

Committee on Natural Resources
Subcommittee for Indigenous Peoples of the United States
Remote Oversight Hearing -Cisco WebEx
April 21, 2021
10 a.m.

Oversight Hearing on “Infrastructure in Indigenous Communities: Priorities for the American Jobs Plan”

Questions from Rep. Westerman for Ms. Megan Alvanna Stimpfle, Self Governance Liaison, Norton Sound Health Corporation

1. In your testimony you stated that in Alaska, it can take 5-10 years to connect water and sewer systems to an unserved communities, costing \$350,000-\$750,000 per home.
Question: Can you describe how project delays, due to regulatory or other reasons, increase construction costs?

Answer from Megan Alvanna Stimpfle:

According to David Beveridge, PE,PMP Interim Senior Director of the Division of Environmental Health and Engineering at the Alaska Native Tribal Health Consortium “delaying a water/sewer construction project for a year, whether due to regulatory or other reasons, increases project costs from 10% to 25%. The range of cost increase is mostly closely correlated with what phase of the project the delay occurs.” He further states, “If the delay occurs before pre-planning, material takeoff and equipment mobilization occur, project cost increases should be near 10%, mostly due to inflation of material prices. Materials for water/sewer construction projects have increased in price from 20% in electrical components, 50% for plumbing components, and over 100% for lumber in the last year, increasing most overall construction project costs by 10% or more. The further along in the project planning, material takeoff and equipment mobilization phases, the more costly the delays will be. This could increase the cost by up to 25% for smaller projects as many of these expensive efforts will need to be completed again upon actual construction startup.”