

City of Detroit
Office of Inspector General
Final Debarment Report
OIG Case No. 24-0034-INV
BDM Transport

September 6, 2024



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Inspector General

**CITY OF DETROIT
OFFICE OF INSPECTOR GENERAL
DEBARMENT REPORT**

BDM TRANSPORT LLC & MARVIN EDDINS

OIG FILE NO. 24-0034-INV

9/6/2024

I. Debarment Determination

On July 3, 2024, the City of Detroit Office of Inspector (OIG) initiated a complaint involving BDM Transport, LLC, (BDM) also known as Big Dog. On May 14, 2024, the Office of Contracting and Procurement (OCP) suspended BDM for one (1) year for allegedly submitting a falsified Certificate of Insurance (COI) in relation to a City of Detroit contract. Due to the serious nature of this allegation, the Inspector General, as the chief investigative agent for debarment,¹ opened a debarment investigation to determine whether BDM has acted as a responsible contractor and whether the company and its owner should be debarred pursuant to the City's Debarment Ordinance.

On April 5, 2024, the OIG sent its draft debarment report along with the Debarment Ordinance and OIG Administrative Hearing Rules to Mr. Eddins. He had until August 19, 2024 to request an administrative hearing and until September 2, 2024 to submit a written response.² The OIG received no response from Mr. Eddins on either August 19th or September 2nd. Therefore, the OIG now finds that Mr. Eddins is not contesting any of the OIG findings dated August 5, 2024 and it is finalizing the debarment in accordance with the City's Debarment Ordinance.

Based on the information detailed below, the OIG determined that BDM and its owner Marvin Eddins³ have not acted as responsible contractors. Therefore, the OIG finds the following based on the evidence reviewed to date:

- BDM Transport, LLC (BDM) is debarred for **five (5) years** with an effective date of May 14, 2024.⁴
- Marvin Eddins is debarred for **five (5) years** with an effective date of May 14, 2024.

Pursuant to Section 17-5-354(b) of the Debarment Ordinance, BDM and Mr. Eddins are also precluded from serving as a "subcontractor or as a goods, services or materials supplier for any

¹ City of Detroit Debarment Ordinance, Section 17-5-356(b)(1).

² Letter from Inspector General Ellen Ha to BDM Transport owner Marvin Eddins regarding OIG Case No. 24-0034-INV Notice of Initiation of Debarment Against: BDM Transport, LLC., Marvin Eddins, and Any Companies in which They Have Ownership or Financial Interest, August 5, 2024.

³ On various documentation, Marvin Eddins has also been spelled as Marvlin Eddings.

⁴ May 14, 2024 is the date that OCP suspended BDM for a violation of their Professional Service Contracts Nos. 6001919, 6003882, 6005527, 6005534, and 6005535 for altering insurance documentation.

contract” for the City of Detroit. Additionally, because Mr. Eddins, as an individual, is debarred, no company he owns, is an officer for, or has a direct or indirect financial or beneficial interest in may do business with the City of Detroit as a contractor or subcontractor for the period of debarment.⁵

II. Overview of BDM Transport, LLC (BDM)

BDM Transport, LLC, also known as BDM, is owned by Marvin Eddins. BDM provides “expert logistics and move management for one stop relocation experience for one office to several buildings.”⁶ The company also provides trash-out services for vacant and blighted properties including interior and exterior debris removal and proper disposal.⁷

Mr. Eddins has done “business with the City of Detroit as a full service vendor since 1995.”⁸ During this time, BDM has been awarded several contracts with the City of Detroit. At the time of their suspension, BDM had five (5) City contracts with a total maximum value of \$3,891,586.25.⁹

III. Insurance Requirement

Contractors doing business with the City of Detroit are required to carry a specified amount of insurance. Article 10, Section 10.01 of the City of Detroit Professional Services Contracts state that during the term of the contract, “the Contractor shall maintain the following insurance, at a minimum and at its expense:¹⁰

⁵ City of Detroit Debarment Ordinance, Section 17-5-363. Application of remedies.

⁶ <https://www.facebook.com/BdmTransportServices/>

⁷ Professional Services Contract between the City of Detroit and BDM Transport LLC., Contract No. 6005535, Trash Out Release G Group G10, Contract Agreement Date July 7, 2023.

⁸ Email from Marvin Eddins email to OCP CPS III Shekia Sewell to Deputy Chief Procurement Officer Toni Stewart-Limmitt regarding your request for a conference call, May 6, 2024.

⁹ Professional Services Contract between the City of Detroit and BDM Transport LLC., Contract Nos. 6001919, 6003882, 6005527, 6005534, and 6005535.

¹⁰ Professional Services Contract between the City of Detroit and BDM Transport LLC., Contract No. 6005535, Trash Out Release G Group G10, Contract Agreement Date July 7, 2023, Article 10: Insurance, Section 10.01, pg. 10.

<i>TYPE</i>	<i>AMOUNT NOT LESS THAN</i>
a. <i>Workers' Compensation</i>	<i>Michigan Statutory minimum</i>
b. <i>Employers' Liability</i>	<i>\$500,000.00 minimum each disease \$500,000.00 minimum each person \$500,000.00 minimum each accident</i>
c. <i>Commercial General Liability Insurance (Broad Form Comprehensive)</i>	<i>\$1,000,000.00 each occurrence \$2,000,000.00 aggregate</i>
d. <i>Automobile Liability Insurance (covering all owned, hired and vehicles with personal and property protection insurance, including residual liability insurance under Michigan fault insurance law)</i>	<i>\$1,000,000.00 combined single limit for bodily injury and property damage non-owned</i>

Further, the contract states that the “commercial general liability insurance policy shall include an endorsement naming the ‘City of Detroit’ and the ‘Detroit Land Bank Authority’ as additional insureds.¹¹” It also requires that “[i]n the event the Contractor receives notice of policy cancellation, the Contractor shall immediately notify the City in writing.¹²”

IV. Fraudulent Representations Made by BDM

a. Office of Contracting and Procurement

In approximately March 2024, BDM provided a Certificate of Insurance (COI) to the City of Detroit indicating the company had the insurance coverage required by the City of Detroit contract as detailed in Article 10, Section 10.01 of the Professional Services Contracts. However, the COI appeared to have been altered as shown below.

¹¹ Professional Services Contract No. 6005535, Article 10, Section 10.02, pg. 10

¹² Professional Services Contract No. 6005535, Article 10, Section 10.07, pg. 11.

LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR 3 AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC <input checked="" type="checkbox"/> OTHER:			BDG305072202	09/10/2023	09/10/2024	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 \$ 2,000,000 PRODUCTS - COMPIOP AGG \$ 2,000,000 \$
	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS			03262654-0	07/21/2023	07/21/2024	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 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 \$ \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	WC5-33S-B22W7L-012	09/14/2023	09/14/2024	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 500,000 E.L. DISEASE - EA EMPLOYEE \$ 500,000 E.L. DISEASE - POLICY LIMIT \$ 500,000

Therefore, on April 10, 2024, an OCP Contract Procurement Specialist (CPS) III employee sent an email to BDM's insurance company requesting a copy of the company's current COI. The insurance representative responded on the same day and provided the COI. However, the insurance representative also noted that BDM only had an active general liability policy and that BDM's workers compensation was terminated in January 2023 and the commercial automobile liability insurance had expired.¹³ The unaltered COI provided by the insurance company was as follows:

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GENL AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC <input type="checkbox"/> OTHER:			BDG305072203	09/10/2023	09/10/2024	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 \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						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 NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A				<input type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

¹³ Email from Deputy Chief Procurement Officer Toni Stewart-Limmitt to OIG employee Kasha Graves and OCP employees Ericka Crawford and Aroya Rush regarding Phone Message, July 1, 2024.

Soon thereafter, the CPS III and OCP Project Analyst II contacted BDM owner Mr. Eddins about the COI his company submitted. Mr. Eddins requested to meet with OCP in person. The meeting was scheduled for April 18, 2024 and was scheduled to include Mr. Eddins, the Chief Procurement Officer, Deputy Chief Procurement Officer, and a Supervisory CPS IV employee.¹⁴ However, Mr. Eddins did not show up for the meeting.¹⁵

On May 6, 2024, Mr. Eddins sent an email response to OCP regarding the questions they had about BDM's insurance. Mr. Eddins response stated that he contacted his insurance company and discovered that his company's workers compensation coverage had lapsed because the insurance company "had not updated pertinent information needed to change the accounts" as requested. He further explained that his company "had to go through some changes with workman's comp, i.e. collecting 941's for last year to prepare for their audit. Collecting this information and getting it over to them has taken quite a bit of time, however [BDM does have their] million dollar commercial auto in place as well as [their] general liability..." According to Mr. Eddins, BDM was awaiting their audit to be completed for their workers compensation policy to be reinstated.

On May 14, 2024, OCP suspended BDM for a violation of their Professional Service Contracts Nos. 6001919, 6003882, 6005527, 6005534, and 6005535 for altering insurance documentation. More specifically, the letter stated that it "was discovered that the insurance documentation" provided by BDM "was modified by someone other than [BDM]'s insurance agent." It was noted the BDM's "conduct posed an imminent risk of ethics" to BDM, their contract, and the City of Detroit. As such, OCP placed BDM on a one (1) year suspension effective May 14, 2024 and is not allowed to bid on any work during this time.

b. Office of Inspector General

On July 22, 2024, the OIG interviewed Mr. Eddins regarding the alleged falsified COI that his company submitted to the City of Detroit. Mr. Eddins explained that when the City contacted BDM and asked them to submit their COI, he directed his administrator to provide the requested documentation. Mr. Eddins explained that the typical process was for the administrator to contact the insurance company who would then send the materials directly to the City.¹⁶

Mr. Eddins initially explained that the administrator was rushing and submitted an old form with the bottom cut off. He stated that she was "under the gun" and "overwhelmed" at the time the City requested the COI because she was also responsible for submitting the voluminous

¹⁴ Email from Toni Stewart-Limmitt to OIG Attorney Jennifer Bentley and Chief Procurement Officer Sandra Stahl regarding BDM Insurance Requests and Missed Insurance Meeting, July 16, 2024. See also BDM Transport-Insurance calendar invite for April 18, 2024.

¹⁵ Email from Toni Stewart-Limmitt to OIG Attorney Jennifer Bentley and Chief Procurement Officer Sandra Stahl regarding BDM Insurance Requests and Missed Insurance Meeting, July 16, 2024.

¹⁶ OIG Meeting Notes of BDM Transport Owner Marvin Eddins, July 22, 2024.

documentation required for BDM’s City trash-out contracts. Mr. Eddins subsequently acknowledged that the COI was fraudulently altered but stated he did not know who altered the dates on the document or if they were accurate.¹⁷

Mr. Eddins also admitted that he purposefully dropped his commercial auto insurance but when he found out the City required him to have it, he resumed payment. Conversely, he asserted that he did not know his workers compensation insurance expired before he began the trash out contract with the City. However, in a response to OCP about the same issue, he stated that he was in contact with the insurance company about his expired workers compensation insurance. When the contradictory statements were pointed out to him, he did not have an explanation.¹⁸

Finally, Mr. Eddins directly acknowledged during his interview that the COI was falsified. However, he stated that his administrator did that on their own. He further said that she would likely blame him and say that he directed her to alter the document because she was terminated from her employment.¹⁹

Shortly after Mr. Eddins’ interview, on July 22, 2024, the OIG contacted the administrator identified by Mr. Eddins as the person whom he claimed altered the COI. The administrator acknowledged working for BDM. However, she stated that she did not have any involvement with the company’s insurance and that she never submitted the COI to the City on behalf of BDM in 2024. In fact, she explained that she had not been employed with BDM since late 2023 which would make it impossible for her to submit the falsified document to the City.²⁰

V. Debarment Analysis

a. Grounds for Debarment

Section 17-5-355 of the Debarment Ordinance outlines the reasons a contractor may be debarred. A contractor is defined as “a party, including a vendor or consultant, who, or which, seeks to enter, or enters, into a contract with the City for the delivery of goods or services.”²¹ It states, in pertinent part, that a “contractor may be debarred, based upon a preponderance of the evidence,²²” for:

- (6) Submission of false or misleading documentation, or making false or misleading statements.
- (9) Any other conduct that evidences the inability of the contractor to act responsibly in its conduct on behalf of the City.

¹⁷ *Id.*

¹⁸ *Id.*

¹⁹ *Id.*

²⁰ OIG Meeting Notes of former BDM Transport Administrator, July 22, 2024.

²¹ City of Detroit Debarment Ordinance, Section 17-5-353. Definitions.

²² Debarment Ordinance, Section 17-5-355. Grounds for Debarment.

The evidence shows that BDM and Mr. Eddins falsified documentation to show that they had workers compensation and commercial auto insurance when, in fact, both policies were expired. Failure to maintain the contractually required minimum amounts of insurance is a violation of the terms of their five (5) City of Detroit contracts. BDM and Mr. Eddins also violated the terms of their contracts by failing to notify the City of that their insurance was cancelled. It should also be noted that failure to carry workers compensation insurance could have a serious detrimental effect on BDM's employees if they were ever to need such coverage. Additionally, failure to carry all requisite insurance would expose the City to additional legal and financial liability.

On July 29, 2024, the OIG requested additional information from Mr. Eddins regarding the administrator he identified as being responsible for the submission of the fraudulent documentation.²³ Specifically, we requested the dates the administrator worked for BDM along with corresponding documentation that corroborated her last day of employment.²⁴ On July 31, 2024, the OIG sent a reminder email for the documentation that was due the next day. No documentation was received by the deadline.²⁵

As such, the OIG finds that Mr. Eddins provided false and misleading information and shifted blame to a former administrator. According to Mr. Eddins, the former administrator falsified the documentation without his knowledge or consent.²⁶ However, after speaking with the administrator identified by Mr. Eddins, the OIG found that she was not employed by BDM or Mr. Eddins at the time the fraudulent information was submitted to the City.²⁷ Since Mr. Eddins did not produce any evidence to refute the employment timeframe identified by the administrator and as we found no evidence that the administrator had any reason to provide false information, we have no reason to doubt the administrator's recollection of her dates of employment.

The OIG finds that Mr. Eddin's actions on behalf of BDM show a lack of business integrity and business honesty. Evidence shows that Mr. Eddins knew his workers compensation and commercial auto insurance were expired. Instead of renewing the insurance coverage, he not only submitted falsified documentation to maintain the contracts with the City, but later attempted to coverup his knowledge by falsely blaming his administrator during his interview with the OIG. Therefore, we find BDM and Mr. Eddins' actions show a total disregard for the contractual obligation he has with the City of Detroit and show he is not a responsible contractor.

²³ Email from OIG Attorney Jennifer Bentley to BDM Owner Marvin Eddins, regarding OIG Inquiry- 24-0152-COM, July 29, 2024.

²⁴ *Id.*

²⁵ Email from OIG Attorney Jennifer Bentley to BDM Owner Marvin Eddins, regarding OIG Inquiry- 24-0152-COM, July 31, 2024.

²⁶ OIG Meeting Notes of BDM Transport Owner Marvin Eddins, July 22, 2024.

²⁷ OIG Meeting Notes of former BDM Transport Administrator, July 22, 2024.

b. Length of Debarment

Section 17-5-362 of the Debarment Ordinance outlines the factors to consider when determining the length of debarment. It states that the “period of debarment shall be commensurate with the seriousness of the cause or causes therefore, but in no case shall the period exceed 20 years. Generally, debarment should not exceed five years.”²⁸

The OIG finds that, based on a preponderance of the evidence detailed above, BDM and Mr. Eddins did not act as responsible contractors. They submitted false and fraudulent documentation to the City of Detroit indicating they had the required insurance coverage when they did not. Further, Mr. Eddins did not take responsibility for his actions and, instead, attempted to blame a former administrator who was not employed by BDM at the time this incident occurred.

Therefore, the OIG finds that it is in the public interest to debar BDM and Mr. Eddins who have not acted as responsible contractors. As such, BDM and Mr. Eddins shall be debarred for five (5) years.

VI. Conclusion

The OIG is required to ensure that the City solicits offers from and awards contracts to responsible contractors only. The serious nature of debarment requires that it is only imposed when it is in the public’s interest, which the OIG finds in this instance. Based on preponderance of evidence as presented in this report and supported by the entire record of information, the OIG finds that BDM Transport, LLC and Marvin Eddins are not responsible contractors. Mr. Eddins’ actions on behalf of BDM lacked business integrity and honesty. Knowingly submitting falsified documentation in order to secure or maintain a contract with the City is a violation of public trust and not in the public interest. As such, we find it is in the public interest to debar these contractors from working on any City of Detroit contracts for the debarment period as identified in this report.

Moreover, pursuant to Section 17-5-354(b) of the Debarment Ordinance, BDM and Mr. Eddins are also precluded from serving as a “subcontractor or as a goods, services or materials supplier for any contract” for the City of Detroit. Further, no company they own, are an officer for, or have a direct or indirect financial or beneficial interest in may do business with the City of Detroit as a contractor or subcontractor for the period of debarment.

The debarments for BDM and Mr. Eddins are effective beginning May 14, 2024, with an end date of May 14, 2029.

²⁸ Debarment Ordinance, Section 17-5-362. Period of Debarment.