



Memorandum

19 West Flagler Street ♦ Suite 220 ♦ Miami, Florida 33130
Phone: (305) 375-1946 ♦ Fax: (305) 579-2656
visit our website at www.miamidadeig.org

To: Hon. Agustin J. Barrera, Chair
and Members, Miami-Dade County School Board

Rudolph F. Crew, Ed.D, Superintendent, Miami-Dade County Public Schools

From:  Christopher R. Mazzella, Inspector General
for Miami-Dade County Public Schools

Date: July 24, 2008

Subject: OIG Final Report Re: Miami-Dade County Public Schools Contract
Overpayment to Professional Engineering & Inspection Company, Inc.
(PEICO), Ref. IG08-16SB

Attached please find the Office of the Inspector General's (OIG) final report on the above-captioned matter. The report details overpayments totaling \$18,000 made by one vendor—PEICO—related to 30 invoices for environmental assessments performed between December 2005 and May 2007. The environmental assessments are charged at different rates based upon site acreage. The OIG found that in 30 of 36 site assessments, Miami-Dade County Public Schools (MDCPS) was charged the higher rate—for sites greater than 25 acres—even though the site acreage was less than 25 acres.

PEICO employees have admitted to the OIG that they had mistakenly charged the higher rate. PEICO has already made full reimbursement to the School District for \$18,000. MDCPS employees responsible for the work issuance and payment of this vendor have admitted error in approving the payments. However, the OIG would like to emphasize that PEICO is just one of five vendors under contract with MDCPS to perform environmental site assessments. Moreover, other services, such as materials testing, may be provided under the agreements. This investigation was predicated on the allegations that PEICO was overpaid on its site assessments, but given the weaknesses noted in our investigation regarding the work flow and invoice approval processes, the OIG strongly recommends that the Office of Management and Compliance Audits conduct a full audit of the billing and payment practices under the Geotechnical/Construction Materials Testing and Environmental Assessment Services Contract in order to determine whether any other overpayments were made.

The second OIG recommendation is also intended to prevent future waste in connection with the administration of MDCPS contracts. Prospectively, the OIG recommends that

the Administration create and enforce policies and procedures to ensure proper invoicing and payment under both established and future contracts.

The OIG, in accordance with our responsibilities pursuant to our Interlocal Agreement with the School Board, distributed this report on July 7, 2008 as a “draft” to the subjects of the OIG’s findings—PEICO and the School District Administration—for their discretionary comments, which would have then been included with this final report. The parties were given until July 21, 2008 to submit their written comments. The OIG has not received any responses from PEICO, the Superintendent’s Office, or the Office of School Facilities-Construction. As for the Office of Facilities-Construction, we have repeatedly requested their response to the draft report, but upon receiving no specific information as to its status, and inasmuch as the deadline for submitting a response was reached, this report is being issued as is.

Pursuant to Section 3(c) of the Interlocal Agreement, the OIG requires that the Superintendent provide a report within 60 days, on or before September 24, 2008 regarding the implementation status of the OIG’s recommendations and/or any other remedial activities being undertaken by the Administration.

In the meanwhile, please do not hesitate to contact me should you have any questions regarding this report.

cc: Mr. Jaime G. Torrens, Chief Facilities Officer, Office of School Facilities
Mr. Victor Alonso, Design Officer, Office of School Facilities-Construction
Ms. Shari Lee, Executive Director, District Wide Initiatives Section
Office of School Facilities-Construction
Mr. Allen Vann, Chief Auditor, Office of Management and Compliance Audits
Mr. Steven Black, Vice-President, PEICO

Attachment (OIG Final Report)

MIAMI-DADE COUNTY PUBLIC SCHOOLS OFFICE OF THE INSPECTOR GENERAL
*Final Report Re: Miami-Dade County Public Schools Contract Overpayment to
Professional Engineering & Inspection Company, Inc. (PEICO)*

INTRODUCTION & SYNOPSIS

In April 2008, the Miami-Dade County Office of the Inspector General (OIG) began an investigation after receiving information that Professional Engineering & Inspection Company, Inc. (PEICO), a vendor under contract with Miami-Dade County Public Schools (MDCPS) to provide environmental assessment services, was overpaid on numerous assessments it conducted at various MDCPS school sites.

In March 2003, MDCPS entered into a contract with PEICO to perform materials testing and environmental assessment services. The contract's fee schedule specified PEICO would be paid a flat fee of \$2,900 for environmental assessments that it performed on sites smaller than 25 acres and \$3,500 for environmental assessments that it performed on sites greater than 25 acres. Between December 2005 and May 2007, employees of the MDCPS Office of School Facilities-Construction completed and approved work order requests and work orders authorizing PEICO to conduct environmental assessments on 36 sites.

The OIG investigation has determined that 30 of the 36 sites were less than 25 acres. The contract terms for payment were printed clearly at the top of each of the work order request forms. In addition, upon completion of the environmental assessments, PEICO submitted individual reports of findings to MDCPS, which identified the acreage of the sites. Nevertheless, every invoice PEICO submitted for the environmental assessments billed MDCPS at the higher rate of \$3,500. MDCPS employees approved all 36 of the invoices and paid PEICO \$3,500 for each of the assessments despite the fact that only six of them qualified for the higher rate. Thus, the failure of PEICO and the MDCPS Office of School Facilities-Construction to ensure proper payment of the invoices under the contract terms resulted in an overpayment of \$18,000 to PEICO. A chart depicting the overpayments follows this report as OIG Schedule A.

In response to questioning by OIG Special Agents, PEICO employees admitted that they mistakenly submitted 30 invoices charging the higher rate, and MDCPS employees admitted that they erred in approving the overpayments. As a result of this investigation, PEICO made full reimbursement in the amount of \$18,000 to MDCPS on May 22, 2008. As a further result of this investigation, the OIG, by way of this report, makes recommendations intended to prevent future waste in connection with the administration of MDCPS contracts.

OIG JURISDICTIONAL AUTHORITY

The OIG provides inspector general services to the MDCPS pursuant to the Interlocal Agreement (ILA) between Miami-Dade County and MDCPS. The ILA for inspector general services is expressly authorized by MDCPS School Board Rule 6GX13-8A-1.08. The scope and jurisdiction of the OIG's activities is dictated by the ILA. Among the authority

MIAMI-DADE COUNTY PUBLIC SCHOOLS OFFICE OF THE INSPECTOR GENERAL
*Final Report Re: Miami-Dade County Public Schools Contract Overpayment to
Professional Engineering & Inspection Company, Inc. (PEICO)*

jurisdiction, responsibilities and functions conferred upon the OIG through the ILA is the authority and jurisdiction to make investigations of MDCPS affairs, including the power to review past, present and proposed programs, accounts, records, contracts and transactions. The OIG shall have the power to require reports and the production of records from the MDCPS Superintendent, School Board members, School District departments and allied organizations, and School District officers and employees, regarding any matter within the jurisdiction of the OIG.

BACKGROUND

PEICO

PEICO is a corporation that is registered with the Florida Department of State, Division of Corporations, to conduct business in the state of Florida and has been so registered since 1987. PEICO is listed as a d/b/a for its parent company, Bureau Veritas North America Inc., a large multi-national company. PEICO was selected by the MDCPS Office of Facilities-Construction to complete the environmental assessments in question.

The Contract

On March 19, 2003, MDCPS commissioned PEICO and four other firms to perform materials testing and environmental assessment services at various school sites throughout the school district pursuant to a contract formally identified as the Geotechnical/Construction Materials Testing and Environmental Assessment Services Contract.¹ MDCPS entered into the two-year contract with PEICO, commencing April 9, 2003, and continuing through April 8, 2005, with three additional one-year extensions. MDCPS authorized the yearly extensions annually from 2005 to the present. Both the original contract and the yearly extensions authorize PEICO to perform the environmental assessments, subject to a clearly articulated fee schedule. The fee schedule provides that PEICO would be paid \$2,900 for environmental assessments it performed on sites smaller than 25 acres, and \$3,500 for environmental assessments it performed on sites greater than 25 acres.

The Need for Environmental Assessments

During the past several years, MDCPS has been upgrading school facilities and adding thousands of new student stations, often by adding modular buildings to existing school facilities. In order to obtain financing for the upgrades, MDCPS school lands and school buildings are offered as collateral. In connection with the offering of school lands and school buildings as collateral,

¹ The other firms are Evans Environmental & Geosciences; Law Engineering and Environmental Services, Inc.; Nutting Engineers of Florida, Inc.; and Professional Services Industries, Inc. Neither the performance of the other firms generally, nor PEICO's performance of materials testing, was a focus of the investigation.

MIAMI-DADE COUNTY PUBLIC SCHOOLS OFFICE OF THE INSPECTOR GENERAL
*Final Report Re: Miami-Dade County Public Schools Contract Overpayment to
Professional Engineering & Inspection Company, Inc. (PEICO)*

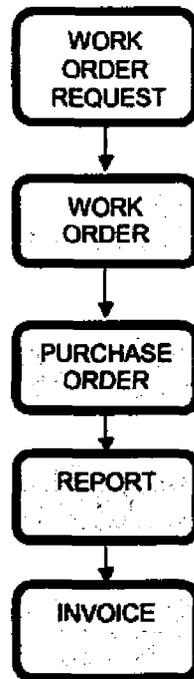
MDCPS is required to have environmental assessments performed. Accordingly, between December 2005 and May 2007, MDCPS, pursuant to the above-described contract, directed PEICO to perform 36 environmental assessments needed in support of the process for financing the upgrades.

INVESTIGATION

During the course of the investigation, OIG Special Agents reviewed numerous documents obtained from both MDCPS and PEICO including, but not limited to, the contract, work order requests, work orders, environmental assessment reports, purchase orders and invoices generated in connection with the 36 environmental assessments performed by PEICO. In addition, OIG Special Agents interviewed numerous MDCPS and PEICO employees.

The Contract Process

The chart below depicts the contract administration work and payment process for work performed pursuant to the subject contract. A sample of each of the documents reflected in the chart is attached to this report as Exhibits A-E.



MIAMI-DADE COUNTY PUBLIC SCHOOLS OFFICE OF THE INSPECTOR GENERAL
*Final Report Re: Miami-Dade County Public Schools Contract Overpayment to
Professional Engineering & Inspection Company, Inc. (PEICO)*

1. Work Order Request

The first step in the contract process was the generation of a work order request by the MDCPS Office of School Facilities-Construction. All of the work order requests, which ultimately resulted in overpayments to PEICO, identified the school site by name and address and noted that the fee per contract was \$2,900 per site for sites 25 acres or less and \$3,500 for sites greater than 25 acres. None of those work order requests, however, indicated the actual acreage of the identified sites. All of the work order requests, which ultimately resulted in overpayments to PEICO, were initiated and signed by Shari Lee, Executive Director, District Wide Initiatives Section of the Office of School Facilities-Construction, and signed by her supervisor Victor Alonso, Design Officer, Office of School Facilities.

2. Work Order

The second step in the contract process was the issuance of a work order, which authorized PEICO to undertake the environmental assessment. The work order was issued based upon a review of the work order request. None of the 36 work orders issued to PEICO identified the acreage of the school site nor did they note the contract's fee terms; rather, each work order merely listed the fee as \$3,500. All of the 36 work orders were signed by Angela Evans, MDCPS Contract Management Work Order Coordinator, in the name of 'Victor Alonso, Interim Executive Director.' OIG Special Agents were advised her signing for Mr. Alonso was in conformity with then-existing office practice. Contract Management is a unit within the MDCPS Office of School Facilities-Construction.

3. Purchase Order

The third step in the contract process was the issuance of an unsigned purchase order by MDCPS Contract Management. The purpose of the purchase order was to reserve sufficient funds to pay for the environmental assessments. The unit price listed on each of the 36 purchase orders was \$3,500.

4. PEICO Report

Upon receipt of a work order request and a work order, PEICO performed an environmental assessment at the school site identified. Thereafter, PEICO submitted its environmental assessment report to Ms. Lee. This report ultimately identified the acreage of the school site.

5. Invoice

The final step in the contract process was the submission of an invoice for payment by PEICO to MDCPS. The invoices submitted by PEICO were always submitted

MIAMI-DADE COUNTY PUBLIC SCHOOLS OFFICE OF THE INSPECTOR GENERAL
*Final Report Re: Miami-Dade County Public Schools Contract Overpayment to
Professional Engineering & Inspection Company, Inc. (PEICO)*

separately from the reports, on a date routinely two weeks to two months later than the date of the reports. Of the 36 invoices submitted by PEICO, all were submitted for \$3,500, despite the fact that the 30 of the 36 sites commissioned by MDCPS were less than 25 acres. All of the invoices were created by PEICO employee Isabel Balius.

Interview of Shari Lee

Ms. Lee informed OIG Special Agents that she initiated and signed all 30 work order requests for the less than 25-acre sites. She was aware of the contract terms specifying payment of \$3,500 only for sites greater than 25 acres. Ms. Lee acknowledged reviewing the PEICO reports and thereafter signing and approving the invoices. Ms. Lee stated that she did not recall having any communications with anyone authorizing payment to PEICO in an amount greater than that mandated by the terms of the contract. She admitted that authorizing the \$3,500 payments for sites smaller than 25 acres was obviously an error.

Interview of Victor Alonso

Mr. Alonso acknowledged that he signed the work order requests, but added that he did not read them because they had already been signed by Ms. Lee. With regard to the work orders, Mr. Alonso stated that Ms. Evans signed his name to them and then placed her initials after the signature.² Mr. Alonso also stated that he approved and signed the invoices, but admitted that he never reviewed the reports. He acknowledged that he made a mistake in authorizing payment to PEICO at the incorrect rate and stated that it was an oversight on his part.

Interview of Isabel Balius

Ms. Balius, a PEICO employee, stated that she created all of the erroneous invoices on behalf of PEICO. She further stated that she did not review the reports, was not aware of the contract terms, and, at any rate, did not pay attention to contract terms noted on the work order request.

Interview of Steven Black

Steven Black, a vice-president of PEICO, was the person responsible for negotiating aspects of the contract with MDCPS relating to the environmental assessments in question. In addition, the investigation determined that Mr. Black was responsible for the environmental assessments in a supervisory capacity and that he signed most of the reports. In his interview, Mr. Black stated that he was not personally involved in the invoicing. Mr. Black acknowledged that PEICO committed accounting errors during the billing process.

² Ms. Evans told OIG Special Agents that she wrote Victor Alonso's name on the work order in accordance with then-existing office practice.

MIAMI-DADE COUNTY PUBLIC SCHOOLS OFFICE OF THE INSPECTOR GENERAL
*Final Report Re: Miami-Dade County Public Schools Contract Overpayment to
Professional Engineering & Inspection Company, Inc. (PEICO)*

PEICO Makes Full Reimbursement to MDCPS for the Overpayments

As a result of the OIG investigation, MDCPS requested that PEICO make reimbursement of the overpayments. In response, PEICO issued a check made payable to MDCPS for \$18,000, dated May 22, 2008.

CONCLUSION & RECCOMENDATIONS

The failure of MDCPS to ensure proper payment for the environmental assessments made by PEICO at 30 school sites resulted in an overpayment of \$18,000 to PEICO. Because the OIG investigation focused only on payments made to PEICO for its environmental assessments, it has not been determined whether PEICO or any other firms were overpaid for other services they may have performed pursuant to the contract. Therefore, the OIG recommends:

1. That the Office of Management and Compliance Audits conduct a full audit of the billing and payment practices under the Geotechnical/Construction Materials Testing and Environmental Assessment Services Contract in order to determine whether any other overpayments were made.
2. That Miami-Dade County Public Schools create and enforce policies and procedures to ensure proper invoicing and payment under both established and future contracts, including emphasizing the need for clear communication and diligent review during the administration of the contracts.

The OIG, in accordance with our responsibilities pursuant to our Interlocal Agreement with the School Board, distributed this report on July 7, 2008 as a "draft" to the subjects of the OIG's findings—PEICO and the School District Administration—for their discretionary comments, which would have then been included with this final report. The parties were given until July 21, 2008 to submit their written comments. The OIG has not received any responses from either PEICO, the Superintendent's Office, or the Office of School Facilities-Construction. As for the Office of Facilities-Construction, we have repeatedly requested its response to the draft report, but upon receiving no specific information as to its status, and inasmuch as the deadline for submitting a response was reached, this report is being issued as is.

Pursuant to Section 3(c) of the Interlocal Agreement, the OIG requires that the Superintendent provide a report within 60 days, on or before September 24, 2008 regarding the implementation status of the OIG's recommendations and/or any other remedial activities being undertaken by the Administration.

MIAMI-DADE COUNTY PUBLIC SCHOOLS OFFICE OF THE INSPECTOR GENERAL
*Final Report Re: Miami-Dade County Public Schools Contract Overpayment to
Professional Engineering & Inspection Company, Inc. (PEICO)*

OIG SCHEDULE A

PEICO IMPROPERLY BILLED ENVIRONMENTAL ASSESSMENTS

The investigation determined that PEICO submitted the 30 erroneous invoices during three separate periods. The first group, consisting of 22 erroneous invoices, was submitted by PEICO and was approved and signed by Victor Alonso in February 2006. (Shaded blue) The second group, consisting of seven erroneous invoices, was submitted by PEICO in March and April 2006, and was approved and signed by Shari Lee in April 2006. (Shaded yellow) Significantly, the final erroneous invoice was not submitted by PEICO until December 2006, and was not approved and signed by Ms. Lee until January 2007, almost 10 months after the submission, approval, and payment of the first group of erroneous invoices. (Shaded green)

No.	SCHOOL SITE	ACRES PER MDCPS RECORDS	ACRES PER PEICO REPORTS	WORK ORDER DATE	INVOICE DATE	INVOICE APPROVING SIGNATORY
1	Avocado Elementary	8.36	8.36	12/14/2005	2/16/2006	Victor Alonso
2	Calusa Elementary	15.61	7.91	12/14/2005	2/16/2006	Victor Alonso
3	Citrus Grove Middle	6.34	12.56	12/14/2005	2/16/2006	Victor Alonso
4	Crestview Elementary	6.73	6.5	12/14/2005	2/17/2006	Victor Alonso
5	Eugenia B. Thomas Elementary	10.5	11	12/14/2005	2/16/2006	Victor Alonso
6	Flamingo Elementary	8.55	3.91	12/14/2005	2/16/2006	Victor Alonso
7	Greenglade Elementary	8.46	8.46	12/14/2005	2/17/2006	Victor Alonso
8	Henry M. Flagler Elementary	4.89	4.2	12/14/2005	2/16/2006	Victor Alonso
9	Irving & Beatrice Peskoe Elementary	11.88	10.75	12/14/2005	2/17/2006	Victor Alonso
10	John F. Kennedy Middle	17.71	20	12/14/2005	2/17/2006	Victor Alonso
11	Meadowlane Elementary	8.98	8.94	12/14/2005	2/17/2006	Victor Alonso
12	Miami Palmetto Senior	23.5	20	12/14/2005	2/17/2006	Victor Alonso
13	Natural Bridge Elementary	5.78	5	12/14/2005	2/17/2006	Victor Alonso
14	Palm Lakes Elementary	8.25	6.06	12/14/2005	2/17/2006	Victor Alonso
15	Pinecrest Elementary	10.73	10.75	12/14/2005	2/17/2006	Victor Alonso
16	Redland Middle	10.45	24.1/10.74**	12/14/2005	2/17/2006	Victor Alonso

MIAMI-DADE COUNTY PUBLIC SCHOOLS OFFICE OF THE INSPECTOR GENERAL
*Final Report Re: Miami-Dade County Public Schools Contract Overpayment to
Professional Engineering & Inspection Company, Inc. (PEICO)*

17	Redondo Elementary	8.12	8.6	12/14/2005	2/17/2006	Victor Alonso
18	Rockway Middle	11.77	11.2	12/14/2005	2/17/2006	Victor Alonso
19	South Hialeah Elementary	5.12	5	12/14/2005	2/17/2006	Victor Alonso
20	Southwood Middle	18.4	18.4	12/14/2005	2/17/2006	Victor Alonso
21	South Miami Elementary	9.22	11	12/14/2005	2/17/2006	Victor Alonso
22	Winston Park Elementary	10.09	9.59	12/14/2005	2/17/2006	Victor Alonso
23	Coral Way/SS XX Elementary	7.47	7.75	02/03/2006	3/27/2006	Shari Lee
24	Frank C. Martin Elementary/New Middle	15.34	15.34	02/03/2006	4/21/2006	Shari Lee
25	Miami Beach Senior	19.57	5	02/03/2006	4/21/2006	Shari Lee
26	New Childhood Center/Marjory Stoneman Douglas Elementary	2.2	9.96	02/03/2006	3/27/2006	Shari Lee
27	Pine Villa Elementary	11.39	11.71	02/03/2006	4/21/2006	Shari Lee
28	Ponce de Leon Middle	14.13	14.1	02/03/2006	4/21/2006	Shari Lee
29	Ojus Elementary	5.49	5.975	02/03/2006	3/27/2006	Shari Lee
30	Ruth Broad/Bay Harbor Elementary	7.53	6.41	09/13/2006	12/20/2006	Shari Lee

** Two acreage amounts were listed in the PEICO report for Redland Elementary

**OIG
EXHIBITS**

IG08-16SB



CAPITAL IMPROVEMENT WORK ORDER REQUEST

(Please print clearly)

83105241

INITIATOR: Shari A Lee TITLE: Executive Director LOC #: 524
 FACILITY: SOUTH MIAMI ELEMENTARY PROJECT #: A01107
 ADDRESS: 6800 SW 60 ST SOUTH MIAMI 33143
 PROJECT TRACKING #: A01107 REGION CTR.: 5
 EXISTING WORK ORDER #: _____ W.O. DATE: _____

FOR OCIP USE ONLY:
 TA #: 12.32
 PROJECT #: A01107
 PM: SHARI LEE
 CONTR: _____

DETAILED PROJECT DESCRIPTION: Clearly, and in detail, explain the project scope. Are all code related items to be included or deferred through a DOE waiver? Are there other items of work required which may be incidental? Be specific. Attach a sketch and/or additional information if necessary. Include site survey, record drawings, FISH drawings/report (see attached forms). Ongoing/future project status (if applicable).

Phase I Environmental - for COPS Funding
Fee per contract - \$2,900 per site for sites 25 acres or less, \$3,500 for sites greater than 25 acres

DESCRIPTION OF SERVICES

REPORT

STRUCTURAL INVESTIGATION

PROGRAMMING

AS-BUILT VERIFICATION

DESIGN, CONSTRUCTION DOCUMENTS, CONSTRUCTION ADMINISTRATION

OTHER
Phase I Environmental

MARK IF APPLICABLE:

is this work survey recommended? Yes No Five year work plan? Yes No

New Space Added New Student Stations Renovation Remodeling

Site Improvement Close-Out

DESIRED PROJECT SCHEDULE

Date Report to PM
01/15/06

Date Phase I due M-DCPS _____

Date Phase II due M-DCPS _____

Date Phase III due M-DCPS _____

ASSIGN TO:

A/E/P/C:

THE ARCHITECTURAL PARTNERSHIP
 PEREZ & PEREZ
 LAURA M. PEREZ
 EDWARDS & KELCEY
 BROWN & BROWN
 KVH ARCHITECTS
 ACAI ASSOCIATES INC.

SPC:

ARCH
 CIVIL
 ELEC
 INT. DSGN.
 LNDCSP
 MECH
 STRUC

MATERIALS TESTING:

EVANS ENVIRONMENTAL
 MACTEC
 NUTTING ENGINEERS
 PSI
 PEICO

ESTIMATING, VALUE ENGINEERING, SCHEDULING CONSULTANT:

CONST. MGT. SVCS.
 PACO GROUP
 POST BUCKLEY
 ADA ENGINEERING
 COST MGT. INC.

PROGRAM MANAGER:

PARSONS
 SOARES
 URS

TEST & BALANCE:

EARL HAGOOD INC.
 PRO-AIR GROUP
 BAY TO BAY BALANCING

SURVEYS:

ALEMAN
 BONFILL
 BROWNELL
 WEIDENER

OTHER _____

CONSTRUCTION

Start Date _____

Completion Date _____

FUNDING: (TO BE COMPLETED BY INITIATOR)

N/A

FUND	OBJECT	LOCATION	PROGRAM	BASIC % FEES	OTHER FEE	TOTAL FEE	CONSTR. ESTIMATE
0304	5630	524	5310			\$3,500	NA

PRINT NAME UNDER TITLE	AUTHORIZATION/APPROVAL SIGNATURES	DATE	PHONE
PROJECT MANAGER	<i>[Signature]</i> N/A	12/14/05	(305) 995-4606
EXECUTIVE DIRECTOR, PROJECT MANAGEMENT Shari Lee	<i>[Signature]</i>	12/14/05	(305) 995-1446
WORK ORDER COORDINATOR Nancy Tobin	<i>[Signature]</i>	12/14/05	(305) 995-2423
CONSTRUCTION OFFICER'S DESIGNEE	<i>[Signature]</i>	12/14/05	(305) 995-4606
EXECUTIVE DIRECTOR, BUDGET VERIFICATION	<i>[Signature]</i>	12/15/05	(305) 995-4880
CONSTRUCTION OFFICER, GREATER THAN 25 K	N/A		

EXHIBIT
A

WORK ORDER
MIAMI-DADE COUNTY PUBLIC SCHOOLS
PEICO, INC.

12/15/2005

Work Order: A01107PE

Project: A01107

Location: SOUTH MIAMI ELEMENTARY

Site No: 5241

Funding Structure:

Fund: 0301

Object: 5630

Location: 5241

Program: 2310

Function: 7400

Work Order Description:

Provide Phase I Environmental for COPS funding.

A/E:

Project Manager: Shari Lee, Ex. Director

01/01/1900

Priority Number 13

Fee: \$3,500.00

Victor Alonso . av Date: 12-15-05
Victor Alonso, Interim Executive Director

cc: Project Manager
Architect/Engineer
Contract Management
Document Control:
File





THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
1450 NORTHEAST SECOND AVENUE, MIAMI, FLORIDA 33132

P.O. NUMBER	RELEASE
Q02275599	

PURCHASE ORDER

DATE	PAGE NO
01/03/2006	1



PROFESSIONAL ENGINEERING AND
INSPECTION COMPANY INC
P O BOX 409775
ATLANTA GA 30384-9775
0003447299

I SCHOOL BOARD OF MIAMI-DADE CO.
N ACCOUNTS PAYABLE
V PO BOX 01-2570
O MIAMI, FLORIDA
I
C 33101
E

S DIV OF PROJ & CONTRACT MGMT9210
H 155 NE 15 ST ROOM P103E
I MIAMI, FLORIDA
P
T 305-995-1164 33132
O DIV PROJECT & CONTRACT MGMT9210

PRICES F.O.B. DESTINATION PO NUMBER MUST APPEAR ON ALL FLORIDA TAX EXEMPTION NO. 23-08-324893-53C
PAYMENT NET 45 DAYS - NO SUBSTITUTES ACCEPTED INVOICES AND PACKING SLIPS FEDERAL EXCISE TAX EXEMPTION NO. 59-74-0041K

PHONE: 800-688-1786 THIS ORDER IS NOT TRANSFERABLE DIRECT ALL INQUIRIES 305-995-2915
FAX: NO CONDITIONS MAY BE CHANGED EXCEPT BY BUYER CONSTRUCTION CONTRACTED SERVS

DCPS CATEGORY / ITEM NUMBER	VENDOR ITEM NO	DATE DUE	QUANTITY	UOP	UNIT PRICE	AMOUNT
ITEM DESCRIPTION						
APP CHAIN: ALVAREZJ CASTROI 098 01 ZC:SOUTH MIAMI ELEM A01107PE 0301 5630 5241 2310 7400		12/20/2005	1	CO	3,500.00000	3,500.00
SOUTH MIAMI ELEM A01107PE FOR ENC ONLY	COPS FUNDING					



END OF DOCUMENT

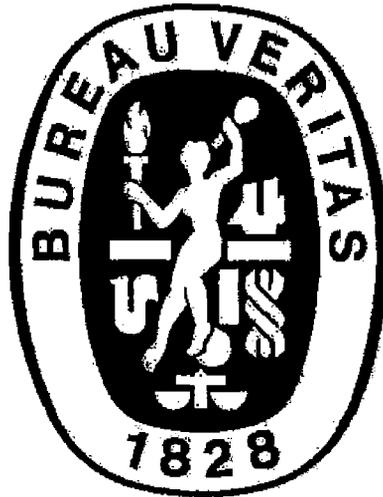
TOTAL \$ 3,500.00

AUTHORIZED SIGNATURE _____

Phase I Environmental Site Assessment

South Miami Elementary
MDCPS Site Number 5241
6800 Southwest 60th Street
Miami-Dade County, Florida 33143
PEICO Project Number 121121

A01107



PEICO - USL

U. S. LABS

Prepared for:

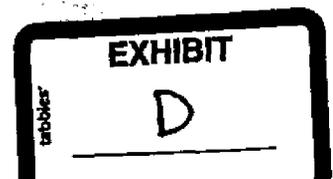
Ms. Shari Lee, Executive Director
Miami Dade County Public Schools
1450 Northeast 2nd Avenue
Miami, Florida 33132

Prepared by:

Professional Engineering and Inspection Company, Inc.
10125 Northwest 116th Way, Suite 18
Miami, Florida 33178
Phone: (305) 651-8483 Fax: (305) 651-4460

The complete report is not included in OIG Exhibit D. Only the first five (5) pages, which provide the site's acreage, are included.

January 31, 2006



Phase I Environmental Site Assessment
South Miami Elementary
6800 Southwest 60th Street
Miami, Miami-Dade County, Florida

TABLE OF CONTENTS

1.0	SUMMARY	1
2.0	RECOMMENDATIONS	1
3.0	INTRODUCTION	2
3.1	Purpose.....	2
3.2	Scope-of-Services	2
3.3	Assumptions, Limitations and Exceptions.....	2
3.4	Special Terms and Conditions (User Reliance)	4
4.0	SITE DESCRIPTION	5
4.1	Location and Description.....	5
4.2	Surrounding Area General Characteristics.....	5
4.3	Current Use of the Property	5
4.4	Current Use of Adjoining Properties	5
5.0	USER PROVIDED INFORMATION	6
5.1	Title Records.....	6
5.2	Environmental Liens or Activity and Use Limitations	6
5.3	Specialized Knowledge.....	6
5.4	Valuation Reduction for Environmental Issues	6
5.5	Owner, Property Manager and Occupant Information.....	6
5.6	Reason for Performing Phase I ESA	6
6.0	RECORDS REVIEW	7
6.1	Standard Environmental Records.....	7
6.1.1	Federal Agency Database Findings.....	7
6.1.3	Local Regulatory Agency Findings.....	8
6.2	Physical Setting Sources	8
6.2.1	Topography.....	8
6.2.2	Geology.....	8
6.2.3	Soils.....	9
6.2.4	Hydrology.....	9
6.3	Historical Use Information.....	9
6.3.1	Aerial Photographs	9
6.3.2	Fire Insurance Maps	10
6.3.3	Property Tax Files.....	10
6.3.4	Land Title Records.....	10
6.3.5	Historical USGS Topographic Quadrangles.....	10
6.3.6	City Directories.....	10
6.3.7	Building Department Records.....	11
6.3.8	Zoning/Land Use Records	11
6.3.9	Prior Reports & Interviews.....	11
7.0	SITE RECONNAISSANCE AND INTERVIEWS	12
7.1	Methodology and Limiting Conditions.....	12
7.2	Hazardous Substance Use/Storage.....	12
7.3	Storage Tanks.....	12
7.4	Other Petroleum Products	12

Phase I Environmental Site Assessment
South Miami Elementary
6800 Southwest 60th Street
Miami, Miami-Dade County, Florida

7.5	Polychlorinated Biphenyls (PCBs)	13
7.6	Waste Generation, Storage and Disposal	13
7.7	Septic Systems	13
7.8	Storm Water Management/Surface Areas	13
7.9	Wells	13
7.10	Interview Summary	14
8.0	NON-SCOPE ISSUES	15
8.1	Asbestos-Containing Material (ACM)	15
8.2	Lead-Based Paint (LBP)	15
8.3	NEPA Checklist	15
9.0	FINDINGS AND CONCLUSIONS	16
10.0	SIGNATURES OF ENVIRONMENTAL PROFESSIONALS	17
11.0	REFERENCES	18
12.0	APPENDICES	19
Appendix A	Site Photographs	
Appendix B	Site Plan, Aerial Photograph, and Historical Research Documentation	
Appendix C	Regulatory Database Report	
Appendix D	Resumes and Terminology	

1.0 SUMMARY

At the request of Ms. Shari Lee, Executive Director of the Miami Dade County Public Schools (MDCPS), Professional Engineering and Inspection Company, Inc. (PEICO) performed a Phase I Environmental Site Assessment (ESA) of South Miami Elementary, which is addressed as 6800 Southwest 60th Street, Miami, Miami-Dade County, Florida (herein referred to as the property). The property is located in an area primarily characterized by residential development. At the time of the site visit, the 11-acre property was developed and utilized as a public elementary school. The main objective of the ESA was to identify the presence or likely presence, use, or release on the property of hazardous substances or petroleum products as defined in ASTM Practice E 1527 as a *recognized environmental condition*. The ESA also included a preliminary evaluation of certain potential environmental conditions that are outside the scope of ASTM Practice E 1527. Below is a summary of the findings and conclusions of this report:

- According to documentation in the reviewed regulatory file for the property, a 1,000-gallon underground storage tank which was utilized to store fuel oil was removed from the property in August 1990. Both soil and groundwater contamination was documented during the tank removal activities. On October 1, 1995, the Florida Department of Environmental Protection approved a *No Further Action Plan* submitted by Groundwater Technology Inc. on May 12, 1995, which released the responsible party from further obligation to remediate the property.

This assessment has revealed no evidence of *recognized environmental conditions* in connection with the property.

2.0 RECOMMENDATIONS

- Eight monitoring wells were observed on the property. A site plan reviewed at the DERM, depicted eleven total monitoring wells on the property in 1995. PEICO recommends that these monitoring wells be properly abandoned in accordance with the Florida Department of Environmental Protection approved *No Further Action Plan*.

3.0 INTRODUCTION

This report documents the findings, opinions and conclusions of an ESA of the property, which is addressed as 6800 Southwest 60th Street in Miami, Miami-Dade County, Florida. The property is located in an area which is primarily characterized by residential development. At the time of the site visit, the property was utilized as a public elementary school. Photographic documentation of the property is included in Appendix A.

3.1 Purpose

The purpose of this ESA was to identify *recognized environmental conditions* and certain environmental conditions outside the scope of ASTM Practice E 1527 in connection with the property at the time of the site reconnaissance.

3.2 Scope-of-Services

This ESA was conducted utilizing a standard of good commercial and customary practice that was consistent with the ASTM Standard Practice E 1527. Any significant scope-of-work additions, deletions or deviations to ASTM Practice E 1527 are noted below or are outlined in the corresponding sections of this report. The scope-of-work for this assessment included an evaluation of the following:

- Physical characteristics of the property through a review of referenced sources for topographic, geologic, soils and hydrologic data.
- Property history through a review of referenced sources such as land deeds, fire insurance maps, city directories, aerial photographs, prior reports and interviews.
- Current property conditions including observations and interviews regarding the presence or absence of hazardous substances or petroleum products; generation, treatment, storage, or disposal of hazardous, regulated, or medical waste; equipment that utilizes oils which potentially contain PCBs; and storage tanks (aboveground and underground).
- Usage of surrounding area properties and the likelihood for releases of hazardous substances and petroleum products (if known and/or suspected) to migrate onto the property.
- Information in referenced environmental agency databases and local environmental records, within specified minimum search distances.

3.3 Assumptions, Limitations and Exceptions

PEICO has prepared this Phase I Environmental Site Assessment using reasonable efforts in each phase of its work to identify *recognized environmental conditions* associated with hazardous substances or petroleum products at the property. The scope-of-work for this Phase I ESA was consistent with the ASTM Practice E 1527. Findings within this report are based on information collected from observations made on the day of the site investigation and from reasonably-ascertainable information obtained from governing public agencies and referenced sources.

Phase I Environmental Site Assessment
South Miami Elementary
6800 Southwest 60th Street
Miami, Miami-Dade County, Florida

This report is not definitive and should not be assumed to be a complete or specific definition of all conditions above or below grade. Subsurface conditions may differ from the conditions implied by the surface observations and can only be reliably evaluated through intrusive techniques. Information in this report is not intended to be used as a construction document and should not be used for demolition, renovation or other construction purposes. PEICO makes no representation or warranty that the past or current operations at the property are or have been in compliance with all applicable federal, state and local laws, regulations and codes.

Regardless of the findings stated in this report, PEICO is not responsible for consequences or conditions arising from facts that were concealed, withheld or not fully disclosed at the time the assessment was conducted. This report does not warrant against future operations or conditions, nor does it warrant against operations or conditions present of a type or at a location not investigated.

The regulatory database report provided is based on an evaluation of the data collected and compiled by a contracted data research company. The report focuses on the property and neighboring properties that could impact the property. Neighboring properties listed in governmental environmental records are identified within specific search distances. The search distance varies depending upon the particular government record being checked. The regulatory research is designed to meet the requirements of ASTM Practice E 1527. The information provided in the regulatory database report is assumed to be correct and complete unless obviously contradicted by field observation or other reviewed sources.

Reasonable efforts have been made during this assessment of aboveground and underground storage tanks and ancillary equipment. "Reasonable efforts" are limited to information gained from visual observation of largely unobstructed areas, recorded database information held in public record and available information gathered from interviews. Such methods may not identify subsurface equipment that may have been hidden from view due to paving, construction or debris pile storage, or incorrect information from sources. PEICO is not a professional title insurance firm and makes no guarantee, explicit or implied, that any land title records reviewed represent a comprehensive or precise delineation of past property ownership or occupancy for legal purposes.

PEICO understands that the client routinely requests additional environmental services in conjunction with a Phase I ESA. Specifically, based on PEICO's understanding of the applicable contract that exists between the client and PEICO, the client routinely requests the development of a site-specific National Environmental Policy Act (NEPA) checklist as well as the installation of test pits throughout the subject property in a grid pattern. PEICO understands that such services have not been requested for the subject property due to the fact that the subject property has already been developed by the client coupled with the specific requirements of the client's funding source.

3.4 Special Terms and Conditions (User Reliance)

This report is for the use and benefit of, and may be relied upon by MDCPS or any of its affiliates, and third parties authorized in writing by MDCPS or PEICO, including the lender(s) in connection with a secured financing of the property, and their respective successors and assigns. Any third party agrees by accepting this report that any use or reliance on this report shall be limited by the exceptions and limitations in this report, and with the acknowledgment that actual property conditions may change with time, and that hidden conditions may exist at the property that were not discoverable within the authorized scope of the assessment.

PEICO makes no other representation to any third party except that it has used the degree of care and skill ordinarily exercised by environmental consultants in the preparation of the report and in the assembling of data and information related thereto. No other warranties are made to any third party, either expressed or implied.

4.0 SITE DESCRIPTION

4.1 Location and Description

The property is addressed as 6800 Southwest 60th Street in Miami, Miami-Dade County, Florida. The property is located in an area primarily characterized by residential development. At the time of the site visit, the 11-acre property was developed and utilized as a public elementary school. The on-site buildings were reportedly constructed between 1952 and 1954 with portable classroom additions in the late 1990's and contain a total of approximately 95,000 square feet. Areas outside the building footprint are characterized by concrete sidewalks, asphalt-paved driveways, playground and landscaped areas.

A Project Manager with PEICO's Miami, Florida office performed an escorted site reconnaissance visit on January 26, 2006. At the time of the site visit, the weather was sunny with clear skies and favorable visibility. The site reconnaissance consisted of visual and/or physical observations of the property; adjoining properties as viewed from the subject property or from curbside; and, the surrounding area based on visual observations made en route to and from the property. Unimproved portions of the property were observed along the perimeter and in a general grid pattern in safely accessible areas. No stressed vegetation or staining was observed on the property. A Site Vicinity Map and Site Plan are included as Figures 1 and 2 in Appendix B. Site Photograph Documentation is included in Appendix A.

4.2 Surrounding Area General Characteristics

The area surrounding the property is primarily used for residential purposes. The area of the property has a relatively level topography, with little or no visible relief.

4.3 Current Use of the Property

At the time of the site visit, the approximate 11-acre property was developed and utilized as a public elementary school. The available Miami-Dade County Land Use Map depicts the property land use as Residential Office.

4.4 Current Use of Adjoining Properties

Current uses of the adjoining properties were observed as follows:

- North – Southwest 60th Street followed by residential development
- East – South Miami Middle School followed by Southwest 67th Avenue and further by residential development
- West – Railroad tracks followed by residential property
- South – Residential property followed by Southwest 62nd Court

Based on the observed nature of the adjacent operations, potential environmental concerns were not noted on the adjacent properties.



**BUREAU
VERITAS**

2006 FEB 27 AM 8:56

Issuing Office: FORT LAUDERDALE OFFICE

Direct Contact:

Tel: 954-236-8100

Fax: 954-236-8108

MIAMI DADE COUNTY PUBLIC SCHOOLS

Attention: Nancy Tobin

1450 NE 2nd Ave.-Room 322

MIAMI FL 33132

United States

INVOICE

US Labs

PEICO- Pro.Engineering and Inspection Co

10125 NW 116th Way,

Suite 18

Miami FL 33178

United States

Attention to: Shari Lee

Cust No: 102988

Cust PO Number: A01107PE	INVOICE No: 16599 Date: 02/17/06
Project Order: 121121 Project description: South Miami Elem - Enviro	
Comments:	

Service.	Net Total:
Professional services Phase I Environmental Work Order No.: A01107PE Location: South Miami Elementary	3,500.00

Handwritten signature
2-27-06

Due Date: 03/19/06

Payment Conditions: Net 30 Days

To ensure proper credit, please return copy of invoice with your payment	TOTAL	3,500.00
	Currency:	USD

REMIT PAYMENT TO:
Professional Engineering and Inspection Company
P.O. Box 409775
Atlanta, GA 30384-9775

