

Open Competition for Our Nation's Infrastructure: What Policy Experts are Saying

Cities and towns throughout America are scrambling to find solutions to deal with rapidly deteriorating infrastructure. The ever-growing must-fix list in municipalities across the country can come with a hefty price tag. Several recent reports explain how a simple change to procurement policies for project materials can help communities stretch resources without compromising performance.

The following excerpts from those reports provide a helpful overview of what policy experts are recommending.



Report: [Four ways to make wiser infrastructure investments - July 2018](#)

...closed material procurement can undermine public support for infrastructure....As the Conference of Mayors report concludes: "Closed procurement processes lead to unnecessary costs, and may diminish public confidence in a local government's ability to provide cost effective services."

Open source contracting promotes competition and innovation. Transparency in the material selection process is important to maximize these goals. ...Transparency in procurement selections and integration of widely used and easily measured levels of performance is a realistic goal for infrastructure providers.

Solutions in this space are straightforward. A Competitive Enterprise Institute's report states: "Opening up the bidding process under the principle of 'may the best technology win' will go a long way to improving the quality of the nation's underground water infrastructure in a [cost-effective fashion](#)." Specifically:

- Infrastructure projects should be bid using open materials to the maximum extent practical. This may involve updating procurement manuals or standard operating practices as suggested by the Conference of Mayors report. It may involve passing federal legislation such as the Municipal Infrastructure Savings and Improvement Act[19] that empowers engineers to determine eligible construction materials.
- Infrastructure bids should be evaluated along consistent methodology that allows for financial comparisons between different materials. This should include life-cycle analysis of both construction and maintenance. It should also take into account environmental factors, including reasonable predictions regarding future environmental changes.
- Federal, state and local lawmakers should remove legacy language that requires specific technology and instead adopt broader language articulating performance goals.



BIPARTISAN POLICY CENTER

Report: [Increasing Innovation in America's Water Systems - August 2017](#)

One of the most frequently cited barriers to water innovation is the regulatory environment... [many] state-specific rules and regulations can make it difficult (or impossible) for systems to adopt new technologies. They also complicate the landscape for entrepreneurs and innovators looking to bring their products to market.

States and localities should conduct an audit of their existing regulations and look to eliminate or modify those that are hampering opportunities for innovation. The nation's fragmented regulatory structure prevents new innovations from being developed and can prevent proven innovations that are being effectively implemented in a different jurisdiction from spreading. Specifically, overarching state and local regulations have been implemented to restrict specific contract structures, materials, and technologies from being analyzed and deployed, despite their potential benefits.



Report: [Soaring Construction Costs Threaten Infrastructure Push - October 2017](#)

Many cities, counties and municipalities have statutes on the books that limit the types of materials that can be used for infrastructure projects. ...A recent study found that municipalities limiting what kind of materials can be used in infrastructure projects are spending 27 to 34 percent more than municipalities that do not.

Local governments should allow more materials to be considered in infrastructure projects.

- For example, Michigan Senate Bill 157 and South Carolina House Bill 3652 would make certain that, when state money is used, all municipalities give their local engineers flexibility to consider different materials that meet approved performance standards used in water infrastructure projects.

Government has a key role to play in both driving demand and lowering costs. Governments can play a role by lowering regulatory barriers and adopting policies that catalyze increased investment in the sector. ...Equally important, governments must tackle the regulatory overhang that drives up cost. Smart regulatory improvement might be just the ticket for getting infrastructure moving again.