

OKALOOSA COUNTY CLERK OF CIRCUIT COURT



DEPARTMENT OF INSPECTOR GENERAL



INVESTIGATIVE REPORT: BARA VENDOR - FACILITIES MAINTENANCE

**REPORT NO. INV 25-02
REPORT ISSUED SEPTEMBER 16, 2025**

ISSUED BY: RENEE F. LARKEY, INSPECTOR GENERAL

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Executive Summary

On July 15, 2025, our office received a complaint alleging a pattern of payment requests for a particular vendor consistently fell outside of standard procurement and finance procedures. This raised concerns about the circumvention of these procedures.

The Facility and Parks Maintenance Department (FPM) is currently working on a project at the Baker Recreation Area – Arena and Community Center (BARA). As part of that project, several of the buildings are having a new roof installed. FPM obtained quotes and forwarded them to the Okaloosa County Purchasing Department (PD). The vendor mentioned in the complaint was the vendor awarded the work.

A review of the documents submitted indicated the initial quotes were not similar in scope. An evaluation of the tabulation process and purchase order (PO) was conducted, and several processing issues were noted. Once a (PO) was issued, there were repeated invoice submissions requesting an in-person pickup of the vendor payment. In addition, a change order had to be processed in conjunction with the vendor's first invoice submission due to additional work being completed.

FPM also plans to re-roof the Community Center at the BARA and in anticipation obtained 3 vendor quotes. After obtaining the 3 vendor quotes, FPM went to the Board of County Commissioners (BCC) with a request to obtain quotes in lieu of bids, to obtain a lower price for the work to be done. After obtaining BBC approval on July 1, 2025, to seek quotes in lieu of bids, no new quotes were obtained.

Our investigation did not substantiate the allegation regarding the vendor payment requests but did raise concerns regarding the procurement process for the roofing work and found the work was neither permitted nor inspected as required.

Background

On July 15, 2025, our office initiated an investigation based on the complaint. As part of the investigation, we accessed all data in OnBase (the document management and storage system utilized by the County) including purchase orders issued, invoices submitted by, and payments made to the vendor. It was determined, in reference to the complaint, that there were 3 purchase orders issued, one change order processed, 4 payment requests processed, and 1 payment request that was not processed by Finance.

Scope & Methodology

The scope of our investigation included interviews with the complainant, staff from PD, FPM, Clerk of the Circuit Court and Comptroller Finance Department (Finance) and the County Growth Management Department. We also reviewed procurement, invoice, and payment documents as

well as the County Purchasing Manual (PM), portions of the County Human Resources Manual, and Finance policy and procedures.

The investigation was performed in compliance with the *Quality Standards for Investigations* found within the *Principles and Standards for Offices of Inspector General* as published by the Association of Inspectors General. The standard or degree of proof required to establish a conclusion of fact is at least “by a preponderance of evidence,” which indicates evidence that establishes the fact sought to be true is more probable than not.

Investigations by the Department of Inspector General will reach one of the following four conclusions of fact per allegation: substantiated, unsubstantiated, unfounded, or not legally sufficient. **Substantiated** means there is sufficient information to justify a reasonable conclusion that the allegation is true. **Unsubstantiated** means there is insufficient information to either prove or disprove the allegation. **Unfounded** means there is sufficient information to indicate the allegation is false. **Not-Legally Sufficient** means that the allegation does not violate current governing directives.

Allegations

Allegation 1: Payment requests made by a vendor doing work on a Facility and Parks Maintenance project consistently fell outside of standard procurement and finance procedures.

Governing directives:

Okaloosa County Purchasing Manual
Okaloosa County Human Resource Manual.
Okaloosa Clerk of Circuit Court and Comptroller Policies:
Okaloosa County Code of Ordinances
3102 - Accounts Payable Policy
3105 - Prompt Payment Act Policy
3201 - Accounts Payable.

Investigative Narrative

On July 17, 2025, we met with the Okaloosa Clerk of the Circuit Court and Comptroller, Financial Operations Director, to gain an understanding of the process the department uses for making vendor payments as well as review and explanation of specific documents located in the County management and storage system, (OnBase).

Based on our review and assessment of documents in OnBase, information gathered on the BARA, interviews with Finance, PD, Growth Management as well as FPM staff, we were able to determine the following:

The BCC fully took over operation and maintenance of the BARA on October 1, 2024, with plans to continue investing in the facility as a quality event venue. The BCC is charged with all operational, maintenance, and capital responsibilities at that location. As part of the maintenance responsibilities, it was determined that the horse stalls and breezeway leading to the arena needed to be remodeled and that this area needed a new roof.

The FPM Operations Manager (OM) sought quotes from two of the County's contracted roofing vendors for repair and/or replacement of metal roofing for the area which consists of 4 separate barns and a breezeway. The quotes that were received exceeded the amount that was expected to be spent on the project. The OM stated that in a meeting with a Deputy County Administrator (DCA) it was discussed that the quotes were too high, and FPM should look at a local vendor to provide a quote. The OM stated that a Construction Manager (CM), within FPM, knew of a local metal roofing contractor who might be interested in providing a quote; however, our investigation found the OM was already aware of the vendor as he had recently utilized him on a small FPM project in February of 2025; the OM approved the vendor work completion on that project. The OM reached out to the vendor for a quote. The vendor provided two quotes (Exhibits 1 and 2), one that included material in the amount of \$48,300.00, and labor in the amount of \$49,200.00, and a second quote dated 14 days later for labor only, in the amount of \$49,200.00. Amendment of the vendor quote to "only labor" reduced the quote to just under \$50,000.00. The threshold for FPM not having to pursue the competitive procurement process outlined in the PM is \$50,000.00.

The OM stated he knew the vendor didn't have the funds to buy the material for the job; therefore, FPM ultimately bought the materials, and he stated it was "still a lot cheaper" than using the contracted vendors. The FPM Deputy Director (DD) stated the vendor submitted a secondary invoice because the original had a pre-payment request to purchase material. FPM did not seek approval for the pre-payment request for this PO and chose to obtain a labor only quote from the vendor. The actual amount expended by FPM to purchase the metal for the roofs was \$40,203.04 which yielded a cost savings over the material cost in the vendor quote. In review of the other vendor's quotes, one vendor provided prices for either a metal roof restoration for \$591,500.00 or a R-Panel Re-Roof with a quoted amount of \$728,000.00. The other vendor provided a price of \$314,506.20 for restoration only, but the OM stated the vendor emailed him a quote for a full re-roof of between \$475,000.00 and \$550,000.00.

The OM chose not to obtain labor only quotes from the contracted vendors for comparison purposes because he knew their prices would be "three times more" than a "mom and pop" store. The quotes were sent to PD where the Purchasing Services Coordinator (PSC) completed a tabulation sheet to provide a comparison of the quotes. The PSC stated he could not remember if he had asked FPM to get labor only quotes from the other vendors, but it is something he thought should be done. The OM and CM both stated they did not get a request from PD to seek additional labor only quotes. The figures used on the tabulation sheet were obtained from an email sent by FPM that did not provide the same cost amounts as the quotes, and the PSC did not verify the figures against the quotes. The OM indicated that the email he forwarded to the DD had accurate figures from one vendor, only the amount of roofing one building for another vendor (because the

amount was already higher than the low vendor), and an amount from the third vendor obtained from an email, which was not the actual quote that was submitted.

Review by this office found that during the tabulation process the PSC did not use the actual figures from the quotes and extrapolated the material cost provided by one vendor to the other two vendor figures to attempt to arrive at a labor only quote comparison for all three vendors (Exhibit 3). The material costs for the other 2 vendors were unknown as their quotes included labor and materials and material costs were not delineated in the quote amount. Based on the tabulated amount, the labor only quote that was obtained was lower in the tabulation. In review of the documents obtained from the vendor by PD it was noted that the vendors certificate of insurance (COI) (Exhibit 4) would expire on April 10, 2025, which would be in the middle of the job completion and that the certificate holder was incorrectly reflected as the City of Crestview. The PSC stated that it would be FPM's role to follow up on insurance issues. The DD stated that without a contract in place, they do not follow up on vendor insurance since it is provided to PD as part of the PO process.

The vendor completed some work on the project and discovered issues with the wood framing due to "dust beetle" damage. The OM and CM both confirmed the damage and that the vendor had to buy additional materials and therefore incurred extra labor costs to replace the unforeseen damaged areas. The OM stated he became aware that the vendor "reached into his pocket" and paid for the material himself and he told the vendor that FPM would pay for the additional material and time spent on the repairs. The vendor submitted an invoice for a draw on the original amount and an additional invoice for the unforeseen damage, both were dated April 14, 2025. The DD approved the invoice for the first draw on April 21, 2025, indicating the work had been completed April 21, 2025, and requested a partial payment and the vendor wanted to pick up a check on April 25, 2025.

Finance issued payment and closed out the PO in error. The invoice for the unforeseen damage required FPM to complete a change order to the PO and it was determined a new PO would have to be completed due to the original PO being closed in error. The DD approved the additional invoice and indicated the work was completed on April 14, 2025, (a date prior to what was reflected for completion date of the first draw completion date) and that the vendor wished to pick up his check on 5-9-25, Finance issued payment. The DD stated that the work completion date comes from the approval signature date of FPM staff who sign the invoice to indicate work completion.

A review of the documents uploaded to OnBase showed the OM signed and dated both invoices on April 14, 2025. It is unknown how the completion date of April 21, 2025, was obtained. The vendor submitted a second draw request dated May 5, 2025; the DD approved a partial payment request indicating the work completion on May 5, 2025. Review of OnBase documents show there is no signature from FPM staff on the invoice indicating approval. The invoice was paid by Finance. An invoice for the final payment was submitted with a date of June 23, 2025, the DD approved a "PAY PO IN FULL" showing a work completion date of June 23, 2025, which corresponded to the signature date of the OM on the invoice. A request was made for the vendor

to pick up his check on 6-27-25, and Finance paid the invoice which finalized the job on the PO. The OM and CM of FPM both stated they were satisfied with the vendor's work, and the OM said the vendor's performance was "great" and that the vendor had done extra work to make the eaves look good. However, upon investigation, it was found that the work completed was not permitted or inspected by the County as required by the Okaloosa County Code of Ordinances §6-134 Building Permits and Fees. The County Growth Management Department placed an alert on the Property which requires a double charge for a permit to be issued in the future and referred the issue to the Code Enforcement Department.

FPM had a second roofing project to roof the Community Center at the BARA. The OM stated he obtained 3 vendor quotes for this project. In review of the quotes, it was noted by this office that one quote listed the site address for the work to be completed as 132 Jet Dr NW Fort Walton Beach, FL 32548. The PSC and OM indicated this was not noticed in their review and calls into question if the quote was for work at that address or the Community Center at the BARA. The quotes were from the same two contracted vendors who previously quoted work at the BARA and the vendor who performed the previous roofing work on the barns and breezeway project. Upon review of the quotes that had been obtained it appeared they were not similar in scope. One of the quotes referenced "removing the existing roof system and flashing down to the plywood deck". One indicated removing composition shingles and felt to decking" with a note "metal over existing shingle roof" and the low quote stated "remove all metal and 1X4's" with no reference to the shingled roof that exists under the current metal roof. It is unclear from the quote if the lowest bid included removal of the existing shingled roof so the roof sheeting could be inspected and/or replaced as was indicated in all 3 quotes. The OM stated he went back to the vendor who had previously worked at the site because he "knew he would be cheaper" than the other quotes he had already received. The vendor's quote had a pre-payment clause in it to cover materials and payroll costs for the vendor. The OM stated there are vendors who request a deposit to start a job and referred to a vendor he is currently working with on another project. The DD stated FPM has processed pre-payment requests in the past multiple times for vendors.

Due to the dollar amount of this project, FPM presented an agenda item to the BCC on July 1, 2025, to request approval to solicit competitive quotes in lieu of formal bids for the procurement of the work. The agenda item referenced two quotes that had been received from contracted vendors that exceeded the anticipated budget and stated, "we believe the process of quotes in lieu of formal bids will increase competition and encourage each vendor to get their price as low as possible line by line" but the agenda item did not reference a third quote that had already been obtained. After approval was granted by the BCC, FPM moved forward with a quote from the vendor who had previously completed the roofing work of the barns and breezeway at the location.

The quote documentation also included a "reference letter" (Exhibit 5) on Okaloosa County letterhead signed by the Chief Building Official of Okaloosa County Growth Management (CBO). The CBO has responsibility for the supervision of the personnel who provide inspections of building projects in Okaloosa County and conducts inspections himself as part of his job. The vendor's quote (Exhibit 6) contained language that stated, "A roofing permit will be pulled by the

Contractor and when the job is completed there will be a proper final inspection by Okaloosa County Growth Management Inspector to ensure that the job meets County Code requirements.” The inclusion of the letter with the vendor’s quote creates a perceived conflict of interest issue. In an interview, the CBO indicated he would not have issued the “reference letter” if he had known it would be used in conjunction with work on an FPM project and “wouldn’t have wanted to influence that.” The CBO stated he routinely does reference letters and puts them on County letterhead but “maybe that was wrong” and possibly he hadn’t thought that through.

FPM did not obtain any additional competitive quotes and used the 3 quotes that had been obtained prior to BCC approval. The OM stated he had multiple projects underway and didn’t have time to meet additional vendors to get quotes on the job. The DD stated it was unknown why staff didn’t get additional quotes after being given BCC approval to obtain “competitive quotes”. The vendor with the lowest responsive quote submitted an invoice dated July 7, 2025, as a first payment on the job to purchase materials in the amount of \$14,599.90 and the payment request was denied by Finance due to a lack of BCC approval for pre-payment. The DD stated that FPM thought the prepayment request was included in the BCC agenda item that was approved requesting permission to obtain quotes in lieu of bids but it was not. The DD stated the intent of the department was to include the pre-payment item in the request because they knew the Vendor was going to need it. When questioned how the prepayment request could be included in a request for approval to get quotes in lieu of bids, it was stated that FPM assumed the vendor would be low bidder when the agenda item was approved. This brings into question whether FPM had already selected a vendor.

The roofing work on the Community Center has begun but there has been no permit applied for nor issued by the County for this work.

As all the buildings being roofed are located at the BARA, there is a question as to the establishment of a separate PO for each instance of roof work at the same location in a short timeframe which may lead to subdividing procurements or split bidding. The vendor, in the span of a few months has been awarded work in increasing amounts on 3 FPM projects all utilizing different procurement methods.

Findings of Fact and Recommendations

Allegation 1: Payment requests made by a vendor doing work on a Facility and Parks Maintenance project consistently fall outside of standard procurement and finance procedures is UNSUBSTANTIATED.

Finding 1. The deadline for County departments to submit invoices for payment is every Wednesday by 1:00pm. Each invoice submitted for this vendor occurred before the cutoff time shown in the Clerk’s Accounts Payable Policy #3100. Requests made by FPM for the date the vendor wished to pick up his check was on a Friday, which is the day checks are first available

after processing them on Thursday as reflected in the policy referenced above. Clerk Policy 3105 – “Prompt Payment Act Policy” reflects that vendors may pick up their checks in person at the Crestview Courthouse. A review of the invoice submission dates; apart from the PO closed in error, indicate a PO was in the OnBase system on or before the day of the submission and per the PSC, POs are keyed to the County financial system prior to being uploaded to OnBase.

Finding 2. The roofing work on the stalls and breezeway was completed by the vendor on June 23, 2025, according to his final invoice and the FPM work completion dates entered in OnBase. The vendor’s quote for the Community Center Metal Re-Roof was obtained on June 9, 2025 (while the work from the initial PO was ongoing) and a new PO was issued to the vendor on July 2, 2025. Procurement of services is a function of the Purchasing Department and guided by the Purchasing Manual (PM).

A review of the PM found that the issuance of multiple POs to the Vendor did not violate procurement policy; however, FPM should be cognizant of subdividing procurements as defined in the Purchasing Manual due to the very short timeframe in which one job was completed and the issuance of a second PO to the same vendor for the same type of work at the same location, coupled with the FPM request to obtain quotes in lieu of bids as the procurement process. The Purchasing Manual states that quotes from Vendors should be requested on a consistent basis from each vendor to assure a like-to-like comparison.

The vendor quotes for the initial PO were different as one was for labor only and the other two were for labor and materials. FPM did not request labor only quotes from the other two vendors and Purchasing did not request FPM to obtain like-to-like quotes and completed tabulation using figures from an email rather than the actual quotes. During the tabulation process the PSC extrapolated the material cost provided by one vendor to the other two vendors to attempt to arrive at a labor only quote comparison for all three vendors.

For the latest PO issued, FPM sought and was granted approval by the BCC to obtain quotes in lieu of bids, when they had already obtained 3 quotes that were used in the procurement process. After being granted approval, FPM did not reach out to additional vendors to obtain quotes after stating in the agenda request “we believe the process of quotes in lieu of formal bids will increase competition and encourage each vendor to get their price as low as possible line by line”. FPM’s intent was to include a pre-payment request in the submitted agenda item for the low bidder which would indicate the vendor had been selected before the request went before the BCC for approval.

Finding 3: The vendor failed to obtain a permit for the completed or current work underway, and the County Inspection Department has not made inspection of the completed work which would be required had a permit been properly applied for and issued.

Finding 4: The CBO provided a reference letter on Okaloosa County letterhead for the vendor, which the vendor submitted with his quote for a County project. The recommendation letter stated the CBO had been inspecting the vendor’s work and craftsmanship for the past 30 years; however,

the CBO has been a County employee for 23 years and included 7 years that the vendor had worked personally for the CBO or the CBO's father prior to the CBO's County employment. Although the County Human Resource Manual is moot on the issue of providing personal references on official County letterhead, when the department responsible for inspecting a vendor's work is issuing the vendor a recommendation that ultimately became part of a submission for a County project, this could create the appearance of a conflict of interest.

Recommendation 1: FPM should consider having all staff who are involved in the procurement process (including those obtaining quotes) participate in the annual PD training. Training is required for those implementing the procurement process, but it was found that some FPM staff involved in obtaining quotes were not knowledgeable about the procurement process in general. Training would assist in adherence with procurement process guidelines and dollar limit thresholds reflected in the PM.

Recommendation 2: County departments who utilize subcontractors for work that require a permit from Growth Management should ensure these permits have been applied for and issued and that the proper inspections of the vendor's work have been completed by the County Inspection Department.

Recommendation 3: County departments seeking approval from the BCC to obtain quotes in lieu of bids, should obtain quotes after BCC approval is granted. In the case at hand, 3 quotes had previously been obtained by FPM before requesting approval to procure through this method and no new or additional quotes were obtained that would align with the stated intent. Two of the three quotes obtained already exceeded the anticipated budget.

Recommendation 4: PD should ensure quotes obtained by County departments are reviewed in PD for sufficiency and should complete PD processes using dollar amounts from the actual quote that was provided.

Recommendation 5: Pursuant to Section 215.422(14) F.S. and County policy, Board approval for advance payment may be granted if the payment results in savings equal to or greater than the amount earned by investing the funds and paying later or if the payment is essential to the operations of the agency and the goods or services are available only if advance payment is made. FPM should follow established guidelines for obtaining advance payment approval from the BCC before submission of an advance payment vendor invoice to Finance.

Recommendation 6: A method to ensure that vendor insurance renewals are tracked in the PO process is needed to verify that expired or soon to be expired insurance has been renewed during the timeframe of the job and the correct certificate holder is shown on the COI to protect the County's interests. There is a process for this when agreements are in place but in the current instance both Purchasing and FPM thought the other entity was responsible for tracking the insurance issue related to the PO issuance.

Recommendation 7: The County Human Resources Department should consider adopting a policy regarding issuance of personal, work, or license reference letters using official County letterhead to address any perceived conflict of interest issues raised if a recipient utilizes the reference letter in obtaining work on a county project.

Investigation completed by:

Tom Saunders, CECFE, CFCI, CFE, CIGA, CIGI

Inspector General Investigator

Okaloosa County Clerk of Court

101 East James Lee Blvd, Crestview, FL 32536

(850) 689-5000 ext. 3423

Exhibits

Exhibit 1: Vendor labor and material quote for barns and breezeway.

Exhibit 2: Vendor labor only quote for barns and breezeway.

Exhibit 3: PD quote tabulation document.

Exhibit 4: Vendor certificate of insurance.

Exhibit 5: Reference letter.

Exhibit 6: Vendor quote for Community Center.

ROOFING CONTRACT

I. The Parties. This Roofing Contract ("Agreement") is made between:

"Client": Okaloosa County with a mailing address of 5503 FL-4, Baker, FL 32531

AND

Roofer: [REDACTED] with a mailing address of [REDACTED]

WHEREAS the Client intends to pay the Roofer for Services provided, effective _____, 2025, under the following terms and conditions:

II. The Serves. The Roofer Agrees to perform the following:

Replace all the roofs on Barns A / B/ C/ D and the Breezeway from the Stables to the Arena with 29 gauge painted white metal. Plus remove the wood on the South Ends of the stables and install 26-gauge R-Panel metal painted color of your choice. Plus, removing 1X6 fascia boards to install new 2X6's treated throughout all barns and breezeways, making them ready for new gutters. Also installing new 2X4's at the ridge of all said buildings. This ensures the Ridge Caps will be screwed off correctly. The Roofer will clean up, haul off old metal, and wood from the job site daily. The manufacture warranty for the products is 40 years. My labor warranty for this contract is 10 years. Unwarranted from an act of God or war. Total cost estimate for all supplies needed: \$48,300.00. Total cost estimate for labor needed: \$49,200.00. This makes the total job estimate \$97,500.00

Hereinafter known as the "Services".

III. Payment. In consideration for the Services to be performed by the Roofer, the Client agrees to pay the following:

- ☐ -- A deposit of 40% is needed upon signing of the contract. This will cover the initial purchase of the supplies needed.
- ☐ -- After completion of Barns A and B, a draw of 20% will cover the payment of Roofer's Laborers for the work completed so far.

Completion shall be defined as the fulfillment of Services as described in Section II in accordance with industry standards and to the approval of the Client, not to be unreasonably withheld. The Roofer agrees to be paid the remainder 40% on completion of all services listed in Section II.

IV. Due Date. The Services provided by the Roofer shall be completed within a reasonable amount of time.

Client Printed Name/Signature / Date

Roofer Printed Name/Signature / Date

1-27-25

[REDACTED]

ROOFING CONTRACT

I. The Parties. This Roofing Contract ("Agreement") is made between:

"Client": Okaloosa County Facility & Parks Maintenance with a mailing address of 5489 Old Bethel Road, Crestview, Florida 32536

AND

Roofer: [REDACTED] with a mailing address of [REDACTED]

WHEREAS the Client intends to pay the Roofer for Services provided, effective _____, 2025, under the following terms and conditions:

II. The Services. The Roofer Agrees to perform the following:

Replace all the roofs on Barns A / B/ C/ D and the Breezeway from the Stables to the Arena with 29 gauge painted white metal. Plus remove the wood on the South Ends of the stables and install 26-gauge R-Panel metal painted color of your choice. Plus, removing 1X6 fascia boards to install new 2X6's treated throughout all barns and breezeways, making them ready for new gutters. Also installing new 2X4's at the ridge of all said buildings. This ensures the Ridge Caps will be screwed off correctly. The Roofer will clean up, haul off old metal, and wood from the job site daily. The manufacture warranty for the products is 40 years. My labor warranty for this contract is 10 years. Unwarranted from an act of God or war. The Client agrees to pay for all current known supplies needed and any "unknown" supplies as well. ("Unknown" would include covering the materials needed for any more unknown damages. Such as roof rot or shortages of materials needed to complete the job). It is in my best recollection that all materials were calculated and turned over to the County for purchase). Total cost estimate for labor needed: \$49,200.00.

Hereinafter known as the "Services".

III. The Payment. In consideration for the Services to be performed by the Roofer, the Client agrees to pay the following:

- ☐ - The "Roofer" requests, once barns A and B are completed, a draw of \$14,760.00, which is 30% of the total estimate.
- ☐ - The "Roofer" requests, once barns C and D are complete, a draw of \$ 14,760.00, which is 30% of the original total estimate.
- ☐ - The "Roofer" requests, once the breezeway is completed between D barn and the Arena, a final draw of \$19,680.00, which is the remainder of the 40% of the original total estimate.

Completion shall be defined as the fulfillment of Services as described in Section II in accordance with industry standards and to the approval of the Client, not to be unreasonably withheld.

V. Due Date. The Services provided by the Roofer shall be completed within a reasonable amount of time.

Client Printed Name/Signature / Date

[REDACTED]

Roofer Printed Name/Signature / Date

[REDACTED]

2-10-2025

TABULATION SHEET

Agency		EMAIL									
2500286											
Requestion #		VENDOR #									
Vendor		VENDOR NAME									
Buyer		CONTACT									
		VENDOR PHONE									
		VENDOR FAX									
NOTES											
Date											
Item	Quantity	Unit	Description	Unit Price	Extended Price	Unit Price	Extended Price	Unit Price	Extended Price	Unit Price	Extended Price
1			LABOR ONLY		48,200.00		11,700.00		426,700.00		
2											
3											
4											
5											
6											
7											
8											
9											
10											
11											
12											
13											
14											
15											
16											
Total				Total		Total		Total		Total	
Award				Award		Award		Award		Award	



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

09/23/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER The Holloway Agency 168 W Woodruff Ave Crestview FL 32536		CONTACT NAME: Elizabeth Henry PHONE (A/C, No, Ext): (850) 682-1900 FAX (A/C, No): (850) 682-7071 E-MAIL: liz@thehollowayagency.com ADDRESS:	
INSURED [Redacted]		INSURER(S) AFFORDING COVERAGE INSURER A: American Safety Insurance Company INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:	

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INER LTR	TYPE OF INSURANCE	ADDL SUBR HSD / RMD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:		GL935411-03	04/10/2024	04/10/2026	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 1,000,000 PRODUCTS - COMP/OP AGG \$ 1,000,000
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY					COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$					EACH OCCURRENCE \$ AGGREGATE \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory In MI) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A			PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER

CANCELLATION

City of Crestview 198 N Wilson St Crestview FL 32536	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
--	--

Okaloosa County



To Whom it may concern:

I, Purl Adams, Chief Building Official for Okaloosa County, have been inspecting [REDACTED] work and craftsmanship for the past 30 years. [REDACTED] has displayed good quality work in all forms of construction whether its stick framing or installing metal roof's. I have never experienced any major discrepancies in any of his work. He takes pride in all he does and stands by his work.

Respectfully,

Purl Adams

[REDACTED]

Proposal for Baker Community Center Metal Re-Roof
06/09/2025

Description / Scope of Work:

- Remove all metal and 1x4's. Inspect all roof sheeting for rot and replace. Will have to have full access to the interior to ensure all sheeting is in compliance with proper current codes.
- Will use 2 ½ inch decking screws if needed to secure any loose sheeting and screw off any new sheeting. A moisture Barrier will be applied to any new sheeting.
- There will be all brand new 1X4's installed using 2 ½ inch decking screws.
- A new drip edge will be installed around the bottom edge of the roof sheeting.
- All metal can be replaced with either Tuff Rib or R-Panel 29 gauge or 26 gauge and to the color of the County's liking. 29-gauge Tuff Rip Panel is currently in place and meets the County Code requirements. Note: R-Panel only comes in 24-gauge and in 2 colors, Bone White and Ivory White.
- A peel and seal moisture barrier will be used on all the hip's of the Gazabo and a 2 ½ inch tin (metal) to wood screw will be used to secure all caps.
- A small rake and corner will be applied to the gable ends. This will ensure that no wind can get under the last sheets of metal on both ends of the building.
- All materials removed from the roof will be discarded by the Contractor daily.
- A perimeter protector barrier will be in place to help stop any foot traffic throughout the job.
- A roofing permit will be pulled by the Contractor and when the job is completed there will be a proper final inspection by Okaloosa County Growth Management Inspector to ensure that the job meets the County Code requirements.
- A 10-year Labor Warranty is applied to all work.
- A 40-year Metal Manufacture warranty is applied by Baker Metal Works.
- No material or Labor is covered under warranty due to any act of God or War.

The overall cost for this proposal is \$ 145,598.97. This covers my labor and materials that I will purchase. Upon the start of the job, I will need at least a 10% deposit to purchase the materials and to make the 1st 2 weeks of payroll. (10%= \$14,559.90). I am asking for another 10% (10%=\$14,559.90) at the halfway point of the completion of the job. The final payment will be dispersed at the completion of the entire job. (Final payment=\$116,479.17).

Please contact me for any questions, I am looking forward to doing more business for Okaloosa County.

Respectfully,

[REDACTED]

[REDACTED]

[REDACTED]



Office of the County Administrator

OKALOOSA COUNTY, FLORIDA

1250 N. Eglin Parkway

Shalimar, FL 32579

Sept 15, 2025

Okaloosa County Florida Clerk of Court
Attn: Renee Larkey, Inspector General
Crestview Courthouse, 101 E. James Lee Blvd.
Crestview, Florida, Florida 32536

Re: Management Response to Investigative Report Recommendations Regarding Roofing
Vendor at the Baker Recreation and Equestrian Center (BREC)

Dear Ms. Larkey:

As these recommendations address several different departments of the County, this letter response addresses recommendations in a combined manner from the Purchasing Department and Facilities and Parks Department.

These relate to the horse stable roofs at what today we call the Baker Recreation and Equestrian Center (BREC), formerly BARA.

Please call me with any questions or concerns,

Most Sincerely,

Craig Coffey,
DCA, Operations

Sheila Fitzgerald,
DCA, Support Services

Cc: John Hofstad, County Administrator
Brad Embry, Clerk of the Court

Below is a general response from the Facilities and Parks Department Director Mr. Jeff Peters:

"Our goal in the department is to provide quality projects in the most efficient and economical way possible. To discuss this issue in a little more detail- We asked a local roofer to provide us a cost to roof areas at BARA. He quoted us much less than the two other roofing companies that has provided work for the County in the past. We received the final quote from the local roofer, and it was much cheaper. Smaller companies don't have the capital to purchase all materials up front, which is why we requested to do an Owner Direct Purchase. This allows the County to save money on taxes and on the materials. That is why we requested a labor cost only. Partial payment was requested along the project timeline due to the company being a smaller business and not having the capital to complete a lengthy project like this without a paycheck.

The Facility and Parks Department works hard to get the best prices for the projects that we are responsible for delivering. That was the goal in as well. In the end, we saved the taxpayers hundreds of thousands of dollars. "

Response to Recommendation 1. Agreed, Staff will ensure that those involved in the procurement process go through the annual Purchasing Department training.

Response to Recommendation 2. Agreed, Staff will work with Growth Management and ensure permits, where required, are attained.

In this particular instance, per Florida Statutes non-residential, agricultural buildings to include Agri-tourism buildings are exempt from the building code and local County regulation (**see page 2**).

While the County is not a farm, these stables are for non-residential agricultural/agri-tourism use. As a result of this State exemption, every other horse barn/stable in the County/State does not have to meet the building code, nor obtain a building permit for roof replacement. Additionally, it should be noted, the County only took over management of the facility in October 2024. Outside of the arena structure, every structure at this facility was likely built and maintained, without permits, by the non-profit BARA on County property.

Response to Recommendation 3: We concur. The purchasing department will oversee the solicitation of quotes pursuant to section 12.02 of the Purchasing manual.

Response to Recommendation 4: We concur. The purchasing department will oversee the solicitation of quotes pursuant to section 12.02 of the Purchasing manual.

Response to Recommendation 5: Agreed, Approval of the advance payment should be approved by the Board prior to submitting for advance payment, consistent with Purchasing Manual provision 21.03.03.

Response to Recommendation 6 - We concur. The purchasing department will work with the Risk Management department to develop a process to ensure that certificates of insurance are obtained, reviewed and maintained as part as the PO process as for other projects.

Response to Recommendation 7. We concur. County Administration will work with the HR/RM director to develop a policy regarding the issuance of personal, work or license reference letters using official County letterhead.

Information related to Agriculture and Agri-tourism permitting

In Florida, **agricultural permitting exemptions** are primarily governed by **Florida Statute 604.50**. This statute states that:

- **Nonresidential farm buildings, farm fences, and farm signs** located on lands used for bona fide agricultural purposes are exempt from the Florida Building Code and any county or municipal code or fee, except for floodplain management regulations. [↪ 2](#)
- A **nonresidential farm building** is defined as any temporary or permanent building or support structure used primarily for agricultural purposes, not intended for residential use. [↪ 2](#)
- Local governments are prohibited from adopting ordinances that restrict the agricultural use of land classified as agricultural under Florida law. [↪ 2](#)

For more detailed information, you can refer to the full text of the statute.

[↪ 1](#)

Florida Statutes Agri-tourism permitting exceptions

The Florida Statutes provide specific exceptions for agritourism permitting, ensuring that agritourism activities can be conducted without local government restrictions. Key points include:

- **Local Government Restrictions:** Local governments cannot adopt or enforce ordinances that restrict agritourism activities on agricultural land classified under Florida Statute 193.461. [↪ 1](#)
- **Limited Liability Protection:** Agritourism operators are protected from liability unless they commit gross negligence or willful disregard for safety. [↪ 1](#)
- **Building Codes:** Nonresidential farm buildings are exempt from the Florida Building Code and Fire Prevention Code, provided they are used for agritourism activities. [↪ 1](#)
- **Regulatory Authority:** The Department of Agriculture and Consumer Services may provide marketing and technical support, but local governments cannot create new regulations that limit agritourism activities. [↪ 1](#)

These statutes aim to support agritourism as a means to promote agricultural production and education, while also ensuring safety and compliance with state regulations. [↪ 6](#)



DEPARTMENT OF INSPECTOR GENERAL
OKALOOSA COUNTY, FLORIDA
BRAD EMBRY, CLERK OF CIRCUIT COURT AND COMPTROLLER



September 16, 2025

Office of the County Administrator
Okaloosa County Florida
1250 N. Eglin Parkway
Shalimar, FL 32579

Re: Management Response to Investigative Report Recommendations Regarding Roofing Vendor at the Baker Recreation and Equestrian Center (BREC).

Dear DCA's Coffey and Fitzgerald,

Thank you for your Management Response, we were pleased to see all the recommendations offered by our report were addressed in your response.

We would like to point out that your cover letter indicates your response relates only to the horse roof stables at the Baker Recreation and Equestrian Center; however, our report also included roofing work completed or ongoing by the Vendor at the Community Center at this same facility.

The Community Center is advertised on the Okaloosa County Florida website as available to rent with no restriction to Agricultural, Agricultural support or Agri-tourism purposes and refers to both commercial and non-commercial purposes. Florida Statute 604.50 defines a non-residential farm building as one used primarily for agricultural purposes while this building appears available for rent for many non-agricultural purposes which may preclude its exemption under 604.50.

As the vendor's accepted quote included verbiage that a permit would be obtained, and inspection of the work would be completed and our inquiry with the Growth Management permitting department yielded no permit was obtained. Growth Management permitting staff referred the matter to its Code Enforcement staff based on a review of the facts at hand. Several Growth Management staff were involved in the evaluation of the permit requirements, including the former Growth Management Director, who was consulted for a historical perspective, and none referenced an exemption from the permitting process.

Respectfully,

Renee F. Larkey

Renee F. Larkey, Inspector General

Cc: John Hofstad, County Administrator
Brad Embry, Clerk of Court