

Congress of the United States

Washington, DC 20515

April 6, 2016

Linda A. Halliday
Deputy Inspector General
Department of Veterans Affairs
Office of Inspector General
810 Vermont Avenue, NW
Washington, DC 20420

Michael Culpepper
Director, Office of Accountability Review
Department of Veterans Affairs
Office of Accountability Review
810 Vermont Avenue, NW
Washington, DC 20420

Dear Deputy Inspector General Halliday and Director Culpepper,

We are writing to request the Office of Accountability Review and the Office of the Inspector General make any appropriate referrals to relevant law enforcement agencies regarding the hospital construction debacle in Aurora, Colorado. This consideration should particularly include any false or misleading statements concerning the project made to the House Committee on Veterans' Affairs or other congressional committees.

On July 16, 2015, the AIB of the Aurora project was formally completed. Despite repeated requests for its release, its summary memorandum was not provided to the Committee until March 26, 2016. This memorandum purports to detail the troubled history of the project, with concerning findings of fact dating as far back as 2010. The Department of Veterans Affairs (VA) asserts that all VA officials with responsibility over the catastrophe in Aurora have since retired from, or have left, the agency. We also note that some of these now-retired officials were able to collect generous performance bonuses from VA while directly overseeing aspects of the Aurora debacle, and some are also now receiving full federal pensions even though they may not have performed their duties in good faith.

Additionally, prior to a December 9, 2014 Civilian Board of Contract Appeals (CBCA) decision concerning the project, a decision in which VA lost on all counts, the Department's witnesses consistently presented what appears to have been a knowingly inaccurate picture of the Aurora project in its representations to Congress. The following list of hearings featured VA testimony concerning the Aurora project before the House Committee on Veterans' Affairs prior to the December 2014 CBCA decision:

- March 27, 2012 | House Committee on Veterans' Affairs – "From the Ground Up: Assessing Ongoing Delays in VA Major Construction"
- May 7, 2013 | Oversight and Investigations Subcommittee - VA Construction Policy: Failed Plans Result In Plans That Fail
- November 20, 2013 | House Committee on Veterans' Affairs – "Building VA's Future: Confronting Persistent Challenges in VA Major Construction and Lease Programs"

- March 25, 2014 | Oversight and Investigations Subcommittee – “Legislative Hearing on H.R. 3593, H.R. 4261, H.R. 4281 and other Draft Legislation”
- April 22, 2014 | Oversight and Investigations Subcommittee (field hearing) – “Construction Conundrums: A Review of Continued Delays and Cost Overruns at the Replacement Aurora, Colorado VAMC.”

To cite one example from the April 22, 2014 field hearing held in Aurora, former VA construction executive Glenn Haggstrom stated, “Although there may be additional changes in cost and schedule, based on all pertinent information currently available to us today, VA has the funds necessary to complete this project.” Haggstrom then defended this assertion in the face of aggressive questioning that noted clear evidence of significant cost escalation at the project. Given the timeline presented in the AIB, it appears his misleading assertions were made deliberately and in bad faith. Such assertions are also characteristic of VA testimony from other officials relating to the Aurora project. These assertions are all the more questionable given the AIB’s finding that the VA Office of General Counsel was “not surprised by the ultimate CBCA decision.”

American taxpayers and members of Congress are still searching for answers as to how the costs of the Aurora project could have escalated from roughly \$604 million to \$1.73 billion seemingly overnight. Based on the facts and findings of the AIB or from other independent investigations, we ask you to determine if criminal referrals are appropriate.

Sincerely,



Mike Coffman
Member of Congress
6th District of Colorado



Kathleen Rice
Member of Congress
4th District of New York