

A Compelling Offer

Considering Flint, Mich.'s
reaction to free plastic piping

By Bob Ferguson



There have been a lot of articles and news reports written about the situation in Flint, Mich. I won't comment on the specifics of what happened and how Flint got to where it is now—there has been plenty written about those issues.

I do want to comment on one specific issue that is occurring at the time of this writing.

In June, Flint put out a Request for Proposal (RFP) for replacement of some of the service lines that are believed to be the major sources of lead in the city's water. This RFP is believed to be the first of many to come in the process of cleaning up the city's water system.

The total cost of the service line replacement project is estimated at as much as \$200 million, based on a report released in April of this year. Flint has reported that it has \$2 million from the state of Michigan to get the project started and it expects another \$25 million from the state to continue the project. Flint also has received an additional \$125 million from the Mott Foundation, but this money is earmarked for children and social recovery services and Mott has said that it is not able to fund the replacement of pipes.

Flint has, however, received an offer from a plastic pipe manufacturer, JM Eagle, for the provision of the pipes that would be needed to replace all of the service lines in all commercial and residential connections. In February of this year, Walter Wang, CEO of JM Eagle, made the offer to Flint City Council that his company would provide all piping needed for this project free of charge. The city of Flint, as of the time of this writing, has not taken up JM Eagle on its offer.

One reason is that Flint's plumbing code does not permit the use of plastic piping. In the RFP released in late May for the bid due in June, the city specified copper piping, and copper only, for the project.

Copper is far more expensive than plastic materials. And with the piping material potentially being provided for free, the price of copper is infinitely higher. Why, then, would the city of Flint, which has publicly commented on its budget challenges—reportedly facing a budget deficit of more than \$400 million—and which, some would argue, got into its current situation due to a budget crisis (perhaps

more accurately, poor decisions made in response to a budget crisis), turn down an offer that *Plastics News* has reported could save it \$60 million or more?

JM Eagle has a history of these types of charitable donations. The company highlights several of them on its website, including donating 400 miles of piping to eight countries in sub-Saharan Africa and about 9 miles of piping in Santa Cruz, Honduras.

I have read several critical comments about JM Eagle's offer, namely that the company only made it for "public relations" reasons. I don't know JM Eagle's specific motivations, but if it is indeed its goal to do this for good publicity, so be it. The city of Flint gets perhaps \$60 million in badly needed replacement piping and service lines and JM Eagle gets some good press. Doesn't sound like an unreasonable deal to me.

Others have argued that Flint should be wary due to the issues surrounding the whistleblower lawsuit that JM Eagle has been involved in over the past few years. I have some knowledge of the details of that lawsuit, having personally been involved as an expert witness. And while the details of that case are complicated, the issues therein all arise from materials that were produced more than 10 or 20 years ago. The case was not about the products being produced today.

The city certainly would require that any products being supplied were certified to meet the current standards. Furthermore, although not necessary, if it had any additional concerns and wanted a "belt and suspenders" approach to defray critical comments—particularly in the highly politicized environment it is unfortunately operating in—it could ask NSF Intl. in Ann Arbor for a program to include additional inspections and testing to assure any critics of the suitability of the products being used. NSF not only is the organization responsible for the National Plastic Plumbing Standards, but it also is a local Michigan company. Again, in full disclosure, I have some idea how something like this may work, having also been the vice president in charge of NSF's water programs for a number of years.

I should state that I do not have any connection to the plastic pipe industry and no personal preference of one piping material over another. I recognize that each type of material has its advantages and disadvantages and should be evaluated as such. I also recognize that the city of Flint has specified copper for this work and has not previously allowed plastic pipe materials to be used. Any use of plastics would be a change of policy for the city and, of course, an argument could be made that any exceptions in an established process and established bidding rules open up the potential for other special treatment. But I would argue that the lid is already off in this case and much of what will happen in Flint will be a "special case."

As you read this, it is August and my expectation is that the city already has awarded contracts for the first phase of service line replacements using copper piping. But I understand that the additional phases are not yet budgeted and there may still be an opportunity for the city. It should at least consider the prospect of free or less-expensive materials and give the offer thorough vetting and a fair chance. It is approaching these replacement projects in the way that it always has and taking a "business as usual" approach. Considering where it is and how it got there, perhaps that is as good a reason as any to take a look at alternatives. **w&wd**

Bob Ferguson is managing director of Strategic Diagnostics Inc., a market analyst and advisory company in industrial diagnostics (including water, sanitation, food, pharmaceutical microbiology and laboratory services) for more than 20 years, and a frequent author on water, diagnostics and environmental issues. Ferguson can be reached at bobferguson.wwdmag@gmail.com, or follow him on Twitter @SCI_Ferguson.