

## INTEGRITY RESOLUTION

**WHEREAS**, integrity is the foundation for any valid project and the Columbia River Crossing Light Rail Tolling Project must be managed with integrity in order to be valid (Ref 1); and

**WHEREAS**, a certified forensic accountant, ~~whose work has been independently verified by a second independent forensic accountant~~, published findings in six reports (Ref 2). Each one of these six reports contains the following statement “As a Certified Public Accountant and Certified Fraud Examiner, it is my professional opinion that these questions warrant further investigation by an agency of appropriate jurisdiction.” and

**WHEREAS**, each of these 6 reports (Ref 2) contain ~~questionable significant~~ findings about significant questionable transactions involving the Columbia River Crossing Project, including:

- ”\* Potential Violations of Washington State Open Public Meetings Act (Report #1)
- \* Potential Violations of State and Federal Contracting Practices (Report #2)
- \* Questionable Contracting Practices, including (Report #2):
  - \* Cost overruns in excess of \$50 Million on the environmental study stage of the project
  - \* Potential duplicate work performed by contractors
- \* Project Costs outside of the bridge area (Report #3)
- \* Significant funding plan discrepancies, including (Report #4):
  - \* Nonexistent federal programs
  - \* Toll requirements of \$3.5 billion – more than \$2.0 billion in excess of promises made to public and legislators
- \* Potential violations of IRS code related to persons employed in independent contractor status (Report #5)
- \* Discrepancies in excess of hundreds of millions of dollars in costs of interchanges reported to legislators (Report #6)
- \* Discrepancies in excess of hundreds of millions of dollars in costs of bridge tear down and rebuild reported to public and legislators (Report #6)” and

**WHEREAS**, C-TRAN Board Resolution No. BR-08-019, RTC resolution No. 07-08-10, and the CRC Locally Preferred Alternative documents all require that any means of funding CRC light rail operation be authorized by a vote of the people, stating in relevant part as follows:

“Any means chosen to finance operations of the HCT component of the CRC project shall be submitted to impacted C-TRAN voters for approval” (Ref 5); and

**WHEREAS**, C-TRAN Board Resolution No. BR-08-019 further states:

“Initiation of HCT [High Capacity Transit] service in Clark County should provide a net service benefit to existing C-TRAN patrons, without diverting existing revenues from C-TRAN’s current operating and capital costs;” (Ref 5); and

**WHEREAS**, C-TRAN Board Policy # PBD-015, as currently effective, prohibits the use of any of C-Tran’s voter-approved 0.7% sales tax revenue from being used for any aspect of the CRC Light Rail Tolling project, stating in part as follows:

“[T]he C-TRAN Board of Directors has established the following policies regarding C-TRAN’s participation in the CRC Project:”

“A. C-TRAN funding, including the current voter approved 0.5% sales tax revenue, and the proposed 0.2% sales tax revenue, should it be approved on the November 8, 2011 general election ballot, or capital reserves, will not be used to fund any aspect of the CRC Project;” (Ref 6); and

**WHEREAS**, the C-TRAN High Capacity Transit Expert Review Panel states as follows: “Light rail and bus rapid transit are the HCT components of C-TRAN’s 2030 Plan. C-TRAN is planning to utilize the state’s HCT Act, RCW 81.104, to fund the operations and maintenance cost for the extension of light rail from the Expo Center in Portland to Clark College, and the local share of operations and maintenance costs for the Fourth Plain bus rapid transit. In accordance with state law, the Governor's Office, Secretary of Transportation, and chairpersons of the House and Senate Transportation Committees appointed the members of the Panel.”

“The Panel's technical review is necessary to guarantee that the C-TRAN Board of Directors can make appropriate decisions for investments in high capacity transit for our region.” (Ref 7); and

**WHEREAS**, the C-TRAN High Capacity Transit Expert Review Panel Findings and Recommendations stated as follows:

“In order to qualify for this discretionary capital funding source, local project sponsors must adhere to a strict series of requirements spelled out by federal regulations administered by the FTA. All projects nationwide that seek FTA New Starts funding must follow this process, which is tracked by FTA staff at regional and headquarters levels.” (Ref 8); and

“The FTA specifically prohibits transit agencies from degrading local bus service by transferring funds from existing service to finance high capacity transit operations.” (Ref. 9); and

**WHEREAS**, the C-TRAN High Capacity Transit Expert Review Panel Findings, in compliance with the above FTA prohibition, did not consider any existing C-Tran revenues as valid funding sources for ~~HCT~~ High Capacity Transit O&M and therefore only considered new revenue.

“The panel has further advised C-TRAN of its concern that too many C-TRAN tax revenue accounts in place today are dedicated to support specific services.” (Ref. 10); and

**WHEREAS**, the C-Tran finance plan is not consistent with the High Capacity Transit Expert Review Panel recommendations and diverts substantial sales tax revenue from C-Tran bus service and C-Van service to Light Rail operations and maintenance (Ref 10a); and

**WHEREAS**, C-TRAN records show that all of the existing revenue is needed and is dedicated to providing bus and C-Van service (Ref 11); and

**WHEREAS**, the C-TRAN Board placed Proposition One on the November 2012 ballot as a means to fund High Capacity Transit, including Light Rail and Bus Rapid Transit (Ref 12), and a majority of voters in that election rejected Proposition One (Ref 13); and

**WHEREAS**, C-Tran assured voters that the 2011 Proposition One sales tax increase would not be used to fund Light Rail operation and maintenance (Ref 14) as the voter pamphlet stated “All revenue from Prop 1 will fund bus service only, not light rail.” (Ref 15); and

**WHEREAS**, Light Rail Advisory Vote No. 1 was placed on the ballot in the November 2013 General Election which asked all of registered voters in Clark County the following question:

“Should the Clark County Board of Commissioners approve proposed Resolution 2013-07-17 which opposes any Light Rail project in Clark County unless it is first supported by a majority of the voters in a county-wide advisory vote of the people?” (Ref 15a)

YES NO

**WHEREAS**, the majority of the voters (approximately 68%, 223 out of 228 precincts) voted Yes indicating that the CRC Light Rail Tolling project is not supported by the majority of the voters in Clark County (Ref 15b); and

**WHEREAS**, the Locally Preferred Alternative (LPA) included the construction of multiple I-5 Freeway interchange improvements extending for 5 miles up to SR-500 (Ref 15c), and all of those improvements specified in Washington have now been dropped only to fully build the Light Rail components and the connection to SR-14; and

**WHEREAS**, the LPA ~~was~~ relied on minimal traffic diversion from I-5 to the I-205 and then discovered that their sponsored report by CDM Smith (Ref 15d) reveals that the traffic diversion is expected to be substantially higher (31,000 to 64,000 vehicles per day) that is expected to cause unacceptable traffic congestion problems on the I-205 Glenn Jackson Bridge; and

**WHEREAS**, the I-5 Bridge has been characterized as structurally deficient (Ref 15e), yet the Army Corp of Engineers rates it as structurally sound and the Oregon Department of Transportation (ODOT) published report states “This personalized care, combined with large maintenance projects, has kept the spans healthy and free of weight restrictions.”

“With ongoing preservation the bridges can serve the public for another 60 years,” the report says, adding that “Transportation funding experts estimate a replacement bridge would cost between \$500 million and \$1 billion.” (Ref 15f); and

**WHEREAS**, the LPA was specified as a bi-state project (ref 15f1) with both Washington, and Oregon financing and project management ~~in cooperation and after~~ but then Washington failed to approve funding for the project (Ref 15f2); and

**WHEREAS**, another project has been substituted for the original LPA with Oregon considering a “go it alone” plan which excludes Washington State and with fundamentally different financing and specifications that are not consistent with the original LPA (Ref 15g); and

**WHEREAS**, the new LPA finance plan which gives Oregon the exclusive authority over setting toll rates, is not consistent with the Record Of Decision (Ref 15g1) and is asserted to be illegal according to Washington State Senator Ann Rivers (ref 15g2); and

**WHEREAS**, the Coast Guard failed to follow their own written policies and requirements (Ref 15h); and

**WHEREAS**, the FTA requires a stable and reliable funding source (Ref 15i) to be committed to Light Rail O&M and the primary assumption is that the sales tax revenue on transportation projects (Ref 15i) is proposed to be eliminated by the Washington legislature (Ref 16); and

**WHEREAS**, even though the voters have not authorized any means to fund CRC Light Rail operation and maintenance, the C-TRAN Board voted on September 26, 2013 (Ref 17), to authorize C-TRAN to enter into a contract with TriMet (Ref 18) to fund Light Rail operations and maintenance; and

**WHEREAS**, the C-Tran bylaws section 4.8.2 states that “Every action of the Board of a general or permanent nature and every action otherwise required by state statute shall be by Resolution or Ordinance.” (Ref 19); and

**WHEREAS**, the TriMet / C-Tran contract is not compatible with numerous adopted board policies as referenced above and establishes new policies not adopted by the C-Tran Board such as a \$5 million liquidated damages liability (Ref 20); now, therefore,

**BE IT ORDERED, RESOLVED AND DECREED BY THE BOARD OF COMMISSIONERS OF CLARK COUNTY AS FOLLOWS:**

**Section 1.** In support of this Resolution, the Board of Commissioners of Clark County adopts as its findings the recitals set forth above and the references below.

**Section 2.** The Board of Commissioners of Clark County hereby states its condemnation of the of the CRC Light Rail Tolling project for acting contrary to the commitments made to the people, for failing to follow adopted policies, for failing to comply with the requirements and conditions agreed upon in the governing documents, for failing to respect the 2012 Proposition One vote of the people who rejected funding for Light Rail, and for authorizing the contract with TriMet.

**Section 3.** The Board of Commissioners of Clark County calls upon Oregon to give full disclosure of these findings to the public and to any financial institution that might consider financing bonds to fund the CRC Light Rail Tolling project.

**Section 4.** The Board of Commissioners of Clark County authorizes the County Administrator to provide copies of this resolution to the Federal Transportation Administration, the Federal Highway Administration, the legislatures of Washington and Oregon, WSDOT, ODOT, TriMet, C-TRAN and the Regional Transportation Council, ~~and~~ stating that the CRC Light Rail Tolling project should not be funded.

**Section 5.** The Board of Commissioners of Clark County asks that this resolution along with the supporting references be made easily available to the public and published online wherever the official documents of the CRC Light Rail project are stored..

**Section 6.** The Board of Commissioners of Clark County calls upon the appropriate authorities to full investigation of the CRC Light Rail Tolling project as called for by the certified forensic accountant and that diligent scrutiny be applied to uncover potential mismanagement, waste, fraud and abuse.

**Section 7.** The Board of Commissioners of Clark County believes that the C-Tran / TriMet contract be should be recognized as invalid and be rescinded, repealed, and repudiated.

References:

Ref 1:

Integrity definition: honesty, soundness, trustworthiness to the fulfill commitments

Ref 2:

<http://www.acuityforensics.com/subs/press.html>

• Report #1 - Open Public Meetings White Paper

[http://www.acuityforensics.com/downloads/press/CRCA\\_Report\\_1.pdf](http://www.acuityforensics.com/downloads/press/CRCA_Report_1.pdf)

• Report #2 - Contract and Task Order Analysis

[http://www.acuityforensics.com/downloads/press/CRCA\\_Report\\_2.pdf](http://www.acuityforensics.com/downloads/press/CRCA_Report_2.pdf)

• Report #3 - Ruby Junction and Steel Bridge Costs

[http://www.acuityforensics.com/downloads/press/CRCA\\_Report\\_3.pdf](http://www.acuityforensics.com/downloads/press/CRCA_Report_3.pdf)

• Report #4 - Funding Plan White Paper

[http://www.acuityforensics.com/downloads/press/CRCA\\_Report\\_4.pdf](http://www.acuityforensics.com/downloads/press/CRCA_Report_4.pdf)

- Report #5 - Contractor Analysis

[http://www.acuityforensics.com/downloads/press/CRCA\\_Report\\_5.pdf](http://www.acuityforensics.com/downloads/press/CRCA_Report_5.pdf)

- Report #6 - Cost Allocation Discrepancies

[http://www.acuityforensics.com/downloads/press/CRCA\\_Report\\_6.pdf](http://www.acuityforensics.com/downloads/press/CRCA_Report_6.pdf)

Ref 3 & 4 have been eliminated.

Ref 5:

C-TRAN Board Resolution BR-08-019 (Page 44, E 2 & 3 of the following reference) and Regional Transportation Council (RTC) Resolution # 07-08-10 (page 56 of the following reference)

[http://www.columbiarivercrossing.org/FileLibrary/IRP/IRP\\_TabG.pdf](http://www.columbiarivercrossing.org/FileLibrary/IRP/IRP_TabG.pdf)

and

<http://www.rtc.wa.gov/meetings/board/brdminutes.080722.htm>

and

Page 63, second to last bullet of the Locally Preferred Alternative at:

[http://www.columbiarivercrossing.org/FileLibrary/GeneralProjectDocs/LPA\\_Resolutions.pdf](http://www.columbiarivercrossing.org/FileLibrary/GeneralProjectDocs/LPA_Resolutions.pdf)

and

C-TRAN staff report #13-023, Page 35, marked page 32

[http://www.c-tran.com/assets/20\\_Year\\_Plan/C-TRAN\\_20\\_Year\\_Plan-Adopted\\_June\\_8\\_2010.pdf](http://www.c-tran.com/assets/20_Year_Plan/C-TRAN_20_Year_Plan-Adopted_June_8_2010.pdf)

and

RTC Resolution 07-08-10 adopted on Jul 22, 2008, page 16

<http://www.rtc.wa.gov/reports/mtp/Mtp2008.pdf>

Ref 6:

C-TRAN Board Resolution PBD-015

[http://c-tran.com/assets/Board/Board\\_Policies/PBD-015\\_CRC\\_Project\\_Policy\\_REVISED\\_Sept\\_10\\_2013.pdf](http://c-tran.com/assets/Board/Board_Policies/PBD-015_CRC_Project_Policy_REVISED_Sept_10_2013.pdf)

and

(Page 238 of the following reference) and C-TRAN staff report #13-023, Page 174

[http://www.c-tran.com/board\\_meeting\\_files/May\\_21\\_2013\\_agenda\\_no\\_QandA.pdf](http://www.c-tran.com/board_meeting_files/May_21_2013_agenda_no_QandA.pdf)

Ref 7:

<http://highcapacityerp.com/about.html>

Ref 8:

Page 9 of C-TRAN High Capacity Transit Expert Review Panel Findings and Recommendations

[http://www.highcapacityerp.com/Presentations/FindingsandRecommendations6\\_28\\_12.pdf](http://www.highcapacityerp.com/Presentations/FindingsandRecommendations6_28_12.pdf)

Ref 9:

Page 14 of

[http://www.highcapacityerp.com/Presentations/FindingsandRecommendations6\\_28\\_12.pdf](http://www.highcapacityerp.com/Presentations/FindingsandRecommendations6_28_12.pdf)

Ref 10: Page 13 of

[http://www.highcapacityerp.com/Presentations/FindingsandRecommendations6\\_28\\_12.pdf](http://www.highcapacityerp.com/Presentations/FindingsandRecommendations6_28_12.pdf)

and

<http://prop1facts.com/wp-content/uploads/HCTFinancePlan.pdf>

and

[http://prop1facts.com/wp-content/uploads/CRC\\_Finance\\_Plan.pdf](http://prop1facts.com/wp-content/uploads/CRC_Finance_Plan.pdf)

Ref 10a: Page 22 of

[http://c-tran.com/board\\_meeting\\_files/092613\\_Special\\_Mtg\\_Board\\_Agenda\\_Packet.pdf](http://c-tran.com/board_meeting_files/092613_Special_Mtg_Board_Agenda_Packet.pdf)

Ref 11:

<http://www.c-tran.com/news/detail/id/25>

and

C-Tran Resolution #BR-04-002 page 11 of the November, 2004 voters pamphlet 0.3% sales tax increase for local buses and C-Van service – rejected

<http://www.clark.wa.gov/elections/documents/2004/2004GeneralVotersPamphlet.pdf>

Ref 12: Page 100 of November 2012 Clark County Voters' Pamphlet

<http://www.clark.wa.gov/elections/documents/2012/NOVEMBER201206/Clark%20County%20general%20election%20pamphlet.pdf>

and

[http://www.c-tran.com/ballot\\_measure\\_2012.html](http://www.c-tran.com/ballot_measure_2012.html)

Ref 13: Page 12 of Election Results

<http://www.clark.wa.gov/elections/results/2012/2012Nov6ElectionResults.pdf>

Ref 14:

2<sup>nd</sup> question and answer on page 2 of:

[http://www.c-tran.com/assets/Fact\\_Piece/C-TRAN\\_Ballot\\_Measure\\_Fact\\_Piece\\_2011.pdf](http://www.c-tran.com/assets/Fact_Piece/C-TRAN_Ballot_Measure_Fact_Piece_2011.pdf)

and page 77 explanatory statement of the voters' pamphlet at:

<http://www.clark.wa.gov/elections/documents/2011/2011GeneralVotersPamphletpamphlet.pdf>

Ref 15:

Page 76 of

<http://www.clark.wa.gov/elections/documents/2011/2011GeneralVotersPamphletpamphlet.pdf>

and

C-Tran BR-05-021 page 9 of the September 20, 2005 voters pamphlet 0.2% sales tax increase for local buses and C-Van service

[http://www.clark.wa.gov/elections/documents/2005/primary2005\\_voter\\_pamphlet.pdf](http://www.clark.wa.gov/elections/documents/2005/primary2005_voter_pamphlet.pdf)

Ref 15a:

Page 94 of the Voters' Pamphlet

[http://www.clark.wa.gov/elections/documents/2013/NOV\\_5/2013GenCompleteVotersPamphlet.pdf](http://www.clark.wa.gov/elections/documents/2013/NOV_5/2013GenCompleteVotersPamphlet.pdf)

Ref 15b: Page 2 of the election results

<http://www.clark.wa.gov/elections/results/2013/2013Nov5ElectionResults.pdf>

Ref 15c:

[http://www.google.com/url?sa=t&rct=j&q=&esrc=s&frm=1&source=web&cd=4&cad=rja&ved=0CEMQFjAD&url=http%3A%2F%2Fwww.fta.dot.gov%2Fdocuments%2FWA\\_Vancouver\\_Columbia\\_River\\_Crossing\\_Profile\\_final\\_pdf.pdf&ei=nxh8UqnlIe\\_igKLIHYCg&usg=AFQjCNHUKZZtqFRVwqGybyNIqor4bpMrXA&sig2=eP0CdqtPFjf5VmlJLD5YCQ](http://www.google.com/url?sa=t&rct=j&q=&esrc=s&frm=1&source=web&cd=4&cad=rja&ved=0CEMQFjAD&url=http%3A%2F%2Fwww.fta.dot.gov%2Fdocuments%2FWA_Vancouver_Columbia_River_Crossing_Profile_final_pdf.pdf&ei=nxh8UqnlIe_igKLIHYCg&usg=AFQjCNHUKZZtqFRVwqGybyNIqor4bpMrXA&sig2=eP0CdqtPFjf5VmlJLD5YCQ)

and

[http://www.google.com/url?sa=t&rct=j&q=&esrc=s&frm=1&source=web&cd=1&cad=rja&ved=0CC4QFjAA&url=http%3A%2F%2Fwww.fta.dot.gov%2Fdocuments%2FWA\\_Vancouver\\_Columbia\\_River\\_Crossing\\_Profile\\_FY14.pdf&ei=thl8UtrdFqWriALN-IBA&usg=AFQjCNGqrvB2QgVbPxWuzfdITTX0JP0YLg&sig2=NsnduwdQ24UMvExw3Z51AQ](http://www.google.com/url?sa=t&rct=j&q=&esrc=s&frm=1&source=web&cd=1&cad=rja&ved=0CC4QFjAA&url=http%3A%2F%2Fwww.fta.dot.gov%2Fdocuments%2FWA_Vancouver_Columbia_River_Crossing_Profile_FY14.pdf&ei=thl8UtrdFqWriALN-IBA&usg=AFQjCNGqrvB2QgVbPxWuzfdITTX0JP0YLg&sig2=NsnduwdQ24UMvExw3Z51AQ)

Ref 15d:

[https://www.dropbox.com/s/pzgmjqxnz24f6nv/Cortright\\_CRC%20Diversion%20Analysis\\_April\\_2013.pdf](https://www.dropbox.com/s/pzgmjqxnz24f6nv/Cortright_CRC%20Diversion%20Analysis_April_2013.pdf)

Ref 15f:

[http://couv.com/wp-content/uploads/2012/02/Oregon.gov\\_Compressed.jpg](http://couv.com/wp-content/uploads/2012/02/Oregon.gov_Compressed.jpg) Ref 16:

4:15 marker of the following video

<http://www.youtube.com/watch?v=E9YGfRwygtU&feature=share>

Ref 17:

<http://old.cityofvancouver.us/cvtv/cvtvindex.asp?section=25437&folderID=3820>

Ref 18:

[http://couv.com/wp-content/uploads/2013/10/FINAL\\_IGA\\_TRIMET\\_AND\\_CTRAN\\_FOR\\_CRC\\_OM\\_092613.pdf](http://couv.com/wp-content/uploads/2013/10/FINAL_IGA_TRIMET_AND_CTRAN_FOR_CRC_OM_092613.pdf)

Ref 19:

[http://www.c-tran.com/assets/Board/Resource\\_Documents/C-TRAN--Bylaws\\_FINAL\\_2012.pdf](http://www.c-tran.com/assets/Board/Resource_Documents/C-TRAN--Bylaws_FINAL_2012.pdf)

Ref 20: Page 33, section 3.20 of the contract

[http://couv.com/wp-content/uploads/2013/10/FINAL\\_IGA\\_TRIMET\\_AND\\_CTRAN\\_FOR\\_CRC\\_OM\\_092613.pdf](http://couv.com/wp-content/uploads/2013/10/FINAL_IGA_TRIMET_AND_CTRAN_FOR_CRC_OM_092613.pdf)