## Ohio Contractors Association



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> Testimony of Chris Runyan, President Senate Transportation Committee House Bill 23 – Transportation Budget March 8, 2023

Chair Kunze, Vice-Chair Reineke, Ranking Member Antonio, and members of the Senate Transportation Committee, my name is Chris Runyan, and I am the President of the Ohio Contractors Association. Our association represents 200 active contractors and 300 associate members who provide materials and other services for the heavy/highway construction industry in Ohio.

I come to the podium today in support of House Bill 23 and specifically the provisions related to force account limits. These limits address the scope and amount of work being performed by a county engineer's employed workforce. Caps have been in place since the mid-1970's and have been defined using monetary parameters. The changes proposed in House Bill 23 would define these caps in terms of what is referred to as "scope of work." Scope of work is a defined measurement of the work that would be performed by county forces. Think along the lines of length of bridge; span of culvert; size of pipe; length of paving; square yards of roadway widening or chip & seal paving or concrete pavement repair.

This concept for defining limitations is a major paradigm shift from the current way of doing business. It was first adopted by ODOT nearly eight years ago. When the subjectivity of dollars is no longer in the equation for defining work limitation, factors such as inflation and force account assessment forms are no longer factors. The controversies related to defining caps via dollar amounts are now moot in favor of caps that are very narrowly defined and easily auditable.

The scope of work types being proposed are based on activities the private sector is most engaged in when looking for bidding opportunities for county engineer's work. They are:

- Constructing, replacing, or widening a bridge or replacing the superstructure of a bridge or replacing a concrete bridge deck based on the length of the bridge.
- Constructing, replacing, or lengthening a pipe or series of pipes based on the size of the pipe.
- Constructing, replacing, or lengthening a culvert based on the span of the culvert.

- Paving the full width of a road based on how far the full width paving can be performed.
- Widening a road based on the square yards of widening taking place over a lane mile of road length.
- Chip & sealing a road based on how many square yards of chip & seal are done in a mile of road.
- Repairing a section of concrete pavement based on how many square yards are performed per lane mile of roadway.

If a work activity is not included on that list, the county engineer would then be free to perform that work activity with no monetary or size limit. If a bridge deck needed a repair due to a localized failure or some other component of the bridge needed repair; if the edge of a road was broken down due to heavy trucks or farm equipment; or any other maintenance or repair was required, even on structures above the statutorily stated cap, that work could be done without regard to cost. This concept would give maximum flexibility for counties to do the maintenance and repair work they must do to keep their highway system in good repair yet provide secure work opportunities for, primarily, small to mid-sized companies, both majority-and minority-owned, to competitively bid and secure work. This concept clearly identifies where the line is between being a contractor and providing a system maintenance function.

My hope in adopting this dramatically different way of thinking is that we will not have to continue to debate this matter every two-to-four years, or for many years to come, if ever, at least on the basis of cost. Would it keep the counties from asking for expanded work capabilities or the contractor community saying government is taking away too much work from the private sector in the future? There is no definitive "yes" or "no" to either question. But the premise of debate would be much different than focusing on the rise and fall of inflation or whether the dollars count toward a monetary cap or not.

When I think of the debate surrounding force account limits, I go back to a passage from the State of Ohio Report of Department of Highways for the Years 1917 to 1928. To paraphrase, those in charge of force account activities are only human and endeavor to promote their own operations farther and farther because they believe in their own abilities and naturally desire to handle larger and larger work. Curbing that tendency must be remedied by orders from the top down, for they never will be corrected from the bottom up. That observation remains valid to this day. I ask that the scope of work language be retained so that a new, better-defined way of separating construction work and work that maintains and repairs can be undertaken.

Thank you for the opportunity to address the Committee today and I would be happy to answer any questions you may have.