

United States Senate

WASHINGTON, DC 20510

February 7, 2018

John Kelly
Acting Inspector General
Office of Inspector General
Department of Homeland Security
245 Murray Lane S.W.
Washington, D.C. 20528

Dear Acting Inspector General Kelly,

We write to request that your office expand its ongoing review of the Federal Emergency Management Agency's (FEMA) contracting in Puerto Rico Hurricane Maria relief efforts to include the \$156 million contract awarded to Tribute Contracting LLC for the provision of self-heating meals.

On December 5, 2017, we requested that you determine whether FEMA had followed all procurement laws, regulations, and procedures in awarding Bronze Star LLC (Bronze Star) two federal contracts totaling more than \$30 million to provide stopgap roofing supplies to Puerto Rico in the wake of Hurricane Maria.¹ In total, the company was commissioned to deliver 60,000 rolls of plastic sheeting and 500,000 tarps. Bronze Star failed to do so, and FEMA terminated the contracts on November 6, 2017.² You agreed on December 20, 2017, "to initiate a review of the circumstances surrounding FEMA's award of the contracts."³ We thank you for this response to our request.

Reports this week revealed that another FEMA awardee, Tribute Contracting LLC, was, like Bronze Star, awarded a lucrative contract despite the company's lack of relevant experience, leading to major delays in the provision of food aid.⁴

On October 3, 2017, Tribute Contracting LLC was awarded a \$156 million contract by FEMA to provide 30 million self-heating meals to Puerto Rico.⁵ The company, owned and run by a single

¹ "Warren, Colleagues Call for Investigation of Botched FEMA Contracts for Hurricane Recovery Efforts in Puerto Rico" (December 5, 2017) (online at: https://www.warren.senate.gov/?p=press_release&id=2132).

² Tami Abdollah and Michael Biesecker, "AP EXCLUSIVE: Big contracts, no storm tarps for Puerto Rico," *Associated Press* (November 28, 2017) (online at <https://www.apnews.com/cbeff1a939324610b7a02b88f30eafbb>); See search for "Bronze Star LLC" in the Federal Procurement Data System (online at https://www.fpds.gov/fpdsng_cms/index.php/en/).

³ Letter from Acting Inspector General John V. Kelly to Senators Elizabeth Warren, Robert Menendez, Richard Blumenthal, Tammy Baldwin, Catherine Cortez Masto, Richard J. Durbin, and Bernard Sanders (December 20, 2017); Tami Abdollah, "Internal Watchdog to probe FEMA contracts to tiny firm," *Associated Press* (December 21, 2017) (online at: <https://www.apnews.com/3ef6e4c86aa34e831018948eccc0a>).

⁴ Patricia Mazzei and Agustin Armendariz, "FEMA Contract Called for 30 Million Meals for Puerto Ricans. 50,000 Were Delivered," *New York Times* (February 6, 2018) (online at: <https://www.nytimes.com/2018/02/06/us/fema-contract-puerto-rico.html?smid=tw-share>).

individual, hired a wedding catering company with eleven employees and a Texas nonprofit food bank that had previously shipped food to Houston during Hurricane Harvey.⁶ Tribute Contracting LLC had “no experience in large-scale disaster relief” and the owner had “at least five cancelled government contracts” prior to its receipt of the October 2017 contract.⁷ FEMA terminated the contract just 16 days later, following Tribute Contracting LLC’s failure to provide its first 18.5 million meals (it delivered just 50,000).

We are concerned by this report of FEMA awarding yet another unqualified company with a critical multi-million dollar contract for hurricane-related aid in Puerto Rico. Therefore, we request that you expand the scope of your current Bronze Star investigation to include a determination of how Tribute Contracting LLC won this contract, and whether all relevant procurement laws, regulations, and procedures were followed in FEMA’s decision to award the contract. Specifically, we ask that you investigate the following questions:

1. What was the process by which Tribute Contracting LLC was awarded the FEMA contracts?
2. What steps did FEMA take to determine whether Tribute Contracting LLC was capable of fulfilling the contracts it was issued on October 3, 2017? What findings did FEMA make regarding the company’s track record, its infrastructure, its inventory and production processes, and its financial capabilities?
3. Did other companies bid on the contract ultimately awarded to Tribute Contracting LLC? If so, what steps did FEMA take to determine whether other companies bidding on the contracts were capable of fulfilling them? Why did FEMA choose Tribute Contracting LLC over these other companies?
4. Did FEMA follow all relevant laws, regulations, and procedures in awarding Tribute Contracting LLC its contracts? Did any inappropriate factors, such as conflicts of interest, affect the process?
5. Did FEMA recover all funds paid to Tribute Contracting LLC under the contracts that were cancelled?
6. What steps has FEMA taken in the wake of the Bronze Star and the Tribute Contracting LLC terminations to analyze and improve its contracting processes?

⁶ Patricia Mazzei and Agustin Armendariz, “FEMA Contract Called for 30 Million Meals for Puerto Ricans. 50,000 Were Delivered,” *New York Times* (February 6, 2018) (online at: <https://www.nytimes.com/2018/02/06/us/fema-contract-puerto-rico.html?smid=tw-share>).

⁷ Avery Anapol, “Contractor awarded \$156 million to provide 40 million meals to Puerto Rico only delivered 50,000: report,” *The Hill* (February 6, 2018) (online at: <http://thehill.com/homenews/administration/372515-contractor-awarded-156-million-to-provide-30-million-meals-to-puerto>).

⁸ Patricia Mazzei and Agustin Armendariz, “FEMA Contract Called for 30 Million Meals for Puerto Ricans. 50,000 Were Delivered,” *New York Times* (February 6, 2018) (online at: <https://www.nytimes.com/2018/02/06/us/fema-contract-puerto-rico.html?smid=tw-share>).

Please do not hesitate to contact Alex Blenkinsopp of Senator Warren's staff at 202-224-4543 or Angel Colón-Rivera of Senator Menendez's staff at 202-224-4744 with any questions or concerns.

Sincerely,




Elizabeth Warren
United States Senator



Robert Menendez
United States Senator



Richard J. Durbin
United States Senator



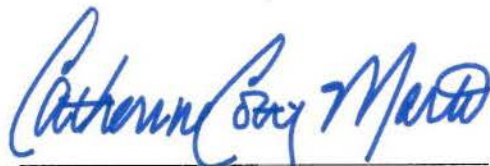
Tammy Baldwin
United States Senator



Bernard Sanders
United States Senator



Richard Blumenthal
United States Senator



Catherine Cortez Masto
United States Senator