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**D.C. Spent \$41M on Winter Storm Jonas; Could Have Saved Money
With Better Policies, Procedures in Place**
*Report urges negotiating cost of snow removal contracts, eliminating credit card
surcharges, and managing retainer contracts*

WASHINGTON, D.C.—With another snow season underway, D.C. must become better prepared for possible large-scale winter storm events with improved policies and procedures that could have saved the city some of the \$41 million it spent in response to last year’s Winter Storm Jonas, according to a new report by the D.C. Auditor.

“Every winter brings with it the possibility for a major snow event like Jonas, and this report shows that the District needs to move from spending more than was necessary for goods and services during a Jonas-type storm to planning for the unexpected with better policies and procedures in place that ensure we control our spending during our next weather crisis,” said D.C. Auditor Kathy Patterson. In its response, included in the report, the Bowser Administration defended the operations, noting the District was back in business sooner than surrounding jurisdictions.

Winter Storm Jonas was responsible for blanketing the District with nearly two feet of snow—the fourth largest amount of snow from a single storm in the District’s history. To address the situation, the District government mobilized nearly 800 pieces of snow removal equipment and thousands of District emergency personnel and contractors to clear and treat roads and sidewalks.

D.C.’s response to the storm came at significant cost. All told, the District government spent nearly \$41 million above and beyond the final revised FY 2016 snow removal budget of \$6.124 million using the contingency cash reserve funds. And while the District received substantial services for those payments, ODCA’s review documented questionable policies and procedures that likely cost taxpayers more than was necessary. The report was done at the request of the D.C. Council Committee on Transportation and the Environment Chairperson Mary Cheh.

Some of the report’s major findings include:

Paying different prices for the same services. During Jonas, there was a wide variation among contractors on charges for identical services, including evidence that contractors engaged for emergency snow removal services charged the District substantially higher than normal rates for services and no evidence that D.C. employees sought to negotiate a better price. The report recommends the D.C. Department of Public Works (DPW) follow strict enforcement of reasonable price limitations and effective negotiations with potential contractors over the price of snow removal services.

Paying credit card surcharges. The report found that the District paid at least \$92,271.03 in credit surcharges as a result of using purchase cards for payments, despite a policy against paying such fees. The report recommends that the D.C. Office of Contracting and Procurement (OCP) not only conduct an audit of all credit card expenses related to Jonas and require District agencies to seek reimbursement from vendors where it finds the District did pay fees, but promulgate more extensive review procedures to ensure the District does not pay such fees in the future.

Not planning for the unexpected. D.C. spent significantly less for snow removal services in retainer contracts on a per hour cost basis than it did for the emergency contracts. The report recommends that the D.C. Council and DPW consider ways to more effectively engage in retainer contracts in advance of the threat of major storms.

Failing to follow procurement law. The report finds that the District violated federal procurement law by allowing agencies to purchase subsistence—defined as food and lodging—for employees during the winter storm period. The report recommends that OCP review the practice of providing food and lodging to government employees and develop policies and procedures outlining allowable purchases under procurement law.

Temporarily promoting District employees. The District initiated temporary promotions of DPW employees to be snow plow drivers during the storm, but failed to pay them the increase in wages for more than nine months. The report calls for DPW to evaluate and modify the temporary promotions process to ensure all employees are paid in a timely manner.

“With the addition of some of these policies and procedures, there should be no reason the District needs to scramble and pay more than necessary to procure the goods and services during a storm of this magnitude,” Patterson said.

The ODCA report also recommends that DPW and OCP conduct a review of the District’s annual snow removal needs (including during potential storms), the equipment the District has on hand to meet those needs, and that such a review should also examine best practices employed by other large cities.

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