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**Appropriations Committee  
February 25, 2015  
Department of Transportation Budget Public Hearing**

Senator Bye, Representative Walker and members of the Appropriations Committee:

We are testifying today to applaud Governor Malloy's transportation initiative and to highlight the fact that state employees can build our State's transportation system for significantly less than outside consultants.

This past fall the Department of Transportation performed a number of cost-effectiveness evaluations for consultant construction inspection contracts. Those documents showed that project inspection completed by in-house state employees could be completed in many instances at half the cost of outside consultants.

According to the documents, "Since the Department [of Transportation] routinely enters into many Consultant Construction Engineering and Inspection contracts impacting a significant amount of funding, it was decided to complete three Cost Evaluations for this type of service." The State performed those evaluations using historical data from inspection contracts in the small, medium, and large ranges. If state employees were used on more projects large and small, this cost-effectiveness evaluation showed massive savings from 36% to 52% could be achieved. For large projects, utilizing in-house state employees would save an estimated \$4.7 million dollars per contract according to the evaluation.

CSEA has been saying for years that privatization is a gigantic waste of resources, and the Department's own evaluations to prove our point. Connecticut could save millions by performing more work in-house if only the Department of Transportation wasn't so short staffed. CSEA estimates that if all construction projects had been performed by in-house state employees, Connecticut would have saved \$50 million dollars in 2014.

However, the State's evaluation highlights understaffing as a serious obstacle to obtaining these savings, "The length of time required to establish and fill in-house positions related to this work would be lengthy and would likely jeopardize the federal funding used to fund this work which must be obligated within a specified period of time."

CSEA would like your commitment to work together to bring the staffing at the Department of Transportation to the appropriate levels. We should never be forced to waste tax dollars on outside inspection consultants due to short staffing. We are pleased to see the Administration's commitment to hiring 165 employees by the Department over the biennium. We do feel however that more should be done to ensure the Governor's vision is realized.

Thank you for your time and attention.

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