITH  
SIOAR AT \$ 21,000 +
- ③ SURVEILLANCE WAS AKALEY SPOT CHECK
- ④ CORRECTIVE ACTIONS WILL BE TAKEN RE FUTURE  
CONTRACT

  
Mark Kutney (Town Manager)

"Enhancing Public Trust in Government"

## Flora Butler

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**From:** Mark Kutney [mkutney@loxahatcheegrovesfl.gov]  
**Sent:** Friday, December 06, 2013 4:07 PM  
**To:** Flora Butler  
**Subject:** RE: OIG Case #2014-0001

Dear Flora/Rob:

Pursuant to my review of the case report and the meeting held this morning between Rob and I, please allow this email to serve as a supplement to the hand written comment sheet that I signed for Rob this morning. Hopefully, these comments will clarify and augment the hand written comments.

I basically wrote that the Town is in general agreement with the report although there are some minor disagreements with the report which I will discuss below. Also, please beware that the Town has taken corrective actions relative to a settlement with Sirdar Trucking. Specifically these include: 1) payment of \$31, 103.60 to settle all outstanding invoices; and 2) adoption of a resolution for termination for Convenience of the Sirdar Trucking agreement at the January 14, 2014 Town Council Meeting. The Loxahatchee Groves Town Council approved taking the aforementioned actions at their December 3, 2013 Meeting.

Relative to the report, I raised the need to reflect the proper title of Ms. Underwood; the fact that I did not consider the monitoring of by Frank Schiola to be surveillance but rather a spot check of activity at that time including the check of vegetative debris at One Stop; clarification of the Keshavarz report which reflects the 16.91 cubic yards; the Town relationship with Keshavarz as Town Engineer and the reliance of Town Vendors to enforce compliance since the Town is a contract/vendor municipality; budget issues ; and FEMA Standards relative to debris monitoring.

The Town is aware that any future agreement with a vendor will need to contain specific provisions related to measurement and debris removal. It was always the Town's intent to deal with this matter in a scientific/mathematical manner rather than a " battle of statements."

Perla Underwood has also requested the ability to comment and will be calling or emailing Rob Flechaus with her comments.

Thank you for the ability to comment and your efforts in this matter.

Best regards,  
Mark

Mark A. Kutney, AICP, ICMA-CM  
Town Manager



**TOWN OF LOXAHATCHEE GROVES**  
14579 Southern Blvd, Suite 2  
Loxahatchee Groves, FL 33470  
(561) 793-2418: Phone  
(561) 793-2420: Fax  
[www.loxahatcheegroves.org](http://www.loxahatcheegroves.org)



**Note:** Please direct all future correspondence to [mkutney@loxahatcheegrovesfl.gov](mailto:mkutney@loxahatcheegrovesfl.gov)

**From:** Flora Butler [<mailto:FButler@pbcgov.org>]

**Sent:** Tuesday, December 03, 2013 9:51 AM

**To:** [mkutney@loxahatcheegroves.org](mailto:mkutney@loxahatcheegroves.org)

**Cc:** Robert Flechaus F.

**Subject:** OIG Case #2014-0001

Mr. Kutney,

Per your conversation with Investigator Flechaus, I am providing you with a copy of our DRAFT findings for our meeting this Friday. Please keep in mind that although the title of this document is Subject Response, neither the Town, or its employees, were the subjects of this investigation. However, because the corrective actions that will be included in the Final Report are directed to the Town, we are providing you the opportunity to review the DRAFT findings section of our report and provide a response. We look forward to meeting with you on Friday.

Thank you

Flora Butler  
Office of Inspector General  
Palm Beach County  
P.O. Box 16568  
West Palm Beach, FL 33416  
Office: 561-233-2350  
Hotline: 877-283-7068  
Fax: 561-233-2375

***"Enhancing Public Trust in Government"***

To report waste, fraud or abuse, please send to: [inspector@pbcgov.org](mailto:inspector@pbcgov.org)

Please visit our website at: <http://www.pbcgov.com/OIG>

We value your opinion. Please take a few minutes to share your comments on the service(s) you received from our office by sending e-mail to [IGcomments@pbcgov.org](mailto:IGcomments@pbcgov.org).

**NOTICE:** Florida has a broad public records law. Most written communications to or from local government officials or employees that involve official business are public records that will be disclosed to the public and the media upon request. E-mail communications may be subject to public disclosure.

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Under Florida law, e-mail addresses are public records. If you do not want your e-mail address released in response to a public records request, do not send electronic mail to this entity. Instead, contact this office by phone or in writing.

## Robert Flechaus F.

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**From:** Mark Kutney [mkutney@loxahatcheegrovesfl.gov]  
**Sent:** Monday, December 09, 2013 2:22 PM  
**To:** Robert Flechaus F.  
**Cc:** Flora Butler; umsg@att.net  
**Subject:** RE: Comments from Perla Underwood  
**Attachments:** OIG Case 2014-0001 Response (3).docx

Sorry for missing the attachment. Here it is.

Mark

Mark A. Kutney, AICP, ICMA-CM  
Town Manager



### TOWN OF LOXAHATCHEE GROVES

14579 Southern Blvd, Suite 2  
Loxahatchee Groves, FL 33470  
(561) 793-2418: Phone  
(561) 793-2420: Fax  
[www.loxahatcheegroves.org](http://www.loxahatcheegroves.org)

**Note:** Please direct all future correspondence to [mkutney@loxahatcheegrovesfl.gov](mailto:mkutney@loxahatcheegrovesfl.gov)

**From:** Robert Flechaus F. [<mailto:RFlechaus@pbcgov.org>]  
**Sent:** Monday, December 09, 2013 2:20 PM  
**To:** Mark Kutney  
**Subject:** RE: Comments from Perla Underwood

Mr. Kutney,

We received your email however there was no attachment attached to it. Please resend . Thank you.

**Robert Flechaus**  
Office of Inspector General  
Palm Beach County  
P.O. Box 16568  
West Palm Beach, FL 33416  
Office: 561-233-2350  
Hotline: 877-283-7068  
Fax: 561-233-2386

*"Enhancing Public Trust in Government"*

To report waste, fraud or abuse, please send to: [inspector@pbcgov.org](mailto:inspector@pbcgov.org)  
Please visit our website at: <http://www.pbcgov.com/OIG>

We value your opinion. Please take a few minutes to share your comments on the service(s) you received from our office by sending an email to: [IGcomments@pbcgov.org](mailto:IGcomments@pbcgov.org).

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**From:** Mark Kutney [<mailto:mkutney@loxahatcheegrovesfl.gov>]  
**Sent:** Monday, December 09, 2013 12:31 PM  
**To:** Robert Flechaus F.  
**Cc:** Flora Butler; [umsg@att.net](mailto:umsg@att.net)  
**Subject:** Comments from Perla Underwood

Dear Rob:

Attached please find the letter from Perla Underwood containing her comments regarding your draft report. Also, please note that I received a call from my Attorney advising that Sirdar's Attorney called him regarding Attorney's fees and this may place the resolution that I indicated to you on hold until the matter is resolved. I wanted you to be aware of this since it was mentioned that these actions may be included in your final report.

Best regards,  
Mark Kutney

Mark A. Kutney, AICP, ICMA-CM  
Town Manager



**TOWN OF LOXAHATCHEE GROVES**  
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**Note:** Please direct all future correspondence to [mkutney@loxahatcheegrovesfl.gov](mailto:mkutney@loxahatcheegrovesfl.gov)

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# Underwood Management Services Group, LLC

840 N.E. Stokes Terrace  
Jensen Beach, Florida 34957  
Telephone: 772.233.1511

Perla D. Underwood  
Partner  
Email: umsg@att.net

December 9, 2013

Office of Inspector General  
PO Box 16568  
West Palm Beach, FL 33416

Attn: Flora Butler, Investigations Supervisor  
Robert F. Flechaus, Investigator

Dear Ms. Butler and Mr. Flechaus:

Re: OIG Case #2014-0001

Thank you for providing me with the ability to respond to three separate items included in the Investigative Finding on the above reference Case 2014-0001 as follows:

- **I was identified in the Report as the Town Accountant**

Please be advised that I am not the Town's Accountant. I represent Underwood Management Services Group. UMSG provides management services to the Town of Loxahatchee Groves, and as such, we provide the all-administrative functions for the Town to include Financial Services.

- **Allegation (1) Finding (page 3 of 9) – Paragraph 2**

It appears to me that paragraph 2 of the Findings concludes that Sirdar's trailer is 16.9 cubic yards as the report state "Sirdar's contention that his trailer (with modifications) was 16.9cy (affirmed by K&A's Analysis of the trailer, which was measured at (12' L x 7.25' W x 5.25' H).

1. Page 1 of K&A's Analysis specifically states that the "height of the trailer has variable conditions," and "that at the time of the measurements, **the top slat/rail was not in place.**" Further, K&A Report includes a photo of the Sirdar Trailer at the time of measurement that does not have the optional slats in place to allow for the (12'L x 7.25' W x 5.25' H) measurement.

K&A Report does state

1. "The trailer was measured to have a width of 7.25' and a length of 12.0," and
2. "The height of the trailer has variable conditions. The first 2' of height is enclosed on all four sides, fixed metal siding on three sides and a locking tailgate. There are optional slats along the two 12' sides of the trailer for an additional 3.25' of height, for a total height of 5.25'."

With respect to Sirdar's contention that their trailer was modified to achieve the 16.9 cubic yards and (12'L x 7.25' W x 5.25' H) measurement is not supported by photographs provided by the Sirdar Trucking, and Town's Engineers, K&A.

- Photographs provided by Sirdar Trucking with their July invoicing do not reflect the necessary modification to achieve the (12'L x 7.25' W x 5.25' H) measurement.
- The Town Engineer's photograph of Sirdar's Trailer included in their report does not reflect the necessary modification to achieve the (12'L x 7.25' W x 5.25' H) measurement.
  
- **Allegation (1) Finding (page 3 of 9) – Paragraph 3**

While it is true that the Town's Agreement with SIRDAR Trucking "lacks any level of specificity as to compaction methods and/or measurement guidelines and only makes provisions related to the method of payment per cubic yard," please be advised that the Town does have other similarly-worded contracts currently in place, specifically for road work maintenance, and waste removal services.

In addition, the Town has not experienced similar problems in those other contracts. In fact, those contractors provide sufficient documentation from their third party vendors that reflect the necessary verification needed so that the Town can quantify materials and services rendered by the contractor to the Town.

Thank you for the ability to comment and your efforts in this matter.

Sincerely,



Perla D. Underwood



