



**Senate Committee on Transportation
Testimony on A&M Efficiency Study- KDOT Recommendations
Presented by Eric Stafford, Vice President of Government Affairs**

Tuesday, March 15, 2016

Mister Chairman and members of the committee, my name is Eric Stafford, Vice President of Government Affairs for the Kansas Chamber. The Kansas Chamber appreciates the opportunity to testify on the Alvarez and Marsal Efficiency Study; specifically several recommendations under the Department of Transportation related to professional engineering services.

We are very pleased and applaud the effort by the legislature to invest in an outside firm to conduct an efficiency audit of state government to ensure state agencies are delivering essential services with the most effective use of tax dollars.

However, our legislative agenda approved by the Kansas Chamber's board of directors contains an item under our Government Efficiency section which states "Support outsourcing state government functions to the private sector while maintaining needed services and lowering the cost of doing business in Kansas."

The first item we would like to draw your attention to is Recommendation #3: Replace some outside design engineering contractors with in-house staff. A&M recommends KDOT hire 20 additional engineers and reduce the use of outside consultants. In our view, when the private sector can provide needed services to the public, the state should limit the amount by which it directly competes with the private sector. This recommendation directly conflicts with our legislative agenda by cutting back on the use of private companies.

Second, we would like to discuss Recommendation #1: The agencies should move to more aggressively consolidate operations and adopt best practices where possible. Within this recommendation, A&M suggests the state not adhere to the Brooks Act which means moving away from Qualifications Based Selection (QBS) of professional engineering services and adopting a price-based procurement process.

Our concern is that moving away from QBS would result in costing taxpayers more in the long-run by selecting a firm that doesn't bring the most efficient and innovative options to allow the state to maximize value and savings over the life of the project.



The Kansas Chamber, with headquarters in Topeka, is the leading statewide pro-business advocacy group moving Kansas towards becoming the best state in America to do business. The Chamber represents small, medium and large employers all across Kansas.

A&M suggests this policy change has been adopted by several other states. Our engineering members have informed us that four of the five listed states in the report actually do in fact have statutory requirements for QBS while the fifth still utilizes this procurement method even though they are not required to by state law.

Thank you for the opportunity to express our concerns on these recommendations and I am happy to answer any questions.