

State strengthens oversight at bridge - Audit - Times-Picayune, The (New Orleans, LA) - April 8, 2009 - page 01

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BATON ROUGE -- The state transportation department is getting a better grip on the agency that oversees toll collections and operations at the **Crescent City Connection** and more scrutiny may be on the way, the head of the department told the House Appropriations Committee on Tuesday.

Transportation and Development Secretary William Ankner said the CCC Division was not properly monitored over the years, but that is a thing of the past.

Ankner's comments came a week after Legislative Auditor Steve Theriot reported that the bridge unit rang up a deficit of \$25 million during the past five years, eroding a \$61 million reserve that could have been used for bridge and street improvements in the New Orleans area.

The audit also said that some contracts for the CCC's operations lacked "critical provisions" such as contract totals and due dates.

The CCC Division is a part of the state transportation department but ran itself in New Orleans with little oversight from its parent agency in Baton Rouge.

Rep. **Patrick Connick**, R-Harvey, who led the charge for the audit last year, told Ankner that the bridge division "was allowed to do what it wanted to do." Ankner replied: "We did not monitor it properly. . . . We have addressed, and are addressing, all of the findings in the audit.

"We treated it as a wholly owned subsidiary and not part of DOTD. . . . We did not do the due diligence to integrate the **Crescent City Connection** Division into the department. The entity was a separate entity; it is not a separate entity now."

In response to a question from House Speaker Pro Tem Karen Carter Peterson, D-New Orleans, Ankner said that "one of the possibilities we are looking into" is merging the **Crescent City Connection** unit with the Louisiana Transportation Authority, an agency chaired by Ankner that oversees construction and tolls for renovations along Louisiana 1 in the Port Fourchon area.

"Why not let the LTA do it all?" Peterson asked. "Everybody's little private thing, initiative and board has to be looked at. We are relying on you to give us some direction."

Peterson also mentioned the possibility of incorporating the Lake Pontchartrain Causeway Commission, another toll-collecting body, and other agencies that impose tolls on roads or bridges into a new DOTD oversight unit.

Causeway officials angered parish and state officials last year when it came to light that there were some preliminary discussions about selling the public span to a private entity. As a result, lawmakers passed a law to require approval from the Legislature before any sale of a public bridge.

Connick, who commended Ankner for working to correct the deficiencies in the audit, noted that in the past five years, the CCC spent almost \$15 million to buy insurance policies in excess of the state's limits.

Despite hurricanes in that period, Connick said, the policies "were never touched, never needed." He said that this year alone, the state is paying almost \$4 million for \$50 million to \$100 million of coverage beyond the state's policy.

Ankner said he is trying to get rid of most -- if not all -- of the excess coverage. He said the only damage the bridge sustained was in Hurricane Gustav last fall, when one light was blown out.

Connick also told the panel that the unit is paying more than \$3 million to remodel its administrative offices on the West Bank, including large new offices for top staff. Ankner said it is necessary to expand a customer service area for buying toll tags and to enhance security for money from the sales. He said toll tags for Louisiana 1 also will be sold out of the bridge administrative offices, so larger customer service areas are needed, but that the entire expansion and renovation was under way when he took over as secretary of the department. "I would not have made that decision," he said.

Connick pointed out that 11 projects were promised for construction on or near the span from its toll surplus, but work on only one of them -- along Baratavia Boulevard -- has been done.

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