



**Joseph M. Centorino**, Inspector General

TO: Honorable Mayor and Members of the City Commission  
FROM: Joseph Centorino, Inspector General

DATE: June 11, 2021  
PROJECT: AVLS and SunPass Inspection Report Concerning Take-Home City Vehicle  
Number 14401  
OIG No. 21- 24  
PERIOD: January 27, 2020 through January 29, 2021

### **Background**

Approved City employees, typically consisting of Managers, Assistant Directors, and higher job classifications, frequently receive either car allowances or take-home vehicles as part of their compensation packages. Car allowances represent a fixed amount in employees' biweekly paychecks for the business use of their personal vehicles to help cover the costs of fuel, wear-and-tear, tires, repairs, etc. Take-home vehicles are City-owned or leased vehicles assigned to authorized employees at the City Manager's discretion for work-related travel.

Employees with take-home vehicles are ineligible for a car allowance and are liable for at-fault collisions occurring outside the course and scope of their employment, which includes traveling to and from the worksite. These City vehicles may only be driven for personal use with written authorization from the City Manager, which is to be filed in the employee's personnel folder.

The Office of the Inspector General (OIG) determined through a January 2021 review of the Munis system (the City's enterprise resource planning system), that there were a total of 49 employees receiving biweekly car allowances ranging from a low of \$57.69 (\$125.00 per month) to a high of \$369.23 (\$800.00 per month). There were sixteen employees, outside of the Police and Fire Department, driving take-home vehicles equipped with an Automated Vehicle Location System (AVLS).

An AVLS is a geographic positioning system that tracks and reports vehicle/equipment activity including but not limited to, location, speed and course of direction. AVLS may be installed in any City-owned or controlled vehicle and/or equipment at any time without providing notification. The City Commission, through the adoption of Resolution No. 2018-30523, authorized the City Manager to execute an agreement for the purchase of Trackstar International, Inc. (Trackstar), AVLS hardware, related software, and services for a period of two years, subject to and contingent upon an appropriation of funds for the second and third year.

Trackstar's software offers a Retro Geo Fence, which allows City Management to go back in time to see which vehicles were in a certain area at a given time, rather than running reports for all City vehicles at a given date and time. Additionally, it works with a wide range of AVLS hardware

vendors, including: Sierra Wireless, Cradle Point, Airlink, Telenav, and CalAmp (the City's current devices). Consequently, designated City personnel can generate various system reports for any period to determine whether vehicles' engines were running, their locations, and whether designated speed limits were exceeded and by how much.

All City employees who drive City-owned or leased vehicles must comply with Citywide Procedure No. FL.01.01, issued in June 2014, entitled "Automatic Vehicle/Equipment Location System (AVLS) Procedure" and Citywide Procedure No. HR.03.01, updated in November 2019, entitled "City Vehicle Assignment, Operation and Maintenance."

**Inspection**

The OIG initiated an inspection analysis of mileage accumulated on vehicle number 14401, assigned to the City's Sanitation Division Director since his January 2020 hiring, and identified significant deviations from the stated Citywide Procedures. Because this activity could be construed to violate Section 2-11.1 of the Miami-Dade County Code of Ethics, the Inspector General notified the County Ethics Commission pursuant to Section 2-276(d)(8)(b) of the City of Miami Beach Code. Following a discussion of the matter with the Commission Advocate, it was agreed that this matter would be best addressed administratively rather than through Ethics Commission action.

The OIG used estimates and averages to quantify the financial impact of the Sanitation Division Director's actions to the City as the actual costs are unknown. The identified deficiencies relating solely to take-home vehicle number 14401 are listed in the points below, and are quantified, when possible:

1. Citywide Procedure No. HR.03.01 (IV)(7) states, *"Use of SunPass is restricted to the business use of the vehicle. SunPass may not be used for access to the Express Lanes or any toll road for travel to and from home or during any personal use of the vehicle, when such use is authorized. If use of a toll road is used for commuting. The City SunPass should be disabled and a personal SunPass used for commuting or personal use, when authorized."* Vehicle number 14401's SunPass records showed that the City paid a total of \$714.12 in toll charges from January 27, 2020 through January 29, 2021, as displayed in the following table.

	Number of Tolls Paid	Tolls Paid (%age)	Tolls Paid (Dollars)
Weekdays	727	91.45%	\$640.05
Weekends	68	8.55%	\$74.07
Total	795	100.00%	\$714.12

Although OIG staff had no means of determining how much, if any of these charges, were incurred due to work-related travel, a review of the corresponding SunPass charges found that most were related to the Sanitation Division Director's daily commute between his Boca Raton residence and Miami Beach. Additional SunPass charges were routinely incurred for frequent visits to a Lake Worth address.

Review of all 795 SunPass charges determined that 793 were invoiced a total of \$712.80 by the Florida Turnpike Enterprise (99.75%) and were most likely directly related to his daily commute to work and/or traveling to Lake Worth. The remaining two (.25%) charges totaling \$1.32 were billed by the Miami-Dade Expressway Authority.

The following table shows the number of monthly SunPass charges that were incurred on days that the vehicle assigned to the Sanitation Division Director did not travel to Miami Beach. More specifically, there were a total of 39 weekdays (Monday through Friday) and 21 weekend days (Saturday or Sunday) where vehicle number 14401 incurred toll charges of \$122.81, but was not driven to Miami Beach.

Month/Year	Weekdays	Weekends	Number of Tolls	Toll Charges
January 2020	0	0	0	\$0.00
February 2020	1	0	2	\$2.58
March 2020	2	2	9	\$9.55
April 2020	1	3	6	\$7.74
May 2020	5	2	13	\$16.77
June 2020	0	1	2	\$2.58
July 2020	1	0	1	\$1.07
August 2020	6	3	13	\$14.81
September 2020	1	1	3	\$3.87
October 2020	4	1	8	\$10.32
November 2020	1	3	7	\$9.03
December 2020	12	1	24	\$30.52
January 2021	5	4	11	\$13.97
<b>Total</b>	<b>39</b>	<b>21</b>	<b>99</b>	<b>\$122.81</b>

Finally, there were 28 SunPass charges incurred between 9:00pm and 3:00am, including two on a Saturday and two on a Sunday. The latest Florida Turnpike toll charge was incurred at 2:49am at the Lake Worth exit on Saturday December 12, 2020. The fact that it occurred on a weekend without any known emergency and the late hour of the charge raises concerns about whether it was work-related.

Sanitation Division Director’s Summarized Response (SunPass):

The Sanitation Division Director stated in an April 9, 2021 email that it was his understanding from the time he began with the City, until very recently, that the SunPass use was included with the use of his vehicle, similar to what the Police and Fire Departments have, since he is a 24 hour/7 day a week on-call essential employee with work operations seven days a week. In addition, he stated in the email that he repeatedly drove to Lake Worth to care for a family member with a medical condition, which was part of the reason for the additional SunPass tolls, mileage and fuel consumption (see finding #2). He believed he could always use his City-owned take-home vehicle on these trips, since at any moment’s notice, he might need to respond to a situation, including hurricane emergencies.

The Sanitation Division Director also provided a September 15, 2020 email from his supervisor, then Assistant Public Works Department Director Jay Fink, stating that the SunPass was part of the take-home vehicle package, and all associated tolls should be billed to the City. Therefore, he believes that the \$712.80 incurred for use of the City’s SunPass should not have to be reimbursed to the City.

OIG’s Response (SunPass):

When a City employee is assigned a take-home vehicle, it is standard practice to be given Citywide Procedure No. HR.03.01, detailing the permitted activities, along with other important paperwork. Citywide Procedure No. HR.03.01 regulates that a personal SunPass be used both for commuting and personal use. Although the position of Sanitation Division Director may be an essential one, and the possibility exists that emergencies may arise during non-working hours, OIG’s review of the Trackstar software

and SunPass data did not identify any after-hour emergencies during the January 27, 2020 through January 29, 2021 period, which, therefore would not have changed OIG's SunPass calculations.

In addition, the referenced email from the former Assistant Public Works Department Director was dated September 15, 2020, or approximately eight months after the Sanitation Division Director's hire date. Although verbally requested in Mr. Kaine's April 8, 2021 Microsoft Team meeting with the OIG, no prior or additional emails were furnished supporting the Sanitation Division Director's position. Also, OIG's attempts via email to gain further clarification from the City's former Assistant Public Works Director were unsuccessful.

The OIG points out that the Assistant Public Works Director's email is incorrect and contradicts Citywide Procedure No. HR.03.01 (IV)(7). When questions were raised about the usage of the City SunPass for commuting in September 2020 within the Sanitation Division, another Assistant Director opted to immediately disconnect his City SunPass and begin using his personal SunPass, according to another email in the same email string referenced by Mr. Kaine on September 15, 2020.

Lastly, the Sanitation Division Director confirmed in the April 8, 2021 Microsoft Teams conversation that he also owns a personal vehicle. The OIG contends that this personal vehicle should have been used to drive from his Boca Raton residence to Lake Worth to care for a family member, which is a personal matter. If an emergency call did arise where he needed to promptly drive to the City, he should have driven his personal vehicle back to Boca Raton, to change vehicles and drive the City-owned vehicle to Miami Beach.

2. Citywide Procedure No. HR.03.01 (III)(B) states, *"Take-home vehicles may only be used for personal use with written authorization from the City Manager. Such authorization will be filed in the employee's personnel folder."* The City's Human Resources Director confirmed that the Sanitation Division Director did not have such authorization from the City Manager to drive the assigned take-home vehicle for personal use. Consequently, vehicle number 14401 should have been driven only for work-related purposes, including his daily commute to and from his Boca Raton residence, during the reviewed period.

Sanitation Division Director's daily commute back and forth between his Boca Raton residence and his Miami Beach office was 101.2 miles (rounded to 101 miles). A review of Trackstar's data found that vehicle number 14401 was driven a total of 4,034.5 miles on days where the vehicle was not driven to Miami Beach. An additional 4,979.30 miles were attributed to the days that the vehicle was driven to Miami Beach in excess of the amount attributable to the 101 round trip miles.

In total, Trackstar reported that vehicle number 14401 was driven 25,942.60 miles from January 27, 2020 through January 29, 2021, which was 9,013.80 (4,034.50 + 4,979.30) more miles than required for approved work-related purposes. However, most likely some of that mileage was accrued for work-related purposes, so OIG staff opted to focus solely on the additional fuel consumption incurred from the trips to Lake Worth, FL, as they were unquestionably related to personal matters and were not work-related.

Review of the Trackstar system data showed that the Sanitation Division Director made 93 separate trips to Lake Worth, FL for personal reasons from January 27, 2020 through January 29, 2021 in City-owned vehicle number 14401. The Google Maps website was

used to determine that the distance from his Boca Raton residence, north to Lake Worth, is 27.1 miles or approximately 54 miles round trip. Consequently, it was calculated that 5,022 nonwork-related miles (93 trips x 54 miles) were accumulated by vehicle number 14401.

The City's Fleet Management Assistant Director provided a report of vehicle number 14401's gasoline purchases during the January 27, 2020 through January 29, 2021 period. Using this data, OIG staff calculated that the City fuel cost averaged \$1.79 per gallon, and it was assumed that the personal trips to Lake Worth occurred uniformly throughout the period. Furthermore, the [www.fueleconomy.gov](http://www.fueleconomy.gov) website states that a 3.5L, 6-cylinder engine 2014 Explorer's averages 21 miles per gallon combined for City/highway driving or 17 in the City and 24 on the highway. Assuming 21 miles per gallon average for vehicle number 14401, OIG staff calculated that an additional \$768 in fuel was consumed ((5,022 miles/21 average miles per gallon) x \$1.79 average gasoline cost per gallon = \$428.07).

In sum, it is recommended that the Sanitation Division Director reimburse the City a total of \$1,140.87, \$428.07 for the additional fuel consumed, plus \$712.80 in SunPass charges. The OIG is aware that, arguably, the accumulation of mileage on vehicle number 14401 may have affected the value of the vehicle due to depreciation, but has elected not to make that issue part of its reimbursement calculations.

### **Administrative Action Regarding Take-Home Vehicle Policies**

The noted deficiencies concerning vehicle number 14401 were communicated on February 1, 2021 to an Assistant City Manager, so that corrective action could be initiated. The City Administration promptly discussed these issues with the employee and opted to review the entire take-home vehicle procedures for all City employees, including those in the Police and Fire Department. As a result, the following improvements were implemented according to their February 25, 2021 email:

- The Human Resources Department (H.R.) will now be the beginning of the workflow on matters involving take-home vehicles. Previously, responsibility was shared with the operating departments, the Fleet Management Division and H.R. Going forward, all assignment of take-home vehicles will occur at the time of hire, where the operating department will advise H.R. at the beginning of employment. This will assure that all forms, policy distribution and authorizations are obtained from the first day of employment and all documents will be stored in H.R. For employees who are provided with a take-home vehicle after hire, that request will initiate in H.R.
- Most take-home vehicles are in the Police Department. Many years ago, the Miami Beach Fraternal Order of Police, William Nichols Lodge No. 8 (FOP) advised their members not to sign the forms, as take-home vehicles are part of the collective bargaining agreement. Recent discussions were held with the FOP attorney to determine the basis of their objection to the documentation. As a result, a slight modification was made to the form concerning the usage of vehicles for off-duty details, which the FOP now agrees to sign. Off-duty details are scheduled and sanctioned by the Police Department Management Team.
- SunPass responders will no longer be placed in take-home vehicles by the City except for Police Department vehicles as they are provided a SunPass by the State at no

charge. For all other vehicles, if a SunPass is desired by the driver, it will be purchased by the driver and billed directly to the driver. If the use of a toll road or express lane is required for official City business (not including normal commuting), the employee will submit a request for reimbursement with appropriate justification. All old City SunPass invoices will be audited to the maximum SunPass record retention, and employees will reimburse the City for any non-City business incurred charges.

The OIG is in agreement with these administrative policy improvements, and commends the City Administration for implementing them.

**Update**

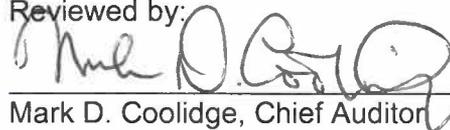
The Sanitation Division Director agreed to reimburse the City a total of \$1,140 in a June 3, 2021 email to the Human Resources Director. A payment plan was agreed to by H.R whereby the balance would be repaid in full upon the receipt of eleven monthly payments. In conclusion, the OIG would like to thank all the parties involved for their cooperation during this process and for the proactive approach by the City Administration to initiate welcomed improvements.

Approved by:

  
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Joseph M. Centorino, Inspector General

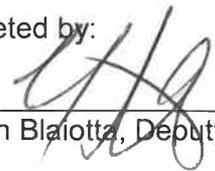
06/11/2021  
Date

Reviewed by:

  
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06-11-2021  
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Norman Blaiotta, Deputy Chief Auditor

06/11/2021  
Date

- cc: Alina T. Hudak, City Manager  
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Adrian Morales, Property Management Department Director  
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