

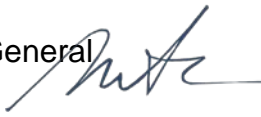


Memorandum

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To: The Honorable Carlos A. Gimenez, Mayor, Miami-Dade County
The Honorable Audrey M. Edmonson, Chairwoman
And Members, Board of County Commissioners, Miami-Dade County

From: Mary T. Cagle, Inspector General 

Date: May 1, 2020

Subject: OIG Observations and Comments on Vendor Selection for the County
Emergency Meal Service Program; IG20-00008-O

INTRODUCTION & SYNOPSIS

By way of this memorandum, the Office of the Inspector General (OIG) provides our independent observations and comments on the County Emergency Meal Service (CEMS) Program. During the April 7, 2020 videoconference meeting of the Board of County Commissioners (BCC), several Commissioners expressed concerns about the engagement of Lean Culinary Services, LLC dba DeliverLean (DeliverLean), a non-local vendor, located in Broward County. The BCC requested that the OIG review the circumstances surrounding the engagement of DeliverLean to prepare and deliver meals to homebound and disabled seniors residing in Miami-Dade County.

The OIG found the initial decision by the Office of Emergency Management (OEM) to issue a purchase order to DeliverLean was entirely within the authority granted by Emergency Order 01-20. Section 2 of the Emergency Order directed a meal program be launched immediately and waived all of the usual competitive bidding requirements. In addition to providing meals that met nutritional specifications, OEM needed a vendor with the capacity to provide an undetermined quantity of meals.

The County's decision to open enrollment in the senior meals program by means of the County's 311 Center effectively ensured that homebound seniors, or seniors with disabilities, in need of food assistance in Miami-Dade County would not be neglected during this emergency. The decision to engage DeliverLean at the onset for the home delivery program was a rational and sound decision in light of prior knowledge of the vendor's past performance, logistical capabilities, and capacity for high volume orders. This was especially true because the projected immediate need was not yet known, but was bound to grow as the emergency situation progressed.

Meanwhile, the caterer supplying meals to the Community Action and Human Services Department (CAHSD) was contacted to see if it could expand its service to include home delivery services; the vendor declined. And, as will be explained below, the Internal

Services Department was actively conducting market research to assist in identifying vendors. There was a multi-department effort within the 4-day window to find a vendor who could logistically prepare an unknown number of meals to be delivered to an unknown number of individuals.

We find the decision to contract with DeliverLean to be a rational decision based on OEM's prior research and validated by the vendor's performance to date. The engagement of DeliverLean was never intended to be at the exclusion of other capable vendors. Since the first purchase order was issued to DeliverLean, five (5) vendors have been added and others are being vetted. The continued enrollment of individuals in the CEMS Program demonstrates that this is a very fluid operation.

BACKGROUND

On March 12, 2020, Mayor Gimenez declared a Local State of Emergency for Miami-Dade County due to the COVID-19/novel Coronavirus pandemic. On that day—a Thursday—the Mayor announced in a meeting with his senior staff that to protect the elderly from the spread of this virus all congregate meal sites and community centers, including those that provide meal services to senior citizens, would be closed the following Monday. Work began right away to identify all the sites that would be affected by the closure order and planning began to ensure that seniors, who relied on the meals provided at these centers, would continue to be fed.

Emergency Order 01-20, issued on March 16, 2020, stated, in part:

The Congregate Meal Sites and Community Centers listed on the attached Exhibit A, and any other facility providing meal services to the elderly pursuant to authorization by the Department of Elder Affairs are hereby ordered to close, or otherwise cease all programs to deliver personal services to the elderly, effective March 16, 2020.

In effect, the Emergency Order ordered the closures on the very same day that it was issued. Attached to the order was a list of over 120 locations affected by the closure. These senior centers include those operated by CAHSD, municipalities, and legacy charitable organizations. These federal grant recipients include organizations such as the Jewish Community Centers, Little Havana Activities & Nutrition Centers, Catholic Charities, Miami-Dade County, and municipal centers in Hialeah, West Miami, Hialeah Gardens, Sweetwater and Miami Springs.¹ The initial logistical work effort for CAHSD was to contact these organizations and the municipalities to determine if they would be continuing to supply meals to their clientele. **The vast majority of these senior centers have continued to feed their clients by shifting to home deliveries.**

Miami-Dade County utilizes Alliance for Aging grant dollars to partially fund its own senior meals program. CAHSD operates 21 congregate meal sites and manages a Meals-on-Wheels program. There are approximately 2,100 participants served by CAHSD. Greater

¹ <https://allianceforaging.org/wp-content/uploads/FUNDED-AGENCY-ROSTER-APRIL-2020.pdf>

Miami Catering (GMC) prepares all of the CAHSD meals. Prior to the closure order, GMC provided: 1) food trays for cafeteria-style serving for approximately 1,600 seniors at the 21 meal sites; and, 2) plated, frozen meals for approximately 500 Meals-on-Wheels recipients, which are delivered by CAHSD employees.

According to CAHSD, just prior to the issuance of Emergency Order 01-20, GMC declined a request to expand its services to include home delivery of its meals to the congregate meal facility patrons, but did agree to plate and freeze the cafeteria meals for delivery by CAHSD employees. CAHSD leased two (2) additional refrigerated trucks to supplement its current fleet of five (5) refrigerated truck for its employees to make the home deliveries to the 1,600 congregate meal patrons, bringing the total Meals-on-Wheels service to 2,100 clients.

It was explained to the OIG that the directive to establish the CEMS Program was undertaken to ensure that all seniors who were relying on congregate meals for nutrition would continue to be served. Immediately prior to the issuance of the closure order, the County was informed that De Hostos Community Center in Wynwood would not be able to transition to home-delivered meals. Soon thereafter, the Betty T. Ferguson Center in Miami Gardens was added to that list. CAHSD made every effort possible to obtain the names and addresses of all the individuals previously served by these centers. The CEMS Program was initially designed to fill these gaps in service.

To safeguard against any seniors impacted by the closure of the centers from experiencing hunger, an additional critical step was taken. Public announcements encouraged seniors to call 311 and request meals.² All seniors at least 60-years-old with a disability or homebound were eligible for the service. As will be illustrated in this report, the CEMS program has grown exponentially since its inception.

ENGAGEMENT OF DELIVERLEAN TO PROVIDE AND DELIVER MEALS

Frank Rollason, Director of the Office of Emergency Management (OEM),³ learned on Thursday, March 12, 2020 that an emergency order to close all the congregate meal sites and community centers providing meal services to the elderly would be issued the following Monday (Emergency Order 01-20). His responsibility as the Director of OEM was to ensure that any senior citizen whose meal service was disrupted by the closure of a center would continue to be fed. In accordance with the forthcoming emergency order, Director Rollason advised the OIG that he immediately contacted Scott Harris, CEO of DeliverLean, to confirm his company's availability to assist in preparing and delivering an unknown quantity of nutritionally balanced meals.

² News Release from the Office of the County Mayor. March 16, 2020; Twitter announcement from North Bay Village Government: "Seniors in need of meals at this time can register for a free meal delivery service through Miami-Dade County. To register, please call 311." March 20, 2020.

³ OEM organizationally resides in the Miami-Dade County Fire Rescue Department (MDFR); as such, Director Rollason is formally an Assistant Director of MDFR.

Emergency Order 01-20, Section 2: **County staff are directed to take all appropriate measures to provide food service during the duration of this Order.** Such measure may include the purchase of goods and services, including but not limited to **food services**, personal protective equipment, **delivery services**, and refrigerated vehicles, **without competitive solicitation** as authorized by Executive Order Number 20-52 and the existing Miami-Dade County State of Local Emergency. [Emphasis added]

According to Director Rollason, DeliverLean had been identified more than a year ago by members of Urban Search and Rescue (USAR) Task Force One (TF1) as a possible source for meals during a disaster. In early 2019, Director Rollason and his team developed plans for an emergency situation where tens of thousands of residents would be evacuated to large-scale shelter facilities. This planning exercise was modeled on the emergency in Houston, Texas in 2017 (Hurricane Harvey) where over 35,000 people were moved into shelters.⁴ Independently, USAR colleagues of Rollason from municipalities had also mentioned DeliverLean to him as a reliable provider of meals. During past emergency activations, DeliverLean provided meals to the City of Miami and City of Miami Beach first responders.⁵

Director Rollason and his OEM staff toured the DeliverLean facilities in August 2019 to gauge the company's capacity to deliver meals during an emergency situation. They learned that DeliverLean's 60,000-plus square foot facility located in Hollywood, FL is USDA-certified and has its own generator back-ups to ensure continuity of operations during power outages. From a disaster planning perspective, the fact that the facility is located outside of the immediate service area of the MDR was considered an advantage in the event of a disaster occurring within Miami-Dade County. Director Rollason advised DeliverLean to register as a County vendor for possible future requisitions. DeliverLean filed a vendor registration application with the Internal Services Department (ISD) in August of 2019.⁶

Mr. Harris confirmed that OEM made the initial contact in mid-March regarding a request for home delivery of meals for seniors.⁷ When interviewed by the OIG, Mr. Harris provided a brief historical overview of his company. DeliverLean was established in 2011 as a direct provider to clients in South Florida seeking fresh, healthy meals delivered to their door. The company then began serving elderly patients discharged from hospitals throughout the State of Florida (health insurance companies initiated the program to address recidivism related to malnutrition); through this endeavor, the company was accustomed to preparing meals for the elderly and the required nutritional guidelines. The company has also

⁴ https://www.washingtonpost.com/national/harvey-drives-tens-of-thousands-to-texas-shelters-where-all-people-can-do-is-wait/2017/08/30/b7cc28f0-8db9-11e7-84c0-02cc069f2c37_story.html

⁵ Email. From Scott Harris to Terry Murphy (April 22, 2020; 11:16 AM). Hurricane Dorian (2017); meals provided to City of Miami Police; City of Miami EOC/Fire; City of Miami Solid Waste; City of Miami Beach Housing and Community Services; City of Miami Beach Police.

⁶ DeliverLean's vendor application, filed in August of 2019, was found deficient. Prior to the issuance of the purchase order for the 2020 CEMS Program, the vendor application was resubmitted and approved on March 12, 2020—the same day that DeliverLean was contacted.

⁷ Harris executed an agreement with Floridian Partners to provide government relations on April 8, 2020, the day after questions arose about his company during the April 7, 2020 BCC videoconference meeting.

assisted government agencies with requests for meals, and has expanded into retail sales providing fresh-packed meals to Hudson News outlets.

Mr. Harris explained to the OIG that once a food enterprise enters into agreements with retailers to re-sell their products there is an increased degree of regulation; an example cited was labeling of meals with its nutritional contents. The United States Department of Agriculture (USDA) and the Food and Drug Administration (FDA) regulate this activity. Mr. Harris emphasized that DeliverLean comports with or exceeds all regulatory requirements in order to achieve their corporate goal of “delivering the best healthy food plans in the business.”⁸ During the interview, Mr. Harris repeatedly referenced the importance of food safety and the liability associated with providing proper nutrition to the elderly population.

The OIG inquired about the logistics of preparing and delivering meals to tens of thousands of homebound or disabled seniors in Miami-Dade County each day. Mr. Harris explained that the planning for a meal typically begins four (4) days in advance with the placement of orders to the supply chain. Not only food must be ordered, but also serving plates and disposable ice packs to keep food at safe storage temperatures during the delivery process. As this program developed, additional kitchen sites in Miami-Dade County were identified to receive food shipments and handle food preparations.⁹ According to Mr. Harris, meals prepared at the kitchen sites are transported to DeliverLean’s refrigerated facilities for sorting, labeling, packing and distribution for the following day. Mr. Harris invited the OIG to observe DeliverLean’s operations.

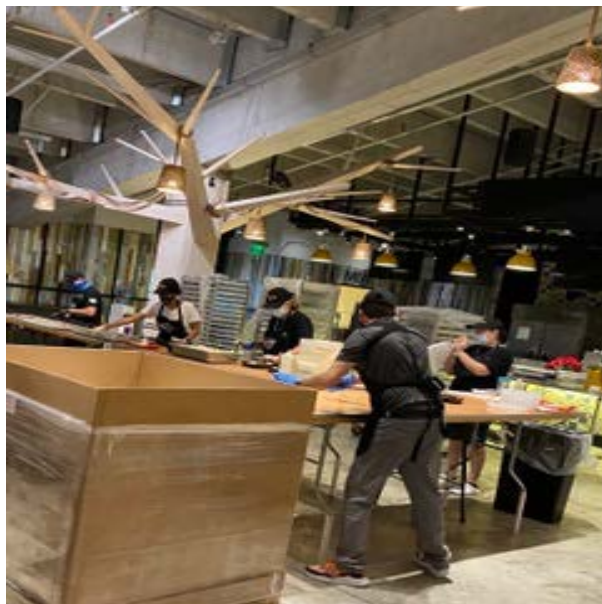
OBSERVATIONS OF DELIVERLEAN’S FOOD PREP AND DELIVERY OPERATIONS

The OIG visited the kitchen facilities at Hard Rock Stadium in the City of Miami Gardens to observe the food preparation operations. Mr. Harris of DeliverLean and Kevin Mitchell, VP & General Manager of Centerplate, the resident food service corporation at Hard Rock Stadium, conducted the tour. Executive Chef Dayanny De La Cruz explained the operational changes instituted during the COVID-19 pandemic, pointing out different sectors of the kitchen dedicated to the preparation of vegetables, meats, potatoes and sauces in order to maintain distance between employees. Mr. Mitchell noted every employee must respond to a health questionnaire and temperature check before beginning a shift.

⁸ <https://www.deliverlean.com/about-us/>

⁹ Letter to Mayor Carlos A. Gimenez. From Scott Harris. Hand Delivered. April 8, 2020. Excerpt: “Partnering with seven County-based hospitality companies has enabled us to both increase our production and hire County residents that would otherwise be out of a job. As a result of these partnerships, each of these County hospitality companies has hired approximately 50 workers. Furthermore, these partnerships span the County geographically: our partners include the Hyatt Regency Downtown Miami, Hard Rock Stadium, Centerplate Miami Beach Convention Center, Constellation Culinary Group, Thierry’s, JW Turnberry Aventura, and the Shelbourne Hotel.”

On the day of the visit, there were 40 Centerplate employees working on the order for Miami-Dade County. Supplies ordered by DeliverLean to satisfy the CEMS Program order that day for 5,384 meals included approximately 1,275 pounds of meat, 1,100 pounds of vegetables, 1,400 pounds of potatoes and 85 gallons of coconut curry sauce. Though it is less efficient to segregate the food preparation operations, Chef De La Cruz assured the OIG that more meals could easily be prepared. Mitchell noted Centerplate was preparing 10,000 meals at this location as the CEMS Program began, but that orders have been decreasing.



After the food is cooked, at a separate location about a city block away inside the stadium, a different team of workers apportion the food into individual covered plates. A single, large container on a pallet is used to transport the plated meals. In each transport container there are 1056 meals. These employees never interact with the kitchen staff. Mobile hand-sanitizer units are easily found throughout the facilities; all employees are wearing masks and gloves. Once a container is full, the pallet is moved to a refrigerated area awaiting transport to the DeliverLean facilities for sorting and labeling.

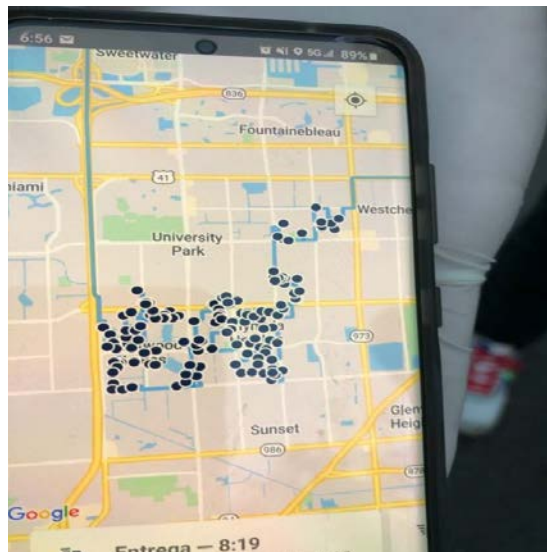
DeliverLean has contracts with multiple delivery companies in Miami-Dade County employing hundreds of drivers. Large refrigerated trucks arrive at designated locations to transfer meals to delivery vehicles suitable for residential streets. Once the meal leaves the refrigerated (34° F) truck, there is a 3.5-hour window of time for the meals to be delivered safely at the correct temperature. This type of delivery logistic is referred to as a “hub and spoke” system.



The OIG was on site at 8717 NW 117th Street in Hialeah at 6:45 AM on April 22, 2020 to observe the hub and spoke operations. Three (3) large refrigerated trucks came to the location from DeliverLean's Hollywood facility. We observed three (3) delivery vans already loaded and 18 more lined up waiting to be loaded.



The OIG staff exited the vehicle wearing a mask and was provided additional personal protection equipment (PPE), a pair of disposable gloves and a white coat, before being granted free access to talk to drivers, take pictures and ask questions. All delivery employees were observed wearing PPE. The delivery bags that were being loaded into the vans each contained four meals, two ice packs and a menu sheet with heating and use instructions. All meal bags are sealed with color-coded zip-ties. Kosher meals are sealed with printed tape indicating they were prepared in a kosher kitchen.



Mr. Harris, who was present at the Hialeah hub and spoke operation, explained to the OIG that DeliverLean uses special logistics software to customize each delivery route. Each driver has a smart phone to download the scheduling and routing information. CAHSD has access to this software for accountability purposes. The software enables real-time tracking of driver location and meal deliveries. Every delivery is photographically recorded with time and geographic coordinates.

OIG ASSESSMENT OF THE DECISION TO ENGAGE DELIVERLEAN AT THE ONSET OF THE CEMS PROGRAM

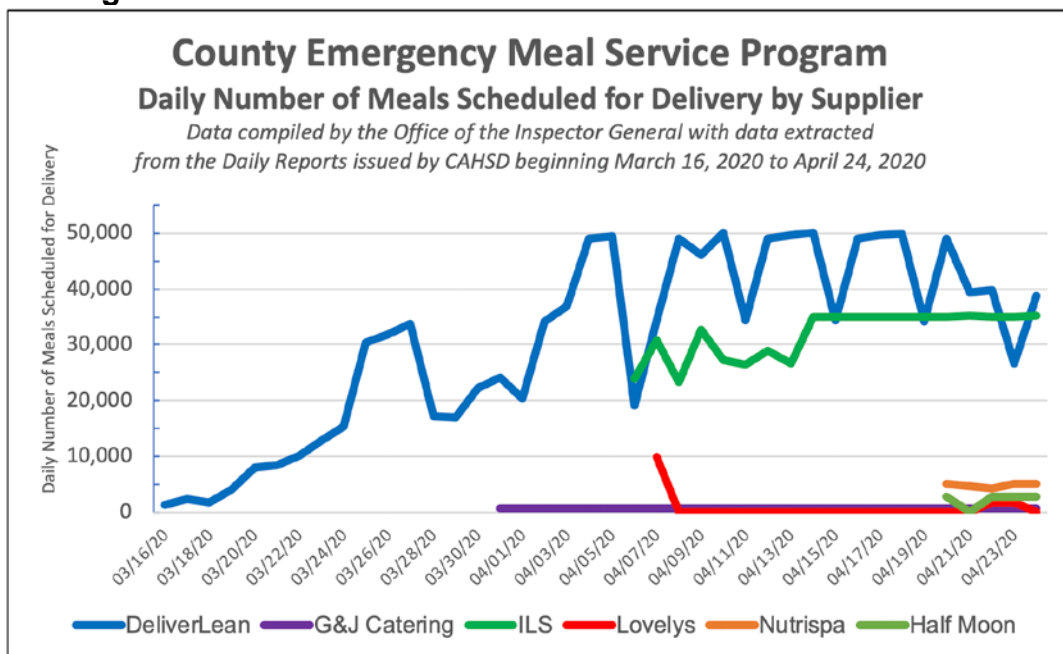
The OIG is satisfied that under the exigent circumstances, Miami-Dade County has been well served by the vendor chosen at the onset of the CEMS Program. Further, the OIG finds the decision by OEM Director Rollason to select and execute a purchase order for emergency meal services with DeliverLean to be sound and rational in every respect, and entirely within the authority afforded his office pursuant to Emergency Order 01-20.

On March 12, 2020, the immediate task was to identify a vendor who had the capacity and resources to prepare and deliver meals to an unknown number of seniors, and at residential addresses to be determined. This was an emergency situation, and the OEM Director identified the vendor that he and his team had previously vetted to perform in emergencies. The engagement of DeliverLean was never intended to be an exclusive engagement. At the same time, ISD was also conducting market research to identify additional vendors who could provide fresh, refrigerated, frozen or off-the-shelf low sodium, nutritional meals for delivery in Miami-Dade County. Many vendors had menu offerings that did not satisfy or could not confirm the nutritional requirements for elderly meals, while others were unable to commit to delivery of an unknown quantity. The ISD market research effort found no potential vendors before the actual closure of senior centers and congregate meal centers on March 16, 2020.

Another equally important task, handled by CAHSD, was to determine if any senior centers could not transition to providing home-delivered meals. CAHSD learned that De Hostos Community Center in Wynwood and the Betty T. Ferguson Center in Miami Gardens, as well as a few programs run by municipalities, would be unable to provide home-delivered meals to their clientele. The County's first meal delivery took place on March 16, 2020. It involved 1,280 meals to 128 seniors (10 Cryo-vac sealed meals per person). The quantity, names, and addresses were provided to DeliverLean only the night before.

While DeliverLean was responding to every meal request added to the list, the Internal Services Department (ISD) continued to identify and vet other vendors, which led to the addition of G&J Catering on March 28, 2020; Independent Living Systems (ILS) on April 6, 2020; Lovely's in the City on April 7, 2020; Half Moon Empanadas on April 20, 2020; and Nutrispa, Inc. on April 20, 2020. Each vendor had to successfully complete the OEM training program for proper distancing protocols when making deliveries, including the use of PPE and appropriate methods for placing meals inside the homes of seniors challenged by mobility limitations. Proper training by OEM is a prerequisite to any purchase order being issued. As of April 27, 2020, due to capacity limitations, all the local vendors who prepare meals in Miami-Dade County¹⁰ are currently able to serve a limited total of 7,787 residents—a little less than 10% of the seniors enrolled in this program. Figure 1 below shows the daily number of meals scheduled for delivery by supplier.

OIG Figure 1



Within a period of ten days (March 26, 2020), DeliverLean was delivering over 30,000 meals to more than 6,000 residents. By the end of the third week of the program (April 3, 2020, DeliverLean was delivering about 50,000 meals to 10,000 seniors. ILS, who began delivering frozen meals the week of April 7, 2020, began by serving over 20,000 meals daily, and within a week was delivering over 35,000 meals a day. Combined, there are

¹⁰ ILS is a local business, but its frozen meals are prepared outside of Miami-Dade County.

days when over 90,000 meals are delivered to the homes of eligible seniors in Miami-Dade County. Overall, the CEMS Program is currently so large that it has provided hundreds of job opportunities for cooking, plating, packing and delivering meals to seniors residing in Miami-Dade County. Individuals filling these jobs were previously unemployed due to the COVID-19 pandemic.

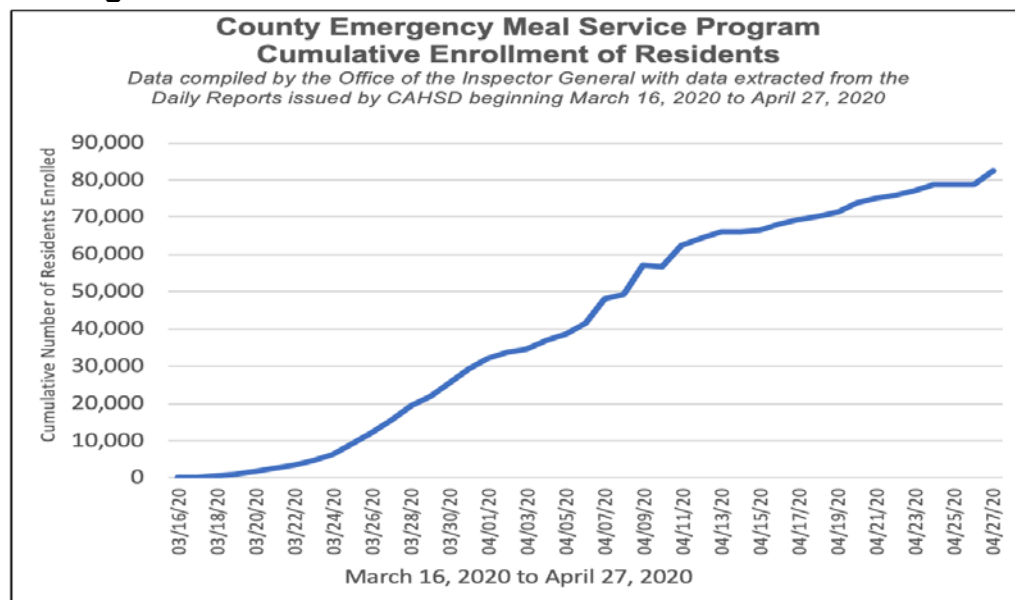
OBSERVATIONS ON THE EXPOTENTIAL GROWTH OF THE CEMS PROGRAM

As previously described, the CEMS Program was initiated to fill gaps in service where non-County operated senior centers and senior congregate meal sites were unable to provide meals to their clientele. The statement issued on March 16, 2020 declared:

At the end of business today, all programs at senior service centers in Miami-Dade County will close. Participants will be sent home with enough meals for the rest of this week. Starting next week, meals provided by these centers will be delivered to our seniors. We do not want anyone to miss a meal. Whoever does not receive their delivery should call 311 . . .

Further, the OIG was advised that CAHSD was concerned that some seniors might not receive their meals because the accuracy and completeness of the home addresses provided by the senior facilities were worrisome. Thus, homebound seniors and seniors with disabilities were advised to contact 311 to be added to the list of residents receiving home delivered meals. When callers dialed 311, they were asked for their name, telephone number and address. This information was forwarded to CAHSD staff who then contacted the individuals and asked if they were 60 years of age or older, homebound and/or disabled. Those that met the minimum criteria were added to the list for meal deliveries. In six weeks, the program has grown from 128 seniors to over 82,000 seniors receiving home deliveries, typically 4 to 7 meals at a time depending on the vendor. Figure 2, below, shows the growth in enrollment over six weeks.

OIG Figure 2



As of April 27, 2020, there are 82,277 elderly residents enrolled in the CEMS Program receiving meal delivery.¹¹ This is in addition to the approximately 2,100 seniors receiving meal delivery by CAHSD. As previously mentioned, the CAHSD meals continue to be prepared by GMC.

The OIG has reviewed invoices from the various vendors for the meals and delivery. As the volume of meals from the different vendors is always changing, for purposes of discussion it is reasonable to estimate that the County pays about \$10.00 for each delivered meal. The most recent Situation Report from OEM on April 30, 2020 noted 2,402,258 meals have been delivered—an expenditure of roughly \$24 million so far.

On April 13, 2020, the Mayor issued a report that estimated the total County expenditures associated with the COVID-19 State of Emergency may approach \$45 million. Based on the continuing meal expenditures alone, the OIG is anticipating that a higher estimate for overall County expenditures will be issued soon. The OIG intends to monitor efforts to secure federal reimbursement for these emergency expenditures.

Going forward, the OIG is concerned about the financial sustainability of continuing such a massive undertaking. We realize that discontinuing or scaling down this service, while the health risks of COVID-19 remain, for homebound and disabled seniors will be difficult. We also believe that some type of eligibility verification should be implemented, as well as quantifying the ongoing home meal delivery efforts of senior centers operated by municipalities and charitable organizations.

In discussions with the Mayor's Office on these concerns, we were advised that Audit and Management Services (AMS) has been asked to review the operation and provide suggestions for improvement. The OIG will continue this dialogue with OEM, CAHSD, ISD and AMS to offer our assistance.

CONCLUSION

The methods employed by OEM, working with ISD and CAHSD, to obtain countywide home delivered meals are in full compliance with the directives and terms of the existing Emergency Orders. The logistical challenge of scaling up meal preparations and home deliveries for tens of thousands of residents requires vendors with unique experience, skills and operational capacity. The identification and engagement of DeliverLean, a vendor that was first vetted by OEM to serve in an emergency situation, was a rational and sound choice, and has been validated by the vendor's performance to date. The engagement of DeliverLean was never intended to be exclusive, and at present an additional five local vendors are participating in the CEMS Program and others may be added.

Finally, the OIG recognizes the challenges of administering this program and notes that Emergency Managers operate in a unique environment where one hears the frequent refrain, "Hope for the best, prepare for the worst." In this case, Miami-Dade County's OEM prepared to provide mass feedings of disaster victims at large shelters, then effectively

¹¹ From the daily COVID-19 Response Team - Meals Report.

adapted the plan to deliver tens of thousands of meals to seniors sheltered at home during the COVID-19 pandemic. Every day, tens of thousands of senior citizens are aided by their efforts.

The OIG appreciates and thanks the staffs of the Miami-Dade Fire Rescue, Office of Emergency Management; the Community Action and Human Services Department; Internal Services Department; Centerplate; and, DeliverLean for the courtesies and cooperation extended to the OIG during the course of this procurement review.

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