

SPEND STATE INFRASTRUCTURE DOLLARS EFFICIENTLY

Hire Engineers and Stop Outsourcing

PECG strongly believes that state infrastructure (transportation, water, energy, health care, and education facilities) **funding must be spent efficiently and cost-effectively.**

To cost-effectively deliver the infrastructure projects taxpayers expect, state departments and agencies **should hire cost-effective state engineers and related professionals** instead of wasting money on outsourcing. Just as one example, Caltrans currently **wastes over \$115 million each year** by awarding no-bid contracts to outsource **nearly 1,200 engineering positions to consultants at a rate that is over \$100,000 more per year than hiring a state engineer** to perform the same work.

The State of California should continue to hire cost-effective state engineers and stop wasteful outsourcing.

In the 2023-24 state budget, a fully loaded **Caltrans project delivery position costs \$185,000** per year, while a consultant performing the same work is **budgeted at \$287,000 annually.** **Other state departments and agencies also continue the wasteful practice of outsourcing** state engineering work at costs that are often two or three times more than hiring state staff.

PUBLIC-PRIVATE PARTNERSHIPS (P3s)

In the Public Interest

PECG has long opposed P3s because they have proven to **waste critical tax revenue**, allow **contractors to inspect** their own work, and often **leave taxpayers on the hook** to cover cost overruns or buy out failed projects. Due to the many failures, California's P3 legislative authority was allowed to expire in 2017. However, that has **not stopped multi-national corporations and privatization profitters** from continuing to advocate for the return of P3s. If the state considers reauthorizing P3s, **common sense public interest protections must be built into** the legislation:

- Construction inspection and other key functions** must be performed by the responsible public agency to protect public safety.
- A **cost-benefit analysis** should be performed prior to awarding a P3 contract.
- Non-compete provisions** that prevent safety and other improvements to adjacent state highways must be forbidden.
- Existing **transportation revenues must not be used** to make availability or other payments to private concessionaires.

These measures will **help to protect the interests** of Californians and save tax dollars.

In 2019, the Sacramento Bee reported that California's most recent P3, San Francisco's Presidio Parkway, "is more than two years late and \$208 million over budget."

INVESTING IN CALIFORNIA'S FUTURE

Climate Resilience and School Facility Bonds

On the job, PECG members play **a significant role in reducing greenhouse gas emissions** and in adapting state infrastructure to the damaging effects of climate change. That is why PECG **supports a climate resilience bond** that will fund critical improvements to **provide safe drinking water, coastal and flood protection, groundwater sustainability, drought mitigation**, and countless other improvements made necessary by a warming climate.

While California faces a budget deficit this year, we **cannot wait to approve a bond that will support investments** to reduce the threats of climate change.

PECG **also supports a school facilities bond** to help build and retrofit **K-12 and community college projects** throughout our state. The **last school bond was passed in 2016** and those dollars are spent or will soon be allocated to projects. California cannot wait to provide safe and modern school facilities for students.

PECG urges legislative support for climate resilience and school facility bonds in 2024.



ENGINEERING CALIFORNIA'S FUTURE

*Designing Projects for Today...
and Generations to Come.*

Transportation • Hospitals • Schools • Energy • Water

PECG

The Professional Engineers in California Government (PECG) provides representation on employment and professional issues for over 14,000 state-employed engineers, engineering geologists, land surveyors, architects, landscape architects, and related professionals.

PECG MEMBERS

**Cost-Effective, Timely, Quality Engineering
and Related Services**

PECG members design and inspect California's infrastructure, improve air and water quality, and develop clean energy and green technology – for today and generations to come.

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