Department of Environmental Protection
Office of Inspector General

July 17, 2026 Report A-2526DEP-003

Audit of Agreement SW341 with Big Dog Express of South Florida, Inc.

INTRODUCTION

The Florida Department of Environmental Protection (Department) Office of Inspector General (OIG) conducted an audit of the Division of Waste Management (Division) Agreement SW341 (Contract) with Big Dog Express of South Florida, Inc. (Contractor). This audit was initiated as a result of the OIG Annual Audit Plan for Fiscal Year (FY) 2025-2026.

AUDIT SCOPE, OBJECTIVES, AND METHODOLOGY

The scope of the audit included a review of activities performed and financial records under the Contract and associated Task Assignments (TAs) from March 2019 to the present between the Department and Contractor for support of the Department's waste tire abatement services for the Osborne Reef Waste Tire Removal Project. The objectives of the audit were to:

1. Determine whether the Contractor complied with the requirements of the Contract and select TAs.
2. Determine whether deliverables were completed and payments were made in accordance with the Contract and select TAs.
3. Evaluate Department oversight and internal controls over the Contractor's compliance with the Contract and select TAs.

To achieve our audit objectives, our methodology included:

- Reviewing the requirements of the Contract, TAs, applicable statutes, regulations, and other authoritative documents.
- Reviewing and selectively testing invoices and weigh tickets to verify compliance with the Contract and TAs.
- Interviewing Division staff regarding the processes and controls used.

BACKGROUND

During the 1970s, between one and two million tires were put in the ocean off Broward County in an effort to create additional fish habitat. Over the years, many of the tires were mobilized by tropical storms and hurricanes, the movement of which caused damage to nearby existing coral reefs. The National Oceanic and Atmospheric Administration (NOAA) Marine Debris Program funded a reconnaissance project in August 2006 to develop a potential strategy for removing and properly disposing of the tires. It was decided that a pilot program was needed to test diver retrieval productivity, loading and transporting methods, and tire processing and disposal. A group of government agencies, including the Department, worked jointly to complete the pilot study; it was eventually funded by the Department and is still ongoing under the Division's Osborne Reef Waste Tire Removal Project.

The Contract was executed on March 21, 2019, to provide waste tire transportation services on a TA basis. Payment was based on a fixed cost/fee schedule basis up to a maximum of $3,000,000, at $1,300 per load. As of April 2026, the Department had paid the Contractor $430,300. The Contract was renewed on March 14, 2024, for another five-year period ending March 20, 2029. TAs were executed during the Contract that specified deliverables, service periods, fee schedules, and maximum payout per service period. TA Change Orders were sometimes executed to update these assignments. There were 10 TAs and four TA Change Orders executed at the time of our review, which are summarized below.

Task Assignments for Contract SW341			
Task Assignment	**Period of Performance**	**Number of Loads Authorized**	**Budgeted Amount[2]**
1	4/2/2019 - 7/1/2019	30	$39,000
2	9/3/2019 - 12/31/2019	10	$13,000
3	10/16/2019 - 1/31/2020	25	$32,500
TA 3 Change Order 1	10/16/2019 - 6/30/2020	No change	No change
TA 3 Change Order 2	No change	85	$110,500
4	6/30/2020 - 1/31/2021	90	$117,000
5	1/22/2021 - 6/30/2021	110	$143,000
6	12/27/2021 - 6/30/2022	120	$156,000
TA 6 Change Order 1	No change	194.2	$252,431
7	7/12/2022 - 6/30/2023	104	$135,200
8	6/30/2023 - 3/20/2024	82.1	$106,730
9	3/21/2024 - 6/30/2025	Unspecified	$100,000
TA 9 Change Order 1[1]	No change	No change	No change
10	7/1/2025 - 10/1/2026	Unspecified	$169,810.50
		TOTAL:	**$1,186,580.88**

Note:
[1] TA Change Order 9 added deliverables, which were missing from the original TA.
[2] Budgeted amounts based on $1,300 per load in each TA.

RESULTS OF AUDIT

During the audit, we reviewed deliverables, invoices, weigh tickets, and other supporting documentation to determine compliance with the Contract and a sample of TAs, as well as applicable laws and statutes. Based on our review we found the following:

Deliverables

We reviewed four sample TAs (TAs 5, 6, 8, and 9) that covered service periods from 2021 to 2025. Each request for reimbursement included an itemized invoice from the

Contractor and was supported by a shipper/packing list, a pick-up weigh ticket, and a drop-off weigh ticket. As part of deliverables, TAs required trailers to be weighed twice, once at pick-up and once again at the drop-off disposal facility. Weigh tickets were required to be attached to all invoices and include the following information:

1. Driver's signature;
2. Date load picked up;
3. Date weigh ticket generated;
4. Vehicle identification number;
5. Water Assurance Compliance System (WACS) Waste Tire Collector Registration Identification Number on decal; and
6. Expiration date of Waste Tire Collector Registration Decal.

Starting on TA 9, the required information listed above was to be included specifically on the drop-off weigh ticket. Additionally, prior to TA 9, deliverables required weigh tickets per load in tons of the amount of tires for all tires transported. Based on the sample TAs we reviewed, there were 115 shipments with associated invoices and weigh tickets. While all sampled invoices included both pick-up and drop-off weigh tickets, we determined that some weigh tickets were missing some of the required information listed above, as shown in the table below.

Number of Shipments with Missing Information on Weigh Tickets					
Required Information	**TA 5**	**TA 6**	**TA 8**	**TA 9**	**Total**
Driver's signature	14 (50%)	0	0	10 (27%)	24 (21%)
Date load picked up[1]	0	0	0	36 (97%)	36 (31%)
Date weigh ticket generated	0	0	1 (3%)	1 (3%)	2 (2%)
Vehicle Identification Number	28 (100%)	17 (100%)	3 (9%)	0	48 (42%)
WACS Waste Tire Collector Registration Identification Number on decal	0	8 (47%)	3 (9%)	0	11 (10%)
Expiration date of Waste Tire Collector Registration Decal	25 (89%)	17 (100%)	3 (9%)	0	45 (39%)
Amount of tires transported in tons[2]	0	0	1 (3%)	N/A	1 (1%)

Notes
[1] Date is based on initial weigh ticket date, except for TA 9.
[2] This was not required in TA 9.

As noted in the table above:

- **<u>Driver's signature</u>**: While weigh tickets generally included the driver's signature in TAs 6 and 8, the signatures were missing from several weigh tickets in TA 5 and 9.

- **<u>Date load picked up</u>**: While none of the weigh tickets were clearly marked with a load pick-up date, the Contract Manager stated that the pick-up date was considered to be the date on the first weigh ticket. However, starting with TA 9, the pick-up date was to be included specifically on the drop-off weigh ticket and we found it was almost never included on the drop-off weigh ticket.

- **<u>Vehicle identification number (VIN)</u>**: While we determined that the VIN was not included in TAs 5 and 6, the weigh tickets did include some tractor and trailer numbers. For TAs 8 and 9, however, the Contractor began attaching a printed sticker to the weigh tickets that included the VIN number and the WACS decal number and expiration date.

- **WACS Waste Tire Collector Registration Identification and expiration dates**: While decal numbers were generally included on most weigh tickets, our sample review determined that 34 loads (30%) had decal numbers that did not appear to be current. All 34 loads occurred prior to 2023, so this appears to have been corrected on later weigh tickets. Additionally, the decal's expiration date was missing from most weigh tickets in TAs 5 and 6; however, this also appears to have been corrected on later weigh tickets.

Contract and Task Assignment Requirements

Shipments

TAs required all tires to be transported directly to Department-approved sites. However, during sample testing, we found 15 loads (13%) that appear to have been dropped off a day or more after being picked up. The Contract Manager stated that if loads are picked up late, the Contractor will store the trailer at its own facility overnight and deposit it the next day because of the distance between the facilities. For loads that were deposited more than a day after pick-up, it was likely picked up over the weekend, when the processing facility was closed. According to the Contract Manager, the Contractor has also cited vehicle issues when asked about delays. A second review of the 15 loads confirmed that all loads which had more than one day between pick-up and deposit were on a Saturday except one. The TAs also require the Contractor to *Provide, stage, and transport up to two (2) open top trailers per week from the staging area to the approved processing/disposal site*. We found two instances in our sample where more than two loads were shipped in a week.

Service Periods

In January 2022, the Contractor and the Department entered into a Settlement Agreement for $33,800 for work performed without a TA in place. TA 5 expired on June 30, 2021, but the Contractor continued to provide waste tire transportation services between July 2021 through November 2021, before TA 6 was executed on December 27, 2021.

Our review found three shipments which appeared to have been performed without a TA in place. The invoice for these loads showed service dates of June 28, 29, and 30, 2022, which were within the approved service period for TA 6. However, according to the weigh tickets, the loads were not transported until July 1, 2, and 6, 2022, respectively, which was after the expiration date of TA 6 but before TA 7 was executed.

In addition, two other loads were paid under the wrong TA. They were within the service period for TA 4, but the invoice was received after the TA had expired, and the invoices were paid under TA 5. Based on our review, all shipments reviewed after 2023 were performed and processed under an authorized TA.

Insurance

The Contract requires the Contractor to maintain minimum commercial general liability, workers' compensation, and commercial automobile insurance, with the latter containing bodily injury and property damage coverage. The Contractor was required to provide proof of this coverage prior to performance of any work. The Contractor's certificates of liability insurance show that they were in compliance with the minimum coverage requirements.

Use of Licensed and Permitted Drivers and Facilities
The Contract requires that *All trucks removing tire-filled trailers from Port Everglades by the Contractor, or its subcontractors, must be registered with the Department as a Waste Tire Collector, if transporting on public roads*. This is also required in Section 403.717, Florida Statutes (F.S.), and Chapter 62-711, Florida Administrative Code. According to the Department's WACS database, the Contractor was a registered Waste Tire Collector from 2019 to 2025. Similarly, Waste Tire Collectors must *deposit waste tires for storage or disposal only at a permitted waste tire processing facility, a permitted or exempt waste tire collection center, a permitted solid waste management facility, or at another site permitted by the Department to receive waste tires*. According to the Department's WACS database, the processing facility at which the Contractor deposited waste tires was a permitted facility.

Contractor Affidavit/Release of Claims
The Contract states, *Upon payment for satisfactory completion of any portion of the Work, the Contractor shall execute and deliver to the Department a release of claims against the Department...(Contractor Release, using Attachment F, -Contractor Affidavit/Release of Claims).* The form (Attachment F) states, *This affidavit must be completed and signed by the Contractor when requesting final payment for a Florida Department of Environmental Protection (Department) authorized Task Assignment*. Our review determined that no forms were submitted by the Contractor with any approved invoice.

Prompt Payments
The Contract requires the Contract Manager to approve invoices within five business days. We reviewed invoices from the sample TAs and found that 9 out of 34 invoices (26%) did not get approved by the Contract Manager within five business days (another invoice could not be tested because the approval date was not available). Based on communication with the Contract Manager, invoices were not always approved on time because of lack of training, staff turnover and shortages, and working from home. All 9 invoices were before FY 2024-25, and have been timely approved since that time.

CONCLUSION

During the audit, we reviewed deliverables, invoices, weigh tickets, and other supporting documentation to determine compliance with the Contract and TAs, as well as applicable laws and statutes. Based on our review, the Division has corrected many issues that were found in early invoices and weigh tickets; however, we still determined that there were compliance issues with deliverables and Contract requirements. Our findings and recommendations are listed below.

FINDINGS AND RECOMMENDATIONS

Finding 1: Deliverables: Weigh tickets did not always contain all information required by the TAs.

We reviewed four sample TAs (TAs 5, 6, 8, and 9) that covered service periods from 2021 to 2025. Each request for reimbursement included an itemized invoice from the Contractor and was supported by a shipper/packing list, a pick-up weigh ticket, and a drop-off weigh ticket. As part of deliverables, TAs required trailers to be weighed twice, once at pick-up and once again at the drop-off disposal facility. Weigh tickets were required to be attached to all invoices and include: Driver's signature; Date load picked up; Date weigh ticket generated; Vehicle identification number; WACS Waste Tire Collector Registration Identification Number on decal; and Expiration date of Waste Tire Collector Registration Decal.

Based on the sample TAs we reviewed, there were 115 shipments with associated invoices and weigh tickets. While all sampled invoices included both pick-up and drop-off weigh tickets, we determined that some weigh tickets were missing some of the required information listed above, as summarized below.

- **Driver's signature**: While weigh tickets generally included the driver's signature in TAs 6 and 8, the signatures were missing from several weigh tickets in TA 5 and 9.

- **Date load picked up**: While none of the weigh tickets were clearly marked with a load pick-up date, the Contract Manager stated that the pick-up date was considered to be the date on the first weigh ticket. However, starting with TA 9, the pick-up date was to be included specifically on the drop-off weigh ticket and we found it was almost never included on the drop-off weigh ticket.

- **Vehicle identification number (VIN)**: While we determined that the VIN was not included in TAs 5 and 6, the weigh tickets did include some tractor and trailer numbers. For TAs 8 and 9, however, the Contractor began attaching a printed sticker to the weigh tickets that included the VIN number and the WACS decal number and expiration date.

- **WACS Waste Tire Collector Registration Identification and expiration dates**: While decal numbers were generally included on most weigh tickets, our sample review determined that 34 loads (30%) had decal numbers that did not appear to be current. All 34 loads occurred prior to 2023, so this appears to have been corrected on later weigh tickets. Additionally, the decal's expiration date was missing from most weigh tickets in TAs 5 and 6; however, this also appears to have been corrected on later weigh tickets.

Recommendation:
We recommend the Division ensure that weigh tickets include all required information as outlined in the Task Assignments prior to approving payment.

Management's Response:
Permitting and Compliance Assistance Program (PCAP) now uses a formal Invoice Review Checklist to support the contract manager verifying all required information, including weigh ticket elements, before approving invoices.

Finding 2: Contractor Affidavit/Release of Claims: The Contractor did not submit a Contractor Affidavit/Release of Claims Form, as required by the Contract.

The Contract states, *Upon payment for satisfactory completion of any portion of the Work, the Contractor shall execute and deliver to the Department a release of claims against the Department...(Contractor Release, using Attachment F, -Contractor Affidavit/Release of Claims).* The form (Attachment F) states, *This affidavit must be completed and signed by the Contractor when requesting final payment for a Florida Department of Environmental Protection (Department) authorized Task Assignment*. Our review determined that no forms were submitted by the Contractor with any approved invoice.

Recommendation:
We recommend the Division ensure the Contractor Affidavit/Release of Claims Form is provided by the Contractor prior to approving invoices for payment, as required by the Contract.

Management's Response:
PCAP has implemented the use of an Invoice Review Checklist which includes confirming the submittal of the Contractor Affidavit/ Release of Claims Form (ROC) prior to approving invoices for payment. In addition, we reached out to the Bureau of Procurement & Contracting Services and Office of General Counsel to discuss clarifying the contract template language associated with Release of Claims. It is the intent and continued plan for the ROC to be submitted for final invoices as stated on Attachment F - Contractor Affidavit/Release of Claims Form. We will work within the division to update the first sentence of the associated language on contracts as amendments are processed.

STATEMENT OF ACCORDANCE

Statement of Accordance

The Mission of the OIG is to promote accountability, integrity, and efficiency by providing quality audits, investigations, management reviews, and technical assistance.

This audit was conducted pursuant to Section 20.055, F.S., and in accordance with *Government Auditing Standards*, as published by the United States Government Accountability Office, and *Principles and Standards for Offices of Inspectors General,* as published by the Association of Inspectors General. The audit was conducted by Megan Chrisler and supervised by Susan Cureton.

We conducted this performance audit in accordance with Generally Accepted Government Auditing Standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

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