

Ohio House of Representatives

Finance Committee Chairman Ryan Smith February 25, 2015

Chairman Smith, Ranking Minority Member Driehaus and all members of the House Finance committee, my name is James Wiechart and I am the Mercer County Engineer and current Treasurer of County Engineers Association of Ohio (CEAO). Thank you for increasing the project threshold from \$1.5 million to \$5 million on which a county engineer can utilize design-build.

Design-build form of project delivery is a system of contracting whereby one entity performs both design/engineering and construction under one single contract. The selection process under design-build contracting can be in the form of a negotiated process involving one or more contracts, or a competitive process based on some combination of price, duration, and proposer qualifications. Portions of the overall design or construction work can be performed by the design-build entity or subcontracted out to other companies that may or may not be part of the design-build team. Increasing the utilization threshold for county engineers from \$1.5 million to \$5 million will not have an impact on labor agreements or prevailing wage because all projects that would utilize design-build option surpass the 2014 Ohio Department of Commerce threshold standard of \$84,314 for prevailing wage.

The following are the top three principal benefits in design-build:

- 1. Timeliness/reduce delivery schedule time to get the needed infrastructure rehabilitated/ replaced more quickly than a traditional process—this can be very important if you have an "emergency" project. This is a very important project delivery tool for County Engineers to have in their toolbox to utilize as is necessary with the circumstances we find ourselves facing.
 - a. Early contractor involvement that enables construction engineering considerations to be incorporated into the design phase and enhances the constructability of the engineered project plans. Many times in the past we have been the fortunate beneficiary of good or innovative ideas from contractors that have made a project better or more functional;
 - b. Fast-tracking of the design and construct portions of the project, with overlapping (concurrency) of design and construction phases for different segments of the project; and
 - c. Elimination of a separate construction contractor bid phase following completion of the design phase.
- 2. There are cost savings benefits to be derived when the two contracts are consolidated to one.
 - a. Communication efficiencies and integration between design, construction engineering, and construction team members throughout project schedule;
 - b. Reduced construction engineering and inspection (CEI) costs to the contracting agency when these quality control activities and risks are transferred to the design-builder;

- c. Fewer change and extra work orders resulting from more complete field data and earlier identification and elimination of design errors or omissions that might otherwise show up during the construction phase;
- d. Reduced potential for claims and litigation after project completion as issues are resolved by the members of the design-build team; and
- e. Shortened project timeline that reduces the level of staff commitment by the design-build team and motorist inconvenience due to reduced lane closures.

3. Improved quality through:

- a. Greater focus on quality control and quality assurance through continuous involvement by design team throughout project development; and
- b. Project innovations uniquely fashioned by project needs and contractor capabilities

Currently, ODOT does not have a per-project design-build limit. Instead they have an overall dollar limit that they can spend on design-build projects; therefore, ODOT is not limited by the size of their projects. Raising the County Engineers limit to \$5 million would ensure that almost all of the county projects could use the design-build process if they so choose. \$5 million is the limit that FHWA recognizes as a minor project.

Design Build Examples

Sharpsburg/Ft. Recovery-Minster & Clover Four Road Bridges (Mercer County Engineer, James Wiechart P.E., P.S.)

In 2002 we utilized a design-build trial package of three (3) bridge replacements. In working in conjunction with ODOT and FHWA the process went quite smoothly. We found the design-build process to be a very beneficial way to get bridges replaced in an expedient manner. Not only did the project move rapidly the design-build process gave the contractor opportunities to offer new innovative, cost effective strategies to meet the project's scope requirements.

Lincoln Pike Bridge Replacement in Gallia County in 2013 (Gallia County Engineer, Brett Boothe, P.E., P.S.)

First bridge in Gallia County using the innovative delivery method design build. From the time the old bridge closed to the time the new bridge was open to traffic was 131 days. There was \$0 in construction change orders on the construction of the bridge. The Gallia County Engineer has scheduled to replace three bridges using the DB method in 2015 in order to save money for more road/bridge projects and to replace bridges faster.

Mr. Chairman, thank you again for permitting CEAO to come before your committee today and present a brief overview. Since 1940, the County Engineers Association of Ohio has worked to unify its members in providing the highest quality transportation, drainage, surveying and land record keeping. Your County Engineers number one job is providing safe roads and bridges to travel on for you constituents and out of state travelers. I am happy to answer any question you or your committee members may have at this time.

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