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Column: Smart investment in infrastructure needed

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There's no denying Michigan's core infrastructure is in desperate need of investment. But rather than working to upgrade and maintain these aging systems in a fiscally responsible way, some local governments are artificially inflating the cost of projects in their jurisdictions. This needs to stop.

From roads and bridges to water and sewer lines, experts estimate that Michigan needs to invest \$4 billion per year to improve and update Michigan's infrastructure and spend over \$1 billion of that on fixing water lines.

Rather than ensuring that money is spent wisely, some local governments have passed closed competition ordinances which only allow municipal water projects to be done with iron pipe, slamming the door on other cost-effective and even superior materials.

For decades, Michigan's water infrastructure has consisted exclusively of one type of material: ductile iron. Technology has advanced and new piping materials are available that are cheaper and, in some circumstances, better than what has been used previously. Some local units of government even passed ordinances that require these pipes to be bought from specific manufacturers.

The fact is that cities and townships with closed competition ordinances have higher costs than ones with open competition by about 30 percent. The average cost to replace 12-inch water pipes in a closed system is \$84 per foot. With open competition, the average cost is \$63. This is a savings of more than \$100,000 per mile. Without raising taxes by one penny, the cost to taxpayers to provide them with the water infrastructure they deserve could be reduced by \$300 million.

Engineers should have the freedom to choose the best material for the project. But not allowing an engineer to consider more cost-effective approaches is irresponsible.

An example of the benefits of open competition and innovation can be found in the city of Burton, Michigan. When Burton was looking for ways to replace 19 miles of 90-year-old ductile iron pipe, it got creative and looked to innovative options to keep costs down without sacrificing quality. When an engineer suggested alternative pipe material for their project that could save the city millions of dollars, the mayor of Burton's interest piqued. Unfortunately, Burton was in Genesee County, which had a closed competition ordinance requiring all water infrastructure products to use only ductile iron pipe.

This was quite a surprise to the mayor of Burton, the city's engineer, and residents. Even though it took two years and considerable effort, the city of Burton received a waiver from the county and was able to proceed with its project and save the city's taxpayers millions of dollars.

Local units of government with ordinances prohibiting competition need to eliminate these barriers to investment. Other states and countries have embraced creative, yet responsible, solutions to their infrastructure challenges. So should Michigan.

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