



AMERICAN COUNCIL OF ENGINEERING COMPANIES OF OREGON

*"The Engineers"*

## **VOTE NO on HB 4127-A**

### **Low bid = Low quality Projects**

February 22, 2018

Dear Senate General Government and Accountability Committee:

ACEC Oregon urges your NO vote on HB 4127-A. This bill is the poster child for what not to do in the short session. Two main issues: Bad policy and bad process.

**POLICY:** HB 4127-A is a major change to Oregon procurement law. Proponents say it will follow QBS concepts but it does not. The bill mandates in section 5 that QBS does not need to be used, but it doesn't mandate what does need to be done. This workaround decimates current law. This bill runs counter to the longtime policies of the American Public Works Association and the American Bar Association. Both strongly support the current Qualifications- Based Selection (QBS) process. APWA and ABA know that highly competent design leads to quality construction and greatly reduces expensive change orders, lawsuits and reduces life-cycle costs for the 75 to 100 years of a project.

HB 4127-A impacts all state and local agencies and all projects from \$1 to \$1 billion. This is a massive change that will negatively impact projects all across the state.

**PROCESS:** We heard rumors of a QBS bill during November 2017 legislative days. We saw it for the first time on December 14, 2017 at Hillsboro City Hall in a room full of lobbyists, Hillsboro staff and Rep. Susan McLain. We were asked how to improve upon the bill after it was already back from Legislative Counsel. We met again on January 30, 2018, six days before the session began, in Hillsboro City Hall again with a group of lobbyists and Rep. McLain. We were shown a minor -1 amendment and nothing else. This lack of process seeking our input has been exasperating. To say we are perplexed and dumbfounded is an understatement.

**PUBLIC HEARING:** The short session caused a short hearing in the House. Three engineers who had been hired by QBS processes testified for three minutes each. One showcased an award winning design on a water treatment plant that saved the city of Prineville \$54 million on an expected \$62 million project. The City spent \$8 million instead of \$62 million because of hiring a qualified engineer. Another engineer spoke about how HB 4127 will negatively impact her small business.

**SOLUTION:** An interim workgroup to discuss issues of concern and prepare for the 2019 session. ACEC commits to be an active leader in the workgroup.

ACEC Oregon hears the comments of our local government clients and we look forward to working closely with them to find solutions to issues of concern. We are convinced this issue is too complex to identify the solutions during the short and frenetic 2018 session.

Thank you for your service and commitment to a better Oregon through quality projects using the citizen's valuable taxes as judiciously as possible. A NO vote on HB 4127-A will help ensure this is the outcome.

A final thought from an experienced public works professional, **"There is nothing as expensive as cheap design."**

5319 SW Westgate Drive, Suite 224, Portland, Oregon 97221

phone (503) 292-2348 ♦ fax (503) 292-2410

[www.acecOregon.org](http://www.acecOregon.org)

*Member of the American Council of Engineering Companies, Washington, D.C.*