

Appropriations Committee
Friday, February 26

House Bill 6439: AN ACT CONCERNING THE STATE BUDGET FOR THE BIENNIUM ENDING JUNE THIRTIETH, 2023, AND MAKING APPROPRIATIONS THEREFOR

Senator Osten, Representative Walker, Senator Mixer, Representative France, and members of the Appropriations:

My name is Ned Statchen; I am a past President of the P-4 Bargaining Unit and a member of the CT State Employees Association – SEIU Local 2001. I am also a Transportation Engineer 3 with 35 years at the Department of Transportation. I started in Bridge Design and then transferred to our Bridge Safety and Evaluation Unit where I supervise a State Bridge Inspection Team. I have also worked as a liaison to Consulting Engineering Firms doing bridge inspection work for DOT. This is my personal testimony, not as an official representative of the Department.

As the Committee starts to consider the Transportation Budget, the question always comes up: is there anywhere we can find savings. One area where there are savings available is using less Engineering Consultants and bringing more work in house. But we need to be able to hire more Engineers, Construction and Bridge Inspectors. It is such a long process to hire people. After the needs are determined in DOT, there is another level of approvals that have to come from DAS and OLR.

In Bridge Safety, there has been a steady and significant increase in the use of Consultants and we also have seen the costs for our unit increase significantly. DOT has been hiring some Engineers in the last few years but it is increasingly difficult to hold on to them, because with a little experience they can make more money on the outside. The same is happening with Maintenance where many new hires have left after three to six months. When they realize all the additional costs coming out of their paychecks that were pushed on them to pay for the existing retirees expenses, there's not much left, so they leave.

We have hired more consultants and we continue to give them more of the work with the full understanding that this is the more expensive option. In the past, we used our Consultants to inspect our largest and most complex bridges, now they do that work and everything else down to our simplest small culverts and metal pipes. But we still pay them the expert engineering rates that we negotiate for the Gold Star or Q-bridge. I am not advocating getting rid of Consultants because there are reasons to have them, but the taxpayers should not be incurring their high costs to have them do some of the simplest of structures.

Sometimes the consultants are not experts. On the Route 4 Improvements project through Farmington, I did a semi-final inspection on a small metal pipe culvert that replaced the original culvert. This is a final look at the work when the job is close to completion. Consultants designed this job and consultants handled the on-going construction inspection. I got there and entered the pipe through the inlet with water going in. There are floor baffles in this pipe that help control the flow of water in the pipe. As I did my bent over walk through, I found mostly partial pools of standing water. When I got to the outlet, it was bone dry with no water coming out of the pipe. There was a small pond of water at the outlet. I asked the Construction Inspector and the Contractor if they found it peculiar that water goes into this culvert, but nothing comes out. I dubbed it the "Magic Pipe" that makes water disappear. The truth was the joints in the pipe were leaking so badly, the water

would leak out and flow through the soil to the outlet pond. The problem is, if left like that it would eventually wash out Route 4 with a large sinkhole. I made them fix and seal the joints.

These Consultants don't even have to bid for the work like the contractors do, they just get "selected" and negotiate a price after, which includes a guaranteed profit margin. They also get to submit all their overhead costs for payment under Burden, Fringe and Overhead or BFO. We used to be able to limit and audit their BFO cost but we can't even do that any longer. Somewhere around 2005, the American Council of Engineering Companies, a massive lobby firm in D.C. that most of the Consultants belong to, was successful in putting language in the Federal Transportation funding bill that stripped CT and other States of its ability to put reasonable limits on their overhead costs. We don't even get to do our own audits of their overhead costs. Some of Connecticut's Budget problems are skyrocketing healthcare costs and the underfunded Pension. However, we always pay the Consultants their pension and healthcare costs, but the State remains underfunded.

I was overseeing one of our Consultants at that time when that change in the Feds Transportation bill was made. They were in very nice but reasonable office space on the Silas Deane Highway in Rocky Hill. Nevertheless, with no more limits on overhead, they moved to one of the new Luxury Office complexes off of I-91 in Rocky Hill with much more space and the latest technology and there was nothing we could do about it but pay the bill. They even had a grand opening to show it off, I don't think they realize or don't care that taxpayers have to pay for this.

Moreover, every time a new Federal Transportation Funding Bill comes around, the ACEC tries to put in language that requires or adds incentives for States to use more consultants. They want rules that say the Feds will give you more money if you agree to do the work using Consultants. We and other Unions have to remind our members of Congress that you are not getting more money if you have to pay more money for the same work. The National Association of State Highway and Transportation Unions (NASHTU) was successful in convincing Congress to remove that type of language.

The costs of consultants continue to escalate for bridge inspection and all and Engineering work. It will only get worse if they know we no longer have any State Inspectors or Engineers to "compete" for some of that work. In these tough economic times, the General Assembly really has to make sure State Agencies are using their money wisely and getting the most for the taxpayers. Thank You.

Ned Statchen / CSEA – SEIU Local 2001 / CT DOT – Bridge Safety and Evaluation.

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