

## TESTIMONY IN SUPPORT OF HOUSE BILL 6739

Presented To: Joint Standing Committee on Transportation Public Hearing

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Good morning, Mr. Chairman and members of the committee. Thank you for the opportunity to testify today. My name is John Stelmokas and I work locally here for Advanced Drainage Systems (ADS), Inc. Founded nearly 50 years ago, ADS is the world's largest manufacturer of corrugated high density polyethylene (HDPE) and polypropylene (PP) pipe. ADS globally operates 58 plants, and 29 distribution centers. Locally, we have an engineering support office in Rocky Hill, CT.

I am here today to testify in support of House Bill 6739 – *"AN ACT CONCERNING SPECIFICATIONS FOR PIPES USED BY THE DEPARTMENT OF TRANSPORTATION."* There are two primary components that would be required with this bill:

1. All technically qualified pipe materials must be competitively bid
2. The Department must use established national standards to qualify the design and construction of pipes.

I would like to briefly describe why we believe these two requirements would be beneficial for the taxpayers of Connecticut, the Pipe Industry, and the Connecticut Department of Transportation.

Competition benefits everyone. By allowing contractors to bid on alternate drainage materials that meet required project performance criteria, the Department would reduce costs, improve quality, and foster innovation in the form of new products and services, spurring economic growth. Typically, total installed costs are 10-30% higher when only one material is specified versus bidding two or more competing materials. As an example, from 2012 to 2014, Virginia DOT spent an average of \$7.9 million annually in total installed costs for storm drainage pipe. For 15"-30" pipe bid on Virginia DOT projects, average bid prices were 21% to 57% higher when concrete pipe was bid exclusively versus when alternative materials were allowed. In pipe diameters greater than 30", the cost differential was even higher. In addition, the pipe industry has experienced significant consolidation over the last 15 years, further reducing competition in some regions of the United States, including New England. Bidding multiple types of pipe is needed to keep a competitive environment. So what does this mean for the State of Connecticut? During the 2015 fiscal year, Connecticut DOT is projected to bid more than 90 projects at an estimated \$525 million in contract value. The installed cost of drainage pipe usually represents about 1% of the overall construction spending budget, which for ConnDOT would be over \$5 million. As such, ConnDOT would likely save over a million dollars annually with increased competition in pipes.

For competition to be truly fair and effective, it is very important that the selected materials be qualified based on sound engineering principals. The Department should have the autonomy to set material performance criteria based on specific project conditions. However, we believe that the guidelines for these decisions should be governed by established engineering standards. The AASHTO material, design, and construction standards referenced in this bill have been vetted and set by the foremost engineering experts in the transportation industry, with the intention of providing 50 to 100 year design service life. In fact, many materials, including thermoplastic pipes such as HDPE, PP and PVC, have demonstrated the ability to achieve 100-year Design Service Life performance in nationally recognized testing protocols such as the Florida Department of Transportation specifications. For Connecticut, these standards will increase the reliability and performance of the state's culvert pipes and storm drains. In particular, they include increased requirements for construction practices and post-installation inspection, which will maximize the long-term performance of the pipe and help reduce maintenance costs.

Today, the vast majority of the pipe bid and used by Connecticut DOT is reinforced concrete pipe (RCP). Although RCP is a good product and historically been the most common pipe used in roadway construction, there are many other materials available which can provide outstanding performance in similar applications. For instance, thermoplastic pipes manufactured from HDPE, PP, and PVC have been vetted and approved by all the major national associations and agencies including AASHTO, ASTM, FHWA, FAA, and US Army Corp of Engineers. State DOTs across the country use thermoplastic pipe extensively, including nearby states such as New York, Massachusetts, Maine, Vermont, New Hampshire, Pennsylvania, Delaware, and Ohio. For example, in New York, nearly 65% of the drainage pipe installed annually on state transportation projects is HDPE. This bill would appropriately open the avenue for these materials to be technically qualified and competitively bid.

We appreciate your time and thoughtful consideration to our comments. It is our belief that these recommendations take a balanced approach for the benefit of the residents of Connecticut to foster fair material competition without sacrificing your engineers' autonomy to make specific choices based on engineering principals. This also allows pipe manufacturers to compete on a level playing field when established engineering principals indicate that a material demonstrates the structural and durability requirements of a project.

Thank you for allowing me this opportunity to speak. I am happy to answer any questions that Committee Members may have.