

Scofflaws costly to Crescent City Connection - - Times-Picayune, The (New Orleans, LA) - September 28, 2010 - page A 01

September 28, 2010 | Times-Picayune, The (New Orleans, LA) | Paul Rioux West Bank bureau | Page A 01

The cash-strapped **Crescent City Connection** is losing an estimated \$110,000 a month in toll revenue because an electronic monitoring system to catch toll violators is not working properly, according to a legislative audit released Monday that suggests 3,600 motorists successfully skirt the tolls each day.

The audit also found that bridge officials apparently violated state laws in awarding contracts and improperly used **Crescent City Connection** toll revenue to pay for expenses on the new Louisiana 1 toll bridge in Leeville.

In a written response to the 18-page audit, state Transportation Secretary Sherri LeBas emphasized that the CCC has been fully reimbursed for all expenses related to the Leeville bridge.

She attributed the faulty toll-monitoring system to a contractor who walked off the job, prompting the state to file a lawsuit.

The audit scrutinizing the bridge's finances comes as the debate heats up about whether to renew CCC tolls that are set to expire at the end of 2012.

With bonds financing the bridge's second span set to be paid off before the tolls expire, some motorists have questioned why the tolls should be renewed.

Renewal proponents say the tolls provide a reliable source of revenue for bridge maintenance while subsidizing three Mississippi River ferry routes that could be scaled back or eliminated if the bridge tolls expire.

Prepared by Legislative Auditor Daryl Purpera, the audit said widespread problems with the toll-monitoring system implemented in 2008 are draining revenue from the bridge, which relies on cash reserves to make ends meet.

Cameras are positioned to capture the license plates of motorists who pass through the West Bank toll plaza without paying the \$1 toll, reduced to 40 cents for vehicles with electronic toll tags. However, video of some toll violators is inaccessible, causing the bridge to lose about \$110,000 a month in uncollected tolls, a figure that does not include the \$25 fine per violation, the audit found.

That means 110,000 motorists a month, or about 3,600 a day, bypass the tolls with impunity. This amounts to more than 3 percent of the 109,000 motorists who use the bridge each day.

Adding insult to injury, the system "frequently sends erroneous violation notices to drivers who have properly paid tolls," the audit said.

State Rep. **Patrick Connick**, R-Harvey, a vocal critic of bridge management, said he is not

surprised by the huge toll revenue losses.

"This just shows the total incompetence of the system," he said. "It's been mismanaged for years."

LeBas, who took office in February, said Electronic Transaction Consultants of Richardson, Texas, walked away from its contract to design and implement the system in January without getting it to function properly. The state has filed a lawsuit against the company, which was paid \$7.3 million of its \$8.4 million contract.

The audit said transportation officials are considering replacing the system at a cost of about \$10 million, but a decision hinges on whether the tolls are renewed.

The audit said the **Crescent City Connection** was not immediately reimbursed for office space and personnel devoted to collecting tolls on the Leeville bridge, an apparent violation of state law.

LeBas disputed this finding, saying the state transportation department pays all CCC expenses up front and is then reimbursed with toll revenues. She said the CCC always owes the state at least \$1 million, which means any CCC toll revenue used for Leeville bridge expenses can be viewed as state funds for accounting purposes.

Noting that the CCC has been fully reimbursed using Leeville bridge revenue, LeBas said toll-processing operations for both bridges are handled at the CCC's Algiers offices to achieve greater efficiency.

The audit said bridge officials "appear to have violated" state laws in awarding a couple of contracts in recent years.

In 2004, Gulf Engineers and Consultants of Baton Rouge was awarded a no-bid contract to help with the toll-monitoring system, but bridge administrators failed to estimate the costs up front, as required when seeking approval for such a contract from the transportation department, which oversees the CCC. The audit said the contract ended up being worth \$360,000.

In 2006, a \$120,000 contract awarded to Arthur D. Darden Inc. of Metairie for engineering work on the bridge's six ferries was increased to \$184,000, an apparent violation of a state law prohibiting increases of more than 50 percent without rebidding bridge contracts, the audit said.

LeBas disputed that a violation occurred, saying a total of just \$67,000 was paid on the contract.

The audit can be viewed on the legislative auditor's website:
<http://app1.lla.state.la.us/PublicReports.nsf>.

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