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**Neutral Testimony on HB 2588
House Appropriations Committee**

Chairman Waymaster and Members of the Committee,

Thank you for the opportunity to submit testimony on behalf of Bridges Inc., a small bridge contractor located in Newton, Kansas. Bridges Inc. employs fifty-seven employees.

We are neutral on HB 2588 which establishes the FORWARD transportation program. Although we are generally very supportive of transportation plans and have in the past advocated for improvements to our highway system, we cannot fully support HB 2588 as it is currently written. We believe it lacks adequate protection of funding and we also have concerns surrounding alternative delivery.

As you all are aware, over \$2 billion has been swept from the State Highway Fund since 2011. The result has been delayed T-Works projects, a decrease in preservation work, and a rapid decline in system health. If the legislature is serious about completing the next transportation program on time and keeping up with preservation needs, it is essential the transfers from the State Highway Fund end.

We commend the efforts of the legislature in recent years to gradually close the Bank of KDOT. However, in HB 2588 there is no guarantee that SHF money will not be swept to finance other government programs in the future. We recommend that the legislature find a way to protect the SHF from future sweeps. Doing this will ensure sufficient funding for infrastructure investments necessary to create a thriving economy.

Currently we are blessed to have a backlog of work that is the largest we have had in my nine years with Bridges Inc. With the backlog of work we currently have, we should be contemplating hiring additional crew members and investing in more construction equipment. Having a long-term transportation plan with funding safeguards in place to avoid the transfers we have witnessed in the past would allow us to have the confidence to make those investments.

We are also opposed to New Sec. 4 of the bill which allows for the implementation of alternative delivery procurement. We believe the current design-bid-build system which awards the contract to the lowest bidder is the most efficient procurement method that allows competition in the industry. Under an alternative delivery system, a select few large contractors could be awarded all the contracts, forcing smaller contractors to operate as subcontractors.

Without adequate protection of funding in Forward, large bonding projects utilizing alternative delivery would be used for major projects early in the program, jeopardizing preservation and smaller projects later in the program if revenues are swept.

In closing, thank you for the opportunity to submit neutral testimony on HB 2588 and express our thoughts about the bill. Although we support the efforts of KDOT to develop a new transportation plan, we cannot fully support the underlying bill without changes.