

## OFFICE OF THE ATTORNEY GENERAL CONNECTICUT

WILLIAM TONG ATTORNEY GENERAL

February 25, 2021

## VIA EMAIL

The Honorable Kevin Kelly, Senate Republican Leader
The Honorable Paul Formica, Deputy Senate Republican Leader *Pro Tempore*Legislative Office Building
300 Capitol Avenue, Suite 3400
Hartford, Connecticut 06106

Re: Connecticut Port Authority

Dear Leader Kelly and Senator Formica:

Thank you for your letter of February 16, 2021 to Governor Lamont and me concerning the Connecticut Port Authority ("CPA"). I am writing to confirm that a review and investigation into the CPA is already underway.

As you note, in April 2019, then-Leader Fasano wrote to me and the Office of Policy and Management ("OPM") Secretary Melissa McCaw asking that we review every bid and contract signed by the CPA. As directed by our statutes, the Office of the Attorney General generally does not review contracts made by quasi-public agencies nor provide them with legal counsel. This is why quasi-public agencies have their own legal counsel independent of my office. However, in this extraordinary situation, we offered our assistance to both OPM and the Auditors in any such review of CPA contracts.

We also explained to Leader Fasano that, by law, the State of Connecticut has vested original jurisdiction and explicit authority in the Auditors of Public Accounts (the "Auditors") to investigate whistleblower complaints involving matters related to corruption, unethical practices, violation of state laws or regulations, mismanagement, or gross waste of funds in quasi-public agencies. *See* Conn. Gen. Stat. 4-61dd. At the conclusion of the Auditors' whistleblower investigations, they are required to transmit their findings and any recommendations to the Office of the Attorney General pursuant to Conn. Gen. Stat. Sec. 4-61dd(a). Any action my office takes in this situation must be done in consultation and coordination with the Auditors. Sec. 4-61dd(a).

With respect to the CPA, upon receipt of the Auditors' two whistleblower reports, we commenced a review, led by the attorneys in our Whistleblower unit, located within the Antitrust and Government Fraud Section. In concert with the Auditors, we are currently in the process of investigating the

165 Capitol Avenue Hartford, Connecticut 06106 The Honorable Kevin Kelly The Honorable Paul Formica February 25, 2021 Page 2

issues raised in their reports, particularly with respect to the CPA's contract with Seabury Capital, and any possible violations of law or the state Code of Ethics. We are aware of public allegations concerning the so-called "success fee" paid to Seabury Capital and possible conflicts of interest, and we will investigate those allegations. Should you have any relevant information for our review, we strongly encourage you to forward it to the Auditors and to my office, and we welcome the opportunity to discuss your concerns directly by videoconference.

We take this matter very seriously, as we do all whistleblower complaints forwarded us by the Auditors and will continue to exercise our statutory authority to review all related matters within our ambit. Additionally, we will continue to collaborate with our partners across state government that can review actions by quasi-publics, as we each faithfully execute our prescribed duties. I will take whatever action I am authorized to take to enforce state law, and I will assert claims that are supported by facts and the law. We share the same goal of restoring the public's trust in CPA and look forward to partnering with you in doing so.

Finally, as you may know, we have been asked by the State Contracting Standards Board to provide a formal legal opinion as to their authority over contracting and procurement by the CPA. Once we have issued this opinion, we will be sure to share it with you directly.

As always, I am available to discuss this matter further at your convenience.

Sincerely,

WILLIAM TONG

cc:

John Geragosian, State Auditor

Governor Ned Lamont

Rep. Matt Ritter, Speaker of the House

Sen. Martin Looney, Senate President Pro Tempore

Rep. Vincent Candelora, House Republican Leader