

Majority Coalition Caucus of the Washington State Senate



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Senate coalition leaders call for formal, independent investigation of Columbia River Crossing contracts, spending records

OLYMPIA...Leaders of the Senate Majority Coalition Caucus today asked Gov. Jay Inslee to initiate a formal and independent investigation of the controversial Columbia River Crossing project based on concerns raised by two forensic accountants.

The request for a comprehensive accounting review is aimed particularly at contracts and spending records and what the forensic accountants, who are also certified fraud examiners, view as questionable practices of several subcontractors associated with the \$3.5 billion project.

“When one certified fraud examiner validates the auditing done by another certified fraud examiner, and they agree there is ‘sufficient evidence to open inquiries’ about CRC subcontractors, it’s time to start asking those questions – not time to sink 450 million more taxpayer dollars into the project,” said Sen. Ann Rivers, R-La Center, referring to the sum that would constitute Washington’s share of the construction funding, not counting tolls.

The Senate coalition’s decision to pursue an independent investigation stems from CRC-related audits done by Vancouver accountant Tiffany Couch, who has shared her findings and concerns with the Senate and House transportation committees. Rivers and fellow coalition leaders were intrigued by Couch’s CRC reports but realized it would be prudent to seek a second opinion, so arrangements were made for an independent review from outside Clark County.

That review was conducted by forensic accountant Linda Saunders, a Jefferson County resident whose background includes working for the state auditor’s office and later the state Department of Transportation, where her focus was on auditing overhead rates for architectural and engineering contracts tied to Interstate 90 construction on Mercer Island.

“We wanted to be sure about the information before using words like ‘investigation’ and ‘mismanagement.’ Now that we’ve seen what amounts to an audit of an audit, and things have been verified, it’s time to get some answers,” said Tom, D-Bellevue, who is Senate majority leader.

In her assessment Saunders agreed with Couch’s findings concerning cost overruns and how the costs of CRC project management “have dramatically increased,” perhaps because workers who should have been classified as employees were instead considered independent contractors. The

“appearance of a person doubling their income by becoming a subcontractor rather than an employee must make the hair stand up on the back of the taxpayer’s neck,” Saunders wrote.

“I believe her (Couch’s) findings are valid, and I agree a comprehensive accounting review is in order for analyzing CRC project expenditures to date,” Saunders’ report continued. “If the CRC project needs to be put on ‘pause’ by not incurring further change orders and cost increases while financial experts answer the questions raised by Ms. Couch, then that is what needs to be done.”

Gov. Jay Inslee and U.S. Transportation Secretary Ray LaHood met Wednesday with Senate Majority Coalition members to lobby them about the CRC. They were met with detailed questions and comments about the numerous flaws in the project’s design, including the too-low bridge span and other marine-navigation issues raised by the U.S. Coast Guard; concerns about how it would cause shipping constraints that would lead to the loss of thousands of permanent jobs in Clark County; the CRC’s own admission that the morning Vancouver-to-Portland commute time would be reduced by only one minute; and how the project would force an extension of Portland’s financially troubled light-rail system into Clark County over the objections of voters.

Proof of financial mismanagement would further weaken the credibility of project proponents, the Senate coalition leaders noted today, which is why they believe Inslee himself should want to order the investigation.

“The governor and the new transportation secretary inherited the CRC project, so there’s no embarrassment in stepping back and commissioning an independent examination. If they do, and it turns out that any of the 170 million dollars spent on the CRC so far were wasted due to fraud or incompetence, it won’t have been on their watch,” said Schoesler, R-Ritzville, who is Senate Republican leader.

“If the Senate needs to pay for an investigation because the governor would rather not listen to those who are raising questions about the CRC, then he’s going to have to own any embarrassing findings that surface,” added Rivers, a member of the Senate coalition leadership team who also served on a special legislative Columbia River Crossing oversight committee. “Based on the scrutiny the project has received already I expect there will be no shortage of those.”

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Click [here](#) to read forensic accountant Linda Saunders’ assessment of the CRC-related report by forensic accountant Tiffany Couch, and [here](#) to see Couch’s report.

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