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April 2, 2013

Senator Lee Beyer, Chair
Senator Bruce Starr, Vice Chair
Members of the Senate Committee on Business and Transportation
Oregon State Legislature
900 Court St., N.E.
Salem, Oregon 97301

RE: Senate Bill 644

Dear Chair Beyer and Members of the Committee:

Medford Water Commission is opposed to SB 644. It is not in the best interests of the Commission to extend the Qualification-Based Selection (QBS) process to procurements under \$100,000. Direct procurement as it stands under the current law has given the Commission its last remaining measure of flexibility for procuring engineering services under the otherwise onerous QBS process.

- **Expansion of the QBS process will not be the best use of public money.**
To date, the Commission has procured only one project using QBS over \$100,000, and after going through the process, has found it difficult to assess if there have been *any* cost savings. In addition, the protracted solicitation period required additional staff time resulting in a burdensome and inefficient use of resources. Therefore, the Commission would be reluctant to project any savings through application of that process for projects under \$100,000.
- **Public entities need information in order to make fiscally responsible decisions.**
The Commission cannot make informed purchasing decisions if information regarding time and cost is restricted. This would not be a sound procurement policy for an individual, much less a public contracting agency.
- **Opportunities for small engineering firms in our community would be limited.**
If the over-\$100,000 QBS process is extended to smaller projects, small companies will be at an extreme disadvantage in competing with larger companies that have unlimited resources and choose to staff local offices. Selection criteria would tend to unfairly favor the larger companies. The average waterline design project in Medford does not require a global-sized company to perform the work. Small, local, well-qualified firms need a chance to compete.

The Commission appreciates the opportunity to comment and hopes that the Committee will consider local economies and the perspective of municipal water utilities in its deliberations.

Sincerely,

Larry Rains, P.E.
Manager

c: Senator Alan Bates, 900 Court St., NE, S-205, Salem, OR 97301
Representative Sal Esquivel, 900 Court St., NE, H-483, Salem OR 97301