



Douglas E. Cade, PE, PS
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To: Joint Committee on Force Accounts

From: Douglas E. Cade, PE, PS

Date: April 27, 2021

RE: FORCE ACCOUNT Limits Increase - SUPPORT

County: Hancock

Budget: \$ 6.79 million

I write in support to increase the County and other local government force account limits. This will allow our County workforce to construct projects that are within our capacity to more efficiently utilize the existing financial resources that we have been given to maintain our local roads and bridges.

As may have stated, the last time local Force Account Limits were increased was 2003 and several aspects of construction have changed since that time, namely the cost of labor, equipment and construction materials. In fact, the National Highway Construction Cost Index has increased by over 96%, while the Force Account Limit has seen no increase. We have worked hard to be as efficient as possible and work within the limits that were given to us in 2003, but with construction and material cost inflation, we have gradually reduced the size of project that our team members can undertake. This reduction has gotten to the point that we cannot build a 20-foot bridge or widen 1-mile of narrow rural roadway without exceeding these limits.

For example, we have been working with ODOT to improve safety at intersections along State Route 15 east of Findlay. As part of those safety improvements, we are directing traffic from the small local roads to the nearest interchange along narrow County and Township Roads. We had planned to undertake some of these widening projects, but when putting the required Force Account Estimate together, we found that we exceed the \$30,000 per mile limit. This means that we are required to develop a full set of plans, advertise, bid and contract the project that lengthens the time to get the project constructed. In this particular example, the estimated cost to bid the project is \$132,430. If we were to utilize our own team members to construct this 4-day project, it would cost \$49,658, with only \$8,729 being our labor cost and \$40,929 in materials.

Another example is a project that is being bid near the Village of Vanlue in Amanda Township at a cost of \$268,910 to construct simple cul-de-sacs. The Township could have under taken this project at a cost of \$94,754 and significantly saved the taxpayers the cost of the project and nearly a year of design and construction to build this simple safety improvement.

Project Name	Local Force Account Cost	Time (Start to Completion)	Contract Cost	Time (Start to Completion)
Amanda TR 198 Cul de Sac	\$94,754	2 Months	\$268,910	20 Months
County Road 172 Widening	\$49,568	4 Months	\$132,430	12 Months
Portage TR 137 Bridge	\$204,762	6 Months	\$319,233	15 Months
Union TR 41 Widening	\$38,000	2 Weeks	\$70,940	5 Months

I have many other examples of projects, both roadway and bridge, that we have had to defer over several years due to the limits that were place on projects in 2003. We are not in the business of taking work away from construction contractors, but we are in the business to utilize the tax dollars that we have been given to maintain and improve our rural roadway system. We will continue to competitively bid our nearly \$3.8 million resurfacing program that is done cooperatively with the 17 Townships in Hancock County and bid out nearly \$1 million in bridges that we are responsible for on the County and Township Road system. With this proposed Force Account Limit increase, we will utilize our 23 team members to widen our narrow rural roads and build single span bridges that contractors cannot cost effectively construct due to their small size and small profit margin to construct.

We need this Force Account Limit Increase to allow our County to efficiently utilize the resources that we are given and stretch those dollars to continue to maintain and improve our local road and bridges, while still utilizing contractors for those projects that are beyond the capability and size of our team members.

I ask for your support to increase the County and other local government force account limits.

Respectfully,



Douglas E. Cade, PE, PS
County Engineer