

Q&A with state Rep. Patrick Connick, R- Times-Picayune, The: Web Edition Articles (New Orleans, LA) - April 21, 2013

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Last week I spoke with Louisiana state Rep. Patrick Connick, R-Marrero, about the work he has done in Baton Rouge trying to understand how tens of millions in **Crescent City Connection tolls** have been spent. Connick concluded that huge sums of money have been misappropriated over the years, and that both CCC and Department of Transportation and Development officials had dipped into toll money and spent it on projects that were forbidden by statute. Connick's discoveries formed much of the basis for a successful lawsuit local attorney Patrick Hand filed against the vote last November that would have extended the **tolls** for another 20 years. Hand's lawsuit resulted in the **tolls** coming before the voters again on May 4, although early voting on that initiative began this weekend.

Q: Ok, now you were saying that going back to '08 it was sort of like one thing led to another?

Connick: Yeah, my big thing going in after I got elected in District 84 was trying to find out where was our toll dollars going? Because we were paying for so many years and there was no improvement on the infrastructure on the West Bank. And then you see the grass not being cut, and trash not being picked up, so that kind of piqued my interest. So that was one of the things going in that I wanted to be able to look into - to ask some questions and look at some documents

Q: And you're talking about the grass not being cut under the **Crescent City Connection** -

Connick: Underneath the expressway, in Harvey, Marrero, Westwego - you know, where was all this money going? And then you're paying the toll and one time, you look to your left, and there's like 20 police cars, just sitting there. So all that raised my interest. And then being able to go in as a legislator - one of the staff members had asked for a performance audit of the division and that's what led to House Resolution 13 which was filed and we got it passed and that started things rolling. I think some people resigned and we uncovered some things and the new secretary (of transportation and development William) Ankner he was made aware of some major problems with the **Crescent City Connection**. And then when the audit did come out and it showed - well, DOTD did its own audit. They hired a company called FAS; a gentleman from St. Tammany who used to be with JEDCO, Michael Daigle, I think?

Q: Oh, yeah, Mike used to run JEDCO.

Connick: Right. Well, he did an audit and apparently they separated the audit into two sections. One was the contracting and one was just the overall status of the organization. And when you read this stuff, sometimes it's a lot of pages and you have to read it three or four times, and you pick out things that you never picked up before. And that first audit I think it was in July, no October it was given to me, and it referred to a report previously generated in July.

Q: July of what year now, Patrick?

Connick: It had to be '09. It showed that, you know, it tells that - this is a letter to Ankner that says, hey, we already gave you the report concerning the contracting earlier, and this is some other issues we found out. They didn't give me that other, that first report, 'they' being DOTD, until about a year after the fact. After I specifically asked for it.

Q: And so they had it at the time you asked for it but didn't give it to you for a year?

Connick: Right. What they did is they said - I got the audit request from Steve Theroit at the time was the legislative auditor. He had launched an investigation based on HR 13 in 2008. Because of that, that started Dr. Ankner, the DOTD secretary, launched his own investigation, and that was with FAS -

Q: That's the one Daigle did.

Connick: Exactly. And so FAS split it up into two parts for some reason -

Q: But you're saying it was DOTD that wouldn't give you their audit?

Connick: Yeah, DOTD did not give me all the findings about their contract irregularities until a year after the fact.

Q: OK, because one of the things that (local attorney) Pat (Hand) was saying at that meeting in Kenner a week ago was that you had to fight tooth and nail every step of the way to get anything here.

Connick: Oh, yeah, I did. And all the reform bills - but that audit showed some very serious problems were ex-DOTD officials were getting contracts under a no-bid scheme.

Q: Right, well, I mean a reluctance to show people public documents makes me pretty suspicious.

Connick. Exactly. And me being an official asking for the stuff. But once I specifically asked for it they did give it to me. And I asked for all of the backup documents and that's when they did produce that but until I asked for it it wasn't forthcoming -

Q: OK - you lost me a little bit there. I thought it took them a long time -

Connick: It did, because it was, they said, 'here's the report, here's the finding,' - that was the second report that Daigle did. But in that report that Daigle did that they did give to me there was a paragraph referencing an earlier report, which they did not give me. And that's the one where if you go back and you read it again, you ask the DOTD's folks, 'hey, where is this report?' And then they came forward with it and said, 'hey, we've got some issues here; you know, giving no-bid contracts to ex-DOTD officials for the toll collection system' and it went on and on from there.

Then, you talk about pulling teeth, if you look at the legislation. My first bill in 2008 was to get the ferries off the backs of the toll payers. Because you know, they'd been saying the ferries are the big money drain. So, ok, we'll give the ferries to somebody else and let the tolls go to the bridge

and the stuff that was promised. I couldn't even get a hearing for that bill in the House transportation. You know, that was my first year there I was just learning the ropes, but by the time I was authorized to have a hearing, then it was too late to hear House bills.

Q: Well, let me interrupt you here if I may. Are you suggesting that was because legislators in other parts of the state were benefiting from the toll money? Because wouldn't other Jefferson Parish legislators take the same position that you were?

Connick: I would hope so. I don't know - it was just reluctance from DOTD. They didn't want to have that cost put on the TTF funds, apparently.

Q: Yeah, but you were saying you couldn't even get a hearing at the House committee. So I'm wondering why that would be -

Connick: DOTD did not want that bill out; they did not want that bill to pass. They wanted the toll payers to keep funding the ferries. And that's why DOTD worked with, I think with, you know, whoever, and said, 'let's not do this.'

Q: OK, yeah, well I'm not trying to get you to hang anybody if you don't have evidence of that. I'm just trying to get some understanding of what you think was going on and why everybody was turning their back on you when you were making what seems to me perfectly reasonable requests.

Connick: Exactly. I can't answer that question. But it was a fight from the get-go. You know, and then back to my other bills in '09 I had a bill to do a **task force**, a real **task force** with engineers and financial people to go in and look at the whole structure of the CCCD and and try to save it, like turn it around before the 2012 expiration date -

Q: Save what?

Connick: Look at the **Crescent City Connection** to see if there's a better way to collect the **tolls**, to see where the money's going, to try to make it more accountable.

Q: So you're saying that initially your intent was not to get rid of the **tolls**, it was to make sure that, find out what the **tolls** were being spent on and to make sure that was the most equitable distribution of the money, and to see, I guess, maybe if you could lower them or something. But you weren't saying to yourself, 'let's get rid of these entirely?'

Connick: No. And exactly that. My goal was to try and fix things and make it right. Because the people that I represent - I don't mind paying, but give me something for it and don't lie to me. And it was just being wasted. It came to a point where I said, 'the hell with these guys, they don't want to change, they want to keep making things as bad as possible so I'm not paying for them anymore.' That's the whole process. All the bills that I had to try to reform it were killed. It was a battle in the House, but when we got it out of the House, they went to Senate transportation and were killed.

Q: So did that make you more suspicious?

Connick: Absolutely! It was humiliating but I knew I was right (laughter). And they were full of it. So I just keep digging. And we found out about the insurance and how the money was wasted on the insurance.

Q: OK, now let me, if I can, if we could just walk through a couple of these. The insurance, you're talking about the \$4 million that was being paid for that supplemental or additional insurance?

Connick: Yes, it was surplus insurance. It was -

Q: OK, and the argument for that was we had these bonds outstanding, and to underwrite the bonds they required the insurance, isn't that what the argument was?

Connick: After it was discovered we were paying out the nose that was the argument. However, if you look deeper into the bonds, the provision in the bond documents said that if insurance was too high an engineer could write it off saying the bridge was in good shape. And even if you did need insurance you only needed 125 percent of the outstanding bonds, which by this time -

Q: Was about \$9 million? \$9.5 million?

Connick: Exactly so you only need about \$20, \$25 million of insurance. In fact that's all that was ever needed.

Q: And they had how much?

Connick: They had \$100 million worth of coverage.

Q: Right. Well, I noticed one of the things that Patrick Hand has sent me showed different numbers and I couldn't quite follow it. It looked like at one point there was like \$674 million and then at some point after Katrina it started becoming a flat \$100 million.

Connick: Well, I think the insurance after Katrina increased. But they didn't even question it. They just went ahead and bought again and only one company bid on the project.

Q: OK, why do you think they were doing that?

Connick: People didn't care where the money was going.

Q: They just saw it as a honeypot?

Connick: Oh, yeah, you always gotta it, I can't put on the record, I don't want to say I thought they were, it was easy money -

Q: Well, you can say it however you want. I'm just asking the questions and I understand you're -

Connick: Yeah, it was just sloppy and careless and a total waste of our tax money. And I told 'em. Why does anybody do that? I have a problem with that and some people don't, apparently.

Q: And of course only tangentially related to keeping the bridge in shape and everything.

Connick: Yeah, somebody should have said, 'time out. Do we really need this insurance at this cost? \$15 million? What can we do better instead of buying insurance that will never be needed, never used. Why not put this toward painting the bridge?' And I think if that would have been done, I think the tolls and things like that - because if the money had been dumped into the infrastructure of the bridge we wouldn't be having this conversation. Government, a lot of people don't care and people look the other way. And that's the frustrating part of it.

The conversation later turned to more than \$4 million in no-bid contract let by the bridge, and millions more that went to LA-1 bridge issues.

Connick: But again by statute, no **Crescent City Connection** toll dollars were allowed to be used on any other project.

Q: Meaning like the LA-1 stuff. There seems to be a lot of that.

Connick: Oh, it's all over the place.

Q: Well, one of the things that seemed a little odd to me was it said that, people would go, 'oh, the CCC's been totally reimbursed.' I kept seeing that crop up and I'm wondering, well, what difference does that make?

Connick: Right.

Q: It's still money that got spent on something that wasn't supposed to be, and then somebody else wound up paying it, you know what I mean? In other words, they spent a bunch of money they shouldn't have spent and the fact they got reimbursed doesn't matter. That might make the CCC whole but it doesn't change the fact all that money got misappropriated.

Connick: Exactly! And they're like, "oh, ok, we got caught? Then we're giving it back and no harm, no foul." And that's the mentality that we're dealing with. And that's the whole thing.

I'm disappointed. It's so simple to do the right thing and spend the money the right way. And then the reluctance to do the right thing and have accountability was eye opening up in Baton Rouge and it still is today.

Q: So when you think back to what you were saying at the beginning, that you would look around and the grass wasn't being cut, or you would look and see 20 police cars just sitting there and everything, when you look back then and then you look at today, do you think you've accomplished what you set out to accomplish?

Connick (5 second pause): No. Because it's still, DOTD is still dysfunctional, in my opinion.

Q: And my other question is, with all of this stuff known, and all the work that you had done, and with a pretty middle-of-the-road outfit like BGR conclusively showing that way less than a quarter of every dollar is going to what is supposed to happen. And with the bridge already been paid off in

2012. Why do you think the vote went the way it did the first time?

Connick: Because people who didn't pay attention - two things. Number one the campaign, the scare tactic campaign that the bridge will totally go away, the lights will be turned off and the grass won't get cut - the bridge is going to fall down and the ferries will go away. That's number one, the scare tactics. And number two, many people - this election was gerrymandered and rigged and committees were bypassed. When I say, 'rigged,' I don't mean a rigged election, I mean the process to get this election on the ballot. Rules were suspended in Baton Rouge to make things happen, to make it be placed on the presidential election. That way most folks who don't pay a toll, folks who have no interest in paying a toll, don't cross the bridge - they were drawn out because of the high turnout for a presidential election. And then it's easy to put a tax on somebody else rather than pay a tax yourself. And those, mainly on the East Bank of the river who rarely cross the bridge or never cross the bridge themselves, they were able to put a tax on somebody, on other folks - and that's just human nature. And that's what won the election in the beginning, because they knew what they were doing. Man, there's some clever folks up there.

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