

Timothy Johnson

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Sent: Monday, February 12, 2024 4:55 PM
To: Timothy Johnson
Cc: Loughry, Mark; Van Parys, David
Subject: RE: HB2493
Attachments: Leavenworth County supports House Bill 2493.pdf

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Representative Johnson:

Good afternoon. Bill Noll, Leavenworth County Public Works Director, will be appearing before the committee on Wednesday, February 14, 2024 to testify on HB 2493. He will present both oral and written testimony. His written testimony is attached. If you need the County to submit his testimony in another manner, please let me know. We appreciate your assistance. Thank you.

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Leavenworth County supports House Bill 2493. As everyone here today knows, being fiscally responsible with tax payer funds requires open and transparent bid processes to occur. It's what is required statutorily by all other governmental entities and ensured by the Kansas Corporation Commission (KCC) oversight of public utilities. Because of a gap in statutes Rural Water Districts currently fall outside of both the statute and KCC oversight.

The relocation of water lines placed within and along our state's local roadways is an integral part of all roadway and bridge construction and rehabilitation projects. In many cases, it is the local government's responsibility to bear these costs as part of a local government construction project. When the water districts and their pre-approved no-bid contractors are allowed to dictate their fees and cost without any oversight or open bidding the local tax payers pick up the tab. For projects in Leavenworth County, this has resulted in over \$300,000 in tax payer funds being spent without any competitive open bidding process just in the last year. I cannot stand before you here today with any confidence or bid documentation to demonstrate that those taxpayer funds were used in the most efficient and proper manner available.

This House Bill is a badly needed extension of tax payer rights, and it is consistent with existing state law. KSA 19-214 states, "all contracts for the expenditure of county moneys for the construction of any courthouse, jail or other county building, or the construction of any bridge, highway, road, dam, turnpike or related structures or stand-alone parking lots in excess of \$25,000, shall be awarded, on a public letting, to the lowest and best bid." This statute and the proposed bill serves your state and is in the best interests of the citizens. It fosters broad based competition and seeks the best value and highest quality of goods and services being offered to the Districts their customers and often the taxpayers.

Many water district lobbyists, board members, managers, and operators will attempt to make the case that this legislation is burdensome. In our opinion protecting the public trust is worth the extra administrative step of bidding a construction project. Water districts are a natural monopoly as they are the only utility provider allowed by the KCC to provide a specific utility for a business or residence within a defined area. Their status as a monopoly is further solidified when the statutes allow the water district contracting rights not allowed to other publicly funded entities. Without an open and competitive contracting process, there is a perception and increased potential for the misuse of funds. There are no checks and balances in place under current state law, and we are asking our legislators to correct this through the passage of House Bill 2493

Local governments face many funding shortfalls, and the need to increase efficiency is ever present. This bill does exactly that. This House Bill is exactly the type of bill that should find bi-partisan support. It hits at the core value of every elected official in the state; ensuring that taxpayer funds are spent in a transparent, fair, and competitive contracting process.