



February 10, 2020

Representative Ken Helm, Chair
House Committee on Water

Subject: **Opposition to HB 4043** – Relating to materials for local water projects.

Dear Representative Helm and Members of the Committee,

We are writing today in opposition to HB 4043, relating to materials for local water projects. At its core, HB 4043 would limit or undercut local jurisdiction's ability to develop Design and Construction standards (DCS) to effectively manage public infrastructure. This legislation preempts DCS adopted by local jurisdictions when those DCS preclude plastic piping from the public bidding process. Hillsboro Water's DCS were intentionally developed to specify pipe material classes based on the purpose and location of use. For example, engineers may specify ductile iron pipes under roadways to ensure they are strong enough to withstand the weight of traffic. DCS are developed by the municipalities based on years of engineer and operator experience, including long-term operational and maintenance considerations as well initial installation design and cost. Understanding of local conditions of the environment and the material and condition of the existing distribution system as a whole are also critical aspects of DCS development. Removing the ability to specify pipes based on the judgement of an engineer could put public infrastructure at risk.

Supporters of HB 4043 claim it will "improve the public procurement process by allowing local governments to select the best suited building materials in water infrastructure projects." They further claim that many jurisdictions have "closed procurement processes" that act as cost drivers and are barriers to water infrastructure modernization. We respectfully disagree with that characterization.

There is open competition within pipe material classes. In other words, any vendor who wants to engage in the public bidding process with materials approved in our DCS is welcome and encouraged to do so. Even though Hillsboro Water's DCS preclude plastic piping as a class, nothing in current law prevents Hillsboro Water from including plastic piping in a bid package for a project that warrants it as determined by certified engineers. HB 4043 does allow local engineers final say on piping material for specific projects. However, through the preemption of categorical exclusions, local engineers will have to make that determination on a case-by-case basis, potentially adding significant new workload and administrative cost to Hillsboro Water operations with no discernable benefit and potentially risking the viability of critical infrastructure. HB 4043 could also put utilities in an unnecessarily difficult position by forcing the ultimate selection of more expensive material when required by the system. That could lead to increased pressure to accept bids for lower cost material when use of those materials is ultimately not in the ratepayer's interest.

In sum, HB 4043 preempts local DCS and restricts utilities ability to efficiently execute projects based on engineering expertise and system-specific needs. That, combined with the impact of creating unnecessary burden to sound procurement practices leads Hillsboro Water to oppose HB 4043 and ask members of the House Committee on Water do the same in the 2020 Legislative Session.

Thank you,

A handwritten signature in black ink, appearing to read 'Niki Iverson', with a stylized flourish at the end.

Niki Iverson

Director, Water Department