



COUNTY ENGINEERS ASSOCIATION OF OHIO

Senate Transportation Committee
Dean Ringle, P.E., P.S. Executive Director
FORCE ACCOUNT limits increase – SUPPORT
March 23, 2021

Chair Kunze, Vice Chair Reineke, Ranking Minority Member Antonio and members of the Senate Transportation Committee, Good morning, and thank you for the opportunity to provide support testimony for Sub. House Bill 74 – Force Account Limits Increases.

Force Account work occurs when a road or bridge project is conducted by a public office using its own labor, material and equipment. The last time force account limits were updated to reflect the cost of doing business was in 2003. The changes in the force account law were part of an overall plan to provide increased funding for state and local transportation projects, and to improve the use and expenditure of those funds. HB 87 (2003) was supported by all major transportation organizations, including the organizations representing public entities.

The county force account section of law is contained in RC 5543.19. The section is applicable to all work on roads, bridges and culverts. The use of the county force account is not limited to county roads, bridges and culverts but may be applicable to any road, bridge or culvert on which the county is authorized to work.

Need for Force Account Limits Increase

The term “Force Account” can mean several things, including work done by contractors outside their original bid, however in the current context of this amendment it is the ability of local branches of government to utilize their own personnel to complete various roadway and bridge projects. It has been a long-standing practice to have government forces utilize their own workers to perform smaller size projects, letting the medium size and large projects be tackled by private sector contractors. In 2003, limits were established on what defined the difference between small and medium size projects. For the next 18 years, with no indexing or steps to adjust those costs, inflation and cost of living has eroded what can be built with local forces.

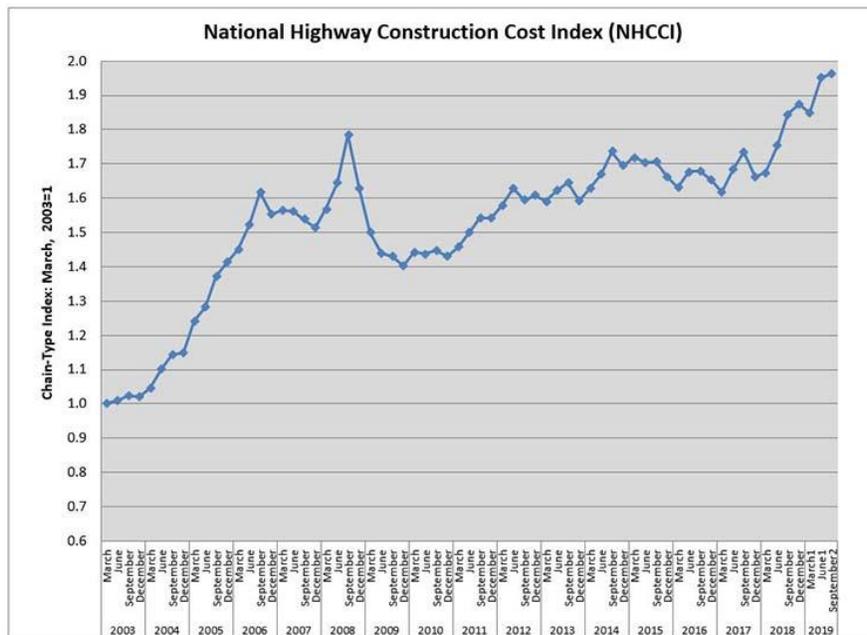
Reasons For Using Force Accounts:

- 1) Typically lower in cost, less complex projects
- 2) Reduced local mobilization costs
- 3) Reduced Maintenance of Traffic
- 4) Ease of local crew interaction/integration; familiarity with local roadways and conditions
- 5) No contractor mark-up/multipliers
- 6) County crew salary versus contractor rates
- 7) Substantially less paperwork
- 8) Opportunity for In-house CEI
- 9) Lack of competition resulting in unacceptable/ high bids
- 10) Project implementation is typically more timely

With budget constraints at all levels of government, it is imperative to get the greatest value for every transportation dollar the Ohio citizens investment. Material costs in construction have been incrementally increasing year over year. For the most part, rising material costs are out of everyone’s control.

According to the National Highway Construction Cost Index (it tracks material costs of highway construction in the construction industry) over the past 18 years the cost of doing business on roadway and bridge construction has doubled. This effectively means a bridge built by county forces in 2003 could have been up to \$100,000, but that same \$100,000 limit in today’s dollars is the equivalent of a \$50,000 bridge. And that only looks at material costs, not personnel costs which have continued to rise over these past 2 decades. We, the local governments, need to be able to build what we were able to build in 2003. This is not “project creep”, this is being able to continue building similar size projects as established by the legislature in the past.

It used to be that a road could be built for \$1 million a mile. Now that doesn’t even cover ½ a mile of roadway. A typical intersection project could now cost \$1-2 million. Small projects are now considered under \$500,000, medium projects are ranging from \$500,000 to \$2 million, and large projects are over \$2 million. Rebuilding projects like the Ohio Department of Transportation’s I-70/71 mega fix are into the hundreds of million dollars.



2003-2019 increase of 96%

Rural Counties

Ohio’s rural roads and bridges have significant deficiencies. When they are rated in poor/structurally deficient condition, it means there is significant deterioration to the major components of the bridge or road. Poor/structurally deficient bridges and roads are often posted for lower weight or closed to traffic, restricting or redirecting large vehicles, including agricultural equipment, commercial trucks, school

buses and emergency services vehicles. Many times, we are seeing a doubling of the cost on rural smaller projects that have to be let out for bid because they exceed the current Force Account limits in statute. Additionally, these smaller projects are not cost effective for private contractors. Worst case scenario, these rural counties cannot afford to pay more for the smaller projects – being forced into making the decision to not repair or update the infrastructure at all.

Example: Butler County’s New London Bridge #2.858 Pier Rehabilitation (End of testimony)

Local Government Workforce

Ohio law requires the County Engineer to be both a registered professional engineer and professional surveyor. In addition to the engineering responsibilities of the office, the County Engineer oversees the county Map Department which maintains the county tax maps, reviews surveys for property transfers and creates subdivision lot numbers and street addresses. County Engineers are responsible for 26,859 bridges and 29,088 miles of urban and rural roadways that are vital to the continued growth and prosperity of the state.

The men and women serving in local government are talented and trained to perform these tasks. Many of you have served in local government and know the professional abilities these workers have, and the pride they exhibit in putting public service first to the taxpayers. The county workforces are professional and well trained. We are NOT in the business of making a profit – we are in the business of being cost effective in the use of taxpayer’s dollars to build and maintain our transportation infrastructure.

CEAO is in support of ALL Ohio Force Account Limit increases:

DOTCD23 ODOT force account limits

Allows the ODOT director to proceed by force account on projects involving Installation of a drilled shaft retaining wall or driven pile retaining wall for landslide mitigation, provided all of the following apply: (1) The retaining wall does not exceed 5,000 sq. ft. in size, inclusive of the above and below ground height of the retaining wall; (2) any drilled shaft diameter does not exceed 24 in.; and (3) any steel beam used in the retaining wall weighs less than 35 lbs. per foot.

LOCCD11 Force account limits - unchartered municipalities, townships and counties

Increases the force account limits for highway projects undertaken by an unchartered municipal corporation from \$30,000 per project to \$150,000 per project.

Increases the force account limits for road projects undertaken by a board of township trustees in the following ways: (1) for maintenance and repair, increases the limit from \$45,000 per project to \$150,000 per project; and (2) for construction and reconstruction, raises the limit from \$15,000 per mile to \$150,000 per mile.

Increases the threshold for a required force account assessment form for township road projects as follows: (1) for a maintenance or repair project, from \$15,000 to \$50,000; and (2) for a construction or reconstruction project, from \$5,000 to \$50,000 per mile.

Increases the force account limits for highway and bridge projects undertaken by a county engineer in the following way: (1) for roads, raises the limit from \$30,000 per mile of construction or reconstruction to \$150,000 per mile of construction or reconstruction; and (2) for bridges and culverts, raises the limit from \$100,000 to \$300,000 for construction, reconstruction, improvement, maintenance, or repair.

In attendance today are your professional County Engineers from around the state. Will the County Engineers please stand up. Some will be verbally testifying before this committee, others have submitted written testimony. They are here not only for support but to answer any questions you may have.

The time is now. We are in total support of adjusting these force account limits for counties, townships and municipalities. Thank you for your time and consideration. We look forward to continuing to serve you and the public at large.