



**HB 501**  
**Proponent Testimony**  
**Senate Local Government and Elections Committee**  
**December 6, 2022**

Chairwoman Gavarone, Vice Chairwoman O'Brien, Ranking Member Maharath and members of the Senate Local Government & Elections Committee, thank you for considering this testimony on behalf of the Coalition of Ohio Regional Districts (CORD) in support of HB 501. CORD is a non-profit association established to assist, protect, and advance the interests of Ohio's regional water and sewer districts, also known as "6119 Districts" since they are established under Chapter 6119 of the Ohio Revised Code. 6119 Districts provide potable water, sanitary sewer, and storm water services to over 1 million customers in the State of Ohio.

This testimony is specifically focused on AM 3741, which is being considered to HB 501 that would increase the competitive bidding threshold for local governments, including regional water and sewer districts, from \$50,000 to \$100,000.

Competitive bidding thresholds for regional water and sewer districts have not been increased since 2012. Since that time, all local governments have seen significant increases in the cost of projects, including the cost of labor, materials, supplies, and machinery. A project which, just a few years ago, would have cost \$50,000 or less now costs much more, and in some cases, twice as much or more. As such, just to keep pace with and achieve the same level or type of project which was previously possible, the competitive bid threshold needs to be increased. The process of competitive bidding can be time consuming and expensive as engineering firms often need to be hired to prepare the bid specs and assist with bidding the project. Additionally, with lower-cost projects and the current volatile market, systems are more likely to receive bids that significantly exceed the Engineer's Opinion of Probable Construction Cost (EOPCC), which forces further delays as the project needs to be rebid when this occurs. This added time and additional expense can be especially onerous on smaller systems, and in some cases, can jeopardize the future of the project. Increasing competitive bidding thresholds are necessary to keep up with growing costs and will also improve operational efficiencies for local governments.

On behalf of CORD, I would like to thank you for considering my testimony today. We would urge your support for the changes to the competitive bidding thresholds in AM 3741.

Sincerely,

John B. Albers  
Coalition of Ohio Regional Districts (CORD)  
Executive Committee Member