

Jerry Pate Design Contracts

Internal Control / Legal Issues to be Addressed

- Did the Mayor have Jerry Pate Design book and pay for travel expenses for him incurred on a trip to Miami and then seek reimbursement for the expenses from the City as a City travel expense? **(See Mayoral Expense Section)**
- Was the City expense payment made to the Mayor for travel expenses potentially incurred by Jerry Pate Design remitted by the Mayor to the vendor?
- Were any quotes, proposals or bids obtained for the work Jerry Pate Design did at the Admiral Mason project site?
- If so, why are they not included with the Admiral Mason contract in the City records?
- Why was the City's issuance of a service contract for Admiral Mason Park allowed to be made subsequent to the completion of the period of performance and the dedication of the park? Does this violate City Policy and Internal Controls?
- Why was the City's issuance of service contract surrounding the Main Street Renovation allowed to be made subsequent to the beginning of the period of performance? Does this violate City Policy and Internal Controls?
- Did the City allow a vendor not yet under contract to perform work for the City on City project sites potentially without proper necessary contractual requirements and insurances? Does this violate City Policy and Internal Controls?
- What other instances of contracts being done after the fact are included in the current audit period?
- What was the justification for the City's failure at the direct instruction of the Mayor to accept the lowest quotation for services on a services contract over \$25,000 after 3 quotes were obtained? Does this violate City Policy and Internal Controls?
- Do the above noted issues not constitute management override of internal controls and City of Pensacola Purchasing regulations on the part of the Mayor and his staff?
- Did Jerry Pate Design, a City vendor, pay for any costs associated with the Mayor's attendance of the World Golf Hall of Fame induction?

Jerry Pate Timeline

Prior to Ashton Hayward becoming Mayor, a search of contracts on Fortis, the City's electronic files, reveals that Jerry Pate Design had not previously been contracted by the City.

- November 10, 2011 Mayor Hayward unveils new Admiral Mason Park; Jerry Pate Design identified as Quality Assurance **(Tab 12)**
- November 15, 2011 George Maiberger, Purchasing, returns quotes for Main Street work owners rep. Hatch Mott is low bidder; Jerry Pate is over \$9,000 more (21% more) **(Tab 13)**
- November 17, 2011 John Asmar, Chief of Staff, advises Maiberger the Mayor has approved Jerry Pate Design as COR. States JPD was COR on Admiral Mason Park.

States Excellent service. Based on this and there performance at the Maritime Park, the Mayor believes they are the best choice. (Tab 14)

December 12, 2011 City Council approves contract for the construction of Main Street Improvements from Clubbs to Baylen Street (Bid #12-006). Construction started January 3, 2012 and was substantially completed on March 30, 2012. (Tab 15)

January 3, 2012 Roads Inc. begins construction on Main Street Improvements.

January 20, 2012 Al Garza, Director Public Works, to Bill Reynolds, CAO, asking Reynolds assistance in having the Mayor execute the attached service agreement with Jerry Pate Design from QA assistance for capital infrastructure project currently under construction. States procurement for these services was secured through targeted solicitation. Continues to state subject determination is being carried over to include Admiral Mason and Bayfront parkway landscaping projects. Memo routed to John Asmar. (Tab 16)

February 3, 2012 Contract with Jerry Pate Design is signed as Owner Representative for the Admiral Mason Park. The period of performance is listed as September 1, 2011 until November 31, 2011. (Tab 17)

February 3, 2012 Contract with Jerry Pate Design is signed as Owner Representative for the Main Street Improvements from Baylen to Clubbs. The period of performance is listed as September 1, 2011 until March 31, 2012. (Tab 18)

March 30, 2012 Roads Inc. completes construction on Main Street Improvements. (Tab 15)

April 4, 2012 Contract with Jerry Pate Design is signed as Owner Representative for the Main Street Improvements from Spring to Reus. This design project was approved to proceed although funds for actual project were not yet authorized. (Tab 19)

April 4, 2012 Contract with Jerry Pate Design is signed as Owner Representative for the Main Street Improvements between Baylen Street and Spring Street. This design project was approved to proceed although funds for actual project were not yet authorized. (Tab 19)

May 7, 2012 Mayor Hayward attends World Golf Hall of Fame Induction at Renaissance Hotel at the World Golf Village in St. Augustine. The stay is expensed on his City of Pensacola P-Card. The receipt notation states "As requested, a final copy of your bill will be mailed to: lstranahand@jerrypate.com" (Tab 20)