State Comptroller releases findings of investigation into Sandy debris hauling charges

An Office of the State Comptroller (OSC) investigation of Sandy debris removal services in Ocean County found a series of erroneous and miscalculated hauling charges but did not find persuasive evidence of intentional overbilling, according to a report released today.

In total, OSC found more than $300,000 in overcharges and other questionable billings charged to nine towns impacted by the storm. AshBritt, Inc. was the debris hauler responsible for disposing of the debris, while three debris-removal monitors (Arcadis U.S., Inc., the Louis Berger Group, Inc. and Witt O’Brien’s, LLC) were responsible for calculating the transport mileage supporting each invoice and recommending whether payment should be made by the municipality.

The overcharges represented approximately six percent of the total debris hauling charges that OSC reviewed as part of its investigation. The vendors have agreed to adjust all of those overcharges identified by OSC and credit the towns that were overbilled.

“In the effort to rebuild New Jersey, every dollar matters,” State Comptroller Matthew Boxer said. “We are pleased that as a result of this investigation, towns recovering from Sandy will recoup debris hauling fees that should not have been paid.”

OSC’s investigation found several factors contributed to questionable charges, including the absence of specific standards for calculating debris transport mileage and other vague language in the debris removal contract, as well as logistical factors unique to Ocean County. Specifically, the report addresses issues such as:

- whether mileage calculations should have included distance traveled by haulers inside the Ocean County landfill;
• whether it was reasonable to round-up debris transport mileage calculations; and
• whether the debris monitors utilized appropriate mileage calculation methods.

OSC initiated its investigation after receiving a referral from the Governor’s Office of Recovery and Rebuilding and the New Jersey Department of Environmental Protection in May of this year, following media reports indicating that Ocean County municipalities were being overcharged for Sandy debris removal services.

The OSC report includes a series of recommendations to address the deficiencies identified.

* * *

Click here to view the complete report.

Follow the Office of the State Comptroller on Twitter at @NJComptroller and visit us on Facebook at www.facebook.com/NJComptroller.