

# **Ohio Legislative Service Commission**

**Bill Analysis** 

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# **S.B. 210**

131st General Assembly (As Introduced)

Sens. Balderson, Eklund, Seitz, Yuko

## **BILL SUMMARY**

• With regard to a township road *maintenance or repair* project:

--Increases the force account limit, above which a project must be let to the lowest responsible bidder, from \$45,000 to \$90,000; and

--Increases the force account assessment form threshold, at or above which an estimate of the cost of a force account project must be completed, from \$15,000 to \$45,000.

• With regard to a township road *construction or reconstruction* project:

--Increases the force account limit, above which competitive bids must be received and considered, from \$15,000 to \$30,000; and

--Increases the force account assessment form threshold, at or above which an estimate of the cost of a force account project must be completed, from \$5,000 to \$15,000.

# **CONTENT AND OPERATION**

#### **Overview: force account limits**

With regard to highway projects, "force account" is a term used to describe the ability of a governmental agency to use its own labor force to complete a project rather than entering into a contract for the project with another party through competitive bidding. In general, if the estimated cost of a highway project is below the force account limit established by law, a governmental agency may use its own labor force and equipment to complete the project. If the estimated cost of a project is above the force

account limit established by law, the governmental agency generally must competitively bid the project. When proceeding by force account, a governmental agency is required to complete a force account project assessment form developed by the Auditor of State when the cost of a project exceeds a specified monetary threshold. A force account project assessment form is used to estimate the cost of a force account project.

#### Township road maintenance or repair projects

The bill modifies the force account limit and the force account assessment form threshold that are applicable to maintenance or repair projects on township roads. Under current law, if the project costs exceed \$45,000, the board of township trustees generally must advertise for bids and let the contract to the lowest responsible bidder (i.e. engage in competitive bidding). If the project costs are \$45,000 or less, the board may either enter into a contract without competitive bidding or proceed by force account. The bill raises the force account limit to \$90,000.<sup>1</sup>

If the board wishes to proceed by force account, under current law, the board is required to cause the county engineer to complete a force account assessment form when the project costs are \$15,000 or more. The bill raises the \$15,000 force account assessment form threshold to \$45,000.<sup>2</sup>

### Township road construction or reconstruction projects

The bill also modifies the force account limit and the force account assessment form threshold that are applicable to construction or reconstruction projects on township roads. Under current law, if the estimated project costs exceed \$15,000 per mile, the board of township trustees generally must invite and receive competitive bids. (Unlike above, the board may consider and reject the competitive bids and proceed by force account; however, if the board proceeds by force account, it must perform the work in compliance with the plans and specifications upon which the bids were based.) The bill raises the \$15,000 force account limit to \$30,000.<sup>3</sup>

If the board wishes to proceed by force account, under current law, the board is required to cause the county engineer to complete a force account assessment form

<sup>&</sup>lt;sup>1</sup> R.C. 5575.01(A).

<sup>&</sup>lt;sup>2</sup> R.C. 5575.01(C).

<sup>&</sup>lt;sup>3</sup> R.C. 5575.01(B).

when the project costs are \$5,000 or more per mile. The bill raises the \$5,000 force account assessment form threshold to  $$15,000.^4$ 

## COMMENT

The provisions in S.B. 210 are identical to provisions enacted in Am. Sub. H.B. 64 of the 131st General Assembly that were vetoed by the Governor.

### HISTORY

ACTION

Introduced

DATE

09-14-15

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<sup>&</sup>lt;sup>4</sup> R.C. 5575.01(C).