

## WILL FLINT OFFICIALS ADOPT A COMPETITIVE BIDDING PROCESS TO FIX THEIR PIPES?

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Federal disaster relief for Flint Michigan's water contamination could exceed one billion tax dollars before all is said and done. As that money is dispersed to solve Flint's water contamination, what steps are being taken to ensure this money is being used wisely? How are the taxpayers going to be reassured this money is not going to fund pet projects and crony capitalists?



It is no secret that corroded iron pipes were the main cause of lead poisoning. Is the local, state and federal government going to just replace the iron pipes with new iron pipes? Or are they going to open up the bidding process to fair and competitive bidding to include a variety of piping materials, which will allow the best quality and best-priced piping material to replace the old? The ductile iron pipe industry is known for its heavy lobbying and campaign contributions to elected officials and courting of public works directors and utility engineers, which serves to skew the bidding process in their favor in many municipalities in the United States. Given the current crisis in Flint, it is incumbent on every elected official to make sure all industries are considered in the rebuilding of Flint's water system, and not just the politically connected.

In nearby Burton, the city embraced open and competitive bidding on piping materials in 2012, which has helped to drive down costs and provide high-quality piping materials for residents. Burton, which was economically distressed when city leaders adopted open and competitive bidding, now stands as a model for Flint as to the benefits of open and competitive bidding.

An ALEC article published last year in *Public Works Magazine* discussed the benefits of the competitive bidding process and why making piping material costs more competitive is important:

Underground piping represents 60% of the total spending for water and wastewater infrastructure, according to the EPA. Further, the *American Society of Civil Engineers* estimates there are 240,000 water main breaks per year. So it would make sense to for elected officials to embrace open and fair bidding policies for water and sewer piping to help municipalities realize significant cost savings and ensures that public funds are spent more cost effectively.

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To ensure taxpayer dollars are spent wisely, the government should consider using *American Society for Testing and Materials* or *American Water Works Association* standards for all specifications or design criteria. The goal should be to construct a project at the best price and value for system customers and taxpayers.

The *U.S. Conference of Mayors* endorsed an open procurement and selection process in a 2013 report. "Procurement habituation in pipe material consideration combined with a failure to take advantage of the open bidding process impedes competitive cost savings," concludes *Municipal Procurement: Procurement Process Improvements Yield Cost-Effective Public Benefits*. "Closed processes lead to unnecessary costs and may diminish public confidence in a local government's ability to provide cost effective services."

[Then-] Indianapolis Mayor Greg Ballard echoed similar sentiments in the *Spring 2012 issue of the Mayors Water Council*.



The American City County Exchange has created model policy for local governments to use to create a system of open and fair competitive bidding. It is the intention of the resolution to ensure that all proven and acceptable piping materials be included in all bids for water and wastewater projects. This promotion of free competition will ensure limited government resources are being used to the greatest advantage. The goal is to construct a project at the best price and best value for system customers and taxpayers. Click here for *The Open and Fair Competition Resolution for Municipal [or Local] Water and Wastewater Projects*.

Hopefully Flint officials will take steps to protect their citizens from future crises by not continuing the status quo.



**Councilman Jon Russell is Director of the American City County Exchange, a branch of the *American Legislative Exchange Council* that advances limited government and free market principles in local government through model policies, conferences and online collaboration. He is Town Councilman in Culpeper, VA where he sits on the Finance Committee and serves as Chairman of the Public Safety, Community Development and Public Works Committees. E-mail [jrussell@alec.com](mailto:jrussell@alec.com).**