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FOR INFORMATION CALL

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Ald. Jim Bohl
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Alderman Says "Deafening Silence" In Wake of Canal Street Audit

*Ald. Jim Bohl Says Accountability Needed From DPW, Wants Possible Consequences
for Officials Explored*

With an independent audit showing Department of Public Works officials repeatedly concealing more than \$20 million in costs for the Canal Street reconstruction and improvement project, Ald. Jim Bohl said he wants some answers.

"First of all, I think it would be nice for someone from DPW to take a proactive step and say publicly 'We're sorry this happened' and then explain how they'll make sure it won't happen again," said Ald. Bohl, referring to the audit released earlier this month by the office of city Comptroller W. Martin "Wally" Morics. "So far what we've seen in terms of a response is tone deafening silence," said Ald. Bohl. "This is not acceptable."

Ald. Bohl said he will ask Mayor Tom Barrett to initiate an internal probe that seeks answers to questions surrounding DPW officials' consistent misrepresentations about the total cost of the project. According to the audit, DPW officials knew the project would probably end up costing \$40 million or more, but repeatedly told Common Council members that the total cost would be \$20 million.

The audit report includes several recommendations for the city to adopt to avoid a reoccurrence of the Canal Street project's problems. Although Ald. Bohl said he fully supports implementing those recommendations, he said he also wants the city to undertake disciplinary action – if warranted – against DPW officials or any other city employees found to have misled the Council. Ald. Bohl stated that the need may even arise for Mayor Barrett to seek removal of certain DPW officials.

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Audit Brings “Deafening Silence”/ADD ONE

“I firmly believe that if employees see there will be real consequences for knowingly deceiving or misleading Council members or other top city officials, then they’ll really think twice about doing it in the first place,” he said.

The total bill for the project to reconstruct and improve Canal Street in the Menomonee Valley between 6th and 25th Streets has come to more than \$52 million.

The apparently calculated non-disclosures of anticipated costs for the project on the part of DPW officials has “seriously undermined DPW’s credibility” with Council members, Ald. Bohl said. “To be very frank, we’re now forced into the position of being very skeptical and somewhat cynical when we’re presented with ‘factual information’ and updates on DPW projects.”

Requested in 2005 by Ald. Michael J. Murphy, chair of the Council’s Finance and Personnel Committee, the audit details “glaring misrepresentations” of the project’s costs by DPW officials, and spiraling costs made possible by insufficient and ill-structured cost estimating and construction accounting procedures for major DPW projects. Conducted over the course of more than 18 months by Comptroller Morics and Sage Consulting Group of Denver, the audit found no evidence of fraud or wasteful spending, and indicated that with minor exception, the costs of the Canal Street project were reasonable and the work added real value to the city.