

Lucrative clean-up contracts after Hurricane Ian rake in huge profits



Companies have sought contracts to clean up the debris left behind by Hurricane Ian [File: Steve Helber/AP Photo]

Fort Myers, October 28 (RHC)-- It has been a month since Hurricane Ian wiped out parts of southwest Florida. Now multimillion-dollar clean-up contracts are generating new tempests in the Category 4

storm's wake in the U.S. state. Contractors who remove debris and perform post-storm repairs are fighting over local government contracts that could be worth tens of millions in tax dollars.

The skirmishes offer a preview of likely fights over local, state and United States federal funds that will be distributed over the next several months to help southwest Florida get back on its feet. A case in point is the recent contentious expansion of a land-based storm debris removal contract that had been put out to bid well before the hurricane. Coincidentally, the contract was awarded to Crowder-Gulf Joint Venture just days after Ian made landfall at Lee County's Cayo Costa State Park on September 28.

In response to the wide hurricane damage, county officials expanded the contract's scope on October 2 to include waterways and private property. Disposing quickly of downed trees, blown-off roof shingles and shredded drywall is one of the most challenging but important parts of hurricane recovery.

County officials want to get the job done speedily since local governments get direct payment from the Federal Emergency Management Agency for the cost of debris picked up within 60 days of a storm. Officials estimate Lee County has 1.4 million cubic metres (1.8 million cubic yards) of storm debris.

"We are bumping up against some very important timelines," Lee County Commissioner Ray Sandelli said at a recent meeting. But Bart Smith, an attorney for one of the contractors that lost the bid to Crowder-Gulf Joint Venture, told Lee County commissioners that not putting the extra work contained in the contract's expansion out to bid put them at risk of a "clawback", which is when FEMA takes back previously awarded money.

"Decisions are always made after storms, and these are emergencies, but you have to understand that hindsight is 20-20 and FEMA, when they do all these reimbursements years later and review it and audit it and then tell you you have to give the money back, there are ramifications," Smith said.

Danielle Sanabria, an attorney for another rival contractor, also warned commissioners about a possible clawback, saying the expansion of the debris-removal contract to cover waterways and private properties was anti-competitive. "In light of Hurricane Ian, it's an enormous addition to the contract's scope, potentially worth hundreds of millions of dollars," Sanabria said. "It's being improperly and uncompetitively awarded."

The federal government regularly claws back disaster money when it believes it was incorrectly distributed or when procedures weren't followed correctly. Federal agencies tried to take back \$73m from more than 1,800 New Jersey households that received federal disaster monies from Superstorm Sandy a decade ago. After Hurricane Irma in 2017, FEMA claimed \$4.3m in clawbacks from Lake Worth Beach, Florida.

Officials have estimated the damage caused by Ian in Florida and North Carolina at anywhere from \$40 billion to \$70 billion, making it among the costliest storms ever to hit the US. At least 118 deaths in Florida are attributable to the storm.

Lee County's manager, Roger Desjarlais, dismissed the complaints, saying that vendors who don't get a piece of the pie will try to "muddy the waters" because so much money is at stake in hurricane clean-up efforts.

"Every time, disaster politics takes over at some point because there is so much money to be made by some of these companies, millions of dollars," Desjarlais said.

Because the money awarded for clean-up is so large, it can be an easy target for corruption.

In Bay County, Florida, where a Category 5 storm, Hurricane Michael, made landfall in 2018, 10 businessmen and high-ranking officials from the city of Lynn Haven were indicted on charges of theft or

fraud for allegedly overbilling or billing for clean-up work that was never performed. Federal prosecutors have obtained guilty pleas from seven of the 10 defendants.

Doug Whitehead, Lee County's solid-waste director, said the new, expanded contract with Crowder is cheaper per truckload than the old contract, under which costs had risen due to inflation. He said expanding a contract already in place provides continuity in an emergency situation.

But two of the five commissioners said no to the deal when it came up for a vote last week. "I'm going to vote against the motion," Commissioner Brian Hamman said at the time. "I don't feel comfortable with the way it's gone down."

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