Hancock County Township Association
County Engineer Funding and Force Account Work

March 7, 2018
Topics for Discussion

• Responsibilities of the County Engineer
• How the County Engineer’s Office is Funded
• How we arrive at Force Account Costs
• County / Township Resurfacing / Chip Seal / Striping Projects
  • For OPWC Program – Due August 1st
  • For Local Program – Due January 1st
County Engineer Statutory Responsibilities

• Responsible for the maintenance, repair, widening, resurfacing and reconstruction of pavements and bridges in the County Highway System.

• Responsible for the bridges on both County and Township Highway Systems.

• Performs the annual inspection and evaluation of the condition and load-carrying capacity of each bridge. The statutes regulating this duty require a uniform method of procedure and recordkeeping.

• Serves as the County Tax Map Draftsman for the County Auditor

• Serves as the Engineer for all County Public Improvements (Not Funded)

• **Serves as an engineering advisor to the Township Trustees for the maintenance, widening and repair of their highways.**
County Engineer

*What we are not funded to do ...*

- Administer Driveway, Utility or Right of Way Permits for the Township
- Subdivision Review
- Floodplain Manager
- Drainage outside County Road Right of Way
- Grant writing for OPWC Projects
- Cemetery Plans for Townships
- Developing Bid Documents for Townships (Only Plans and Estimate are required)
- Township Road Condition Assessment (Updated every 3 years)
Where our Funding Comes from...

• Gas Tax $0.03 per gallon
• License fees about $19.00 per licensed vehicle
• Permissive License Fee $5.00 per licensed vehicle outside City or Village
• Fines
• Interest
• Other Funding....
  • Reimbursement for non-County Engineer work and Materials
  • OPWC Grants
  • ODOT and FHWA Grants

We receive $0.00 County General Fund Revenue for County Roads and Bridges and Petition Ditches
$0.01 of the $0.28 total State Gasoline Tax is put in the Local Transportation Improvement Fund and is distributed for local projects by O.P.W.C.

License Plate Fees

Distribution of $20 License Plate Fee
Christopher O. Long, PE, PS
HANCOCK COUNTY ENGINEER

2017 ANNUAL REPORT

The bitter cold temperatures to end 2017 and begin 2018 are proving to be a force to be reckoned with. Not only are the temperatures hard on our equipment, they are hard on employees as well. The low temperatures reduce the melting effects of salt too. We utilize salt only in situations where salt use is warranted and the amount of salt that we use is kept to the minimum for safe passage of our roads. Our goal is to make roads safe for the motoring public even if they are not clear of snow and ice. Our work force is committed to making our highway system as safe as possible and I thank them for that! We urge you to slow down and operate your vehicle carefully!

SOURCES OF REVENUE – 2017
- License Fees $2,106,581
- Permissive License Fee $181,165
- Gasoline Tax $2,389,284
- Fines $97,137
- Reimbursements $587,627
- Interest $27,586

TOTAL RECEIPTS $5,389,280

- License fees are based on the number of vehicles registered in the County. (The fee for a passenger car is $20, fees for trucks are higher.)
- The County also collects a $5 permissive license fee for vehicles registered in unincorporated areas.

EXPENSES - 2017
- Employee Salaries $1,369,542
- Fringe Benefits $526,951
- Office & Grounds $156,822
- Debt Service $508,964
- Contracts:
  - Paveement Stripping $57,412
  - Bridge Contracts $131,679
  - Paving Contracts $964,836
- Consultants $28,910
- Road Materials $287,095
- Road Salt $124,383
- Bridge Materials $16,256
- Culvert Materials $38,482
- Sign Materials $34,670
- Fuel $303,629
- Equip. Maint., & Rental $195,763
- New Equipment $191,864

TOTAL EXPENSES $4,937,258

This is from the County Engineer’s Annual Report that is developed every year.
What do you use that for....

• Maintaining 352 Miles of County Roads
• Maintaining 1800 Acres of County Right of Way
• Maintaining 374 County Bridges
• Maintaining 985 Culverts
• Maintaining 4,266 Traffic Signs
• Resurfacing 16 Miles
• Chip Seal 7 Miles
• Replacing 3 Bridges
• Pothole patching, culvert replacement, ditching, snow and ice removal, etc.
Force Account Work

*So what is that?*

Force Account is the costing a project by the hour for Labor, Materials and Equipment. It can be Contractor Workers, County Workers or Township Workers.
From the 2016 Presentation to the Hancock County Trustees Association ...

- **Force Account** is the procedure by which the trustees themselves purchase the material necessary for a highway maintenance or repair project, employ and pay out of the township funds the persons who apply such material, using township owned or leased equipment to do such. In such an instance **no formal contract is entered into for the entire project. OAG No. 39-816.** [From the Ohio Township Handbook March 2012]

- This includes all Township Labor (Including Trustees), equipment and materials to perform the work.

- Township **MUST** have **County Engineer** develop a **Force Account Estimate** on approved Auditor of State Forms for the project for all **Road Maintenance and Repair projects over $15,000** and **Road Construction and Reconstruction that are over $5,000 per mile.** [ORC 5575.01 C]
So how did the County Arrive at the Force Account Rate for 2018?

- **Labor** is what the County pays its employees per hour minus benefits and overhead.
- What’s those percentages at the bottom????
  - Fringe Benefits – Workers Comp, PERS, Employer part of FICA.
  - Overhead – Costs not directly attributed to the project such as computer, printer, paper, staples.
  - We use ODOT Safe Harbor Rate .... For now *(It's Changing)*
So how did the County Arrive at the Force Account Rate for 2018? (continued)

- **Materials** are the detailed list of materials that will be used on the project.
- Comes from the County Engineer’s Plans and Specifications .... If the project is large and complex enough to have plans
- Costs are from likely suppliers or vendors to the project or from County / Township Annual Materials Bid
- What’s that percentage thingy at the bottom????
- A standard markup for overhead costs (time ordering, etc.)
So how did the County Arrive at the Force Account Rate for 2018? (continued)

- **Equipment** is the detailed list of vehicles and equipment that you are going to use on the project.

- Rate per hour is your actual cost per hour of the equipment
  - Use FEMA Rates - http://www.fema.gov/schedule-equipment-rates
Force Account Project Assessment Form (Estimate)

Ohio Revised Code 117.16 requires the Auditor of State to develop a force account project assessment form to be used by each public office to estimate or report the cost of a force account project. The form shall include costs for employee salaries and benefits, any other labor costs, materials, freight, fuel, hauling, overhead expense, workers compensation premiums, and all other items of costs and expense, including a reasonable allowance for the use of all tools and equipment used or in connection with such work and for the depreciation on the tools and equipment.

This form is to be completed as provided in Auditor of State Bulletin 2003-003.

Project Name/Number: Township Pipe Jetting
Project Description: Pipe Jetting

Proposed Start Date: 1/1/2018
Proposed End Date: 12/31/2018

## ESTIMATED LABOR

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<th>Base Wage</th>
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Total Base Wages $395.48

30% of base wages (fringe benefits, BWC, etc.) $118.64
38% of wages and fringe benefits for overhead $150.28

Total Labor Estimate $664.41

## ESTIMATED MATERIALS

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<th>Description</th>
<th>Cost per Unit</th>
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Base Materials $-

15% of base materials for overhead -

Total Materials Estimate $-


**ESTIMATED EQUIPMENT**

Each piece of equipment used in a project must be assigned an hourly rate. For equipment owned by the public entity, this rate must reflect the original purchase price of the equipment, maintenance costs, time in service, depreciation, freight, fuel, and hauling. The public office may use any generally accepted rate that reflects all of the aforementioned considerations, or it may use the statewide rates published by the Ohio Department of Transportation and updated on a quarterly basis; however, the office must use the same rate source for all equipment used in a project. Any equipment rented by the entity must be listed in the form and reflect the actual rental rate.

<table>
<thead>
<tr>
<th>Description</th>
<th>Rate per Hour/Mile</th>
<th>Hours/Miles</th>
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<tr>
<td>Excavator ODOT</td>
<td>49.95</td>
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<td>Tandem Dump ODOT</td>
<td>69.53</td>
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<td>Forman Truck ODOT</td>
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<tr>
<td>Pickup ODOT</td>
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<td>Truck Tractor FEMA</td>
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<tr>
<td>Trailer FEMA</td>
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<td>Roller ODOT</td>
<td>32.70</td>
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<td>Bridge Truck / Sign Truck ODOT</td>
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<td>Distributor FEMA</td>
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<td>Berm Machine FEMA</td>
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<tr>
<td>Durapatcher ODOT</td>
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<tr>
<td>Motor Grader FEMA</td>
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<td>Vacuum / Jet Truck ODOT</td>
<td>82.75</td>
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<td>Power Broom ODOT</td>
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**Total Equipment Estimate $1,316.24**

Lower of ODOT and FEMA 2017 Equipment Rates

<table>
<thead>
<tr>
<th>Description</th>
<th>Rate per Hour/Mile</th>
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<td>Total Labor Estimate</td>
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<td>Total Materials Estimate</td>
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<td>Total Equipment Estimate</td>
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<td>Total Daily Cost</td>
<td>$1,980.65</td>
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**TOTAL ESTIMATED HOURLY COST $247.58**

Prepared by: [Signature]

Title: Deputy County Engineer

Date: 1/4/2018
So how did the County Arrive at a minimum Charge of 4 Hours for the Jet Truck?

We used a basic project example....

Work Assignment ................................. 0.25 Hours
Truck Start Up and Preparation ..................0.5 Hours
Water Truck Fill (Travel and Fill) .............. 1.0 Hours
Job Site Travel ........................................ 0.5 Hours
Job Site Set Up ......................................0.25 Hours
Jetting Work ..........................................0.5 Hours
Travel Back to Garage ..............................0.5 Hours
Truck Clean Up ...................................0.25 Hours
Report to Supervisor / Township .............. 0.25 Hours
Total Hours .........................................4 Hours

This is why we ask you to bundle projects
So what’s my options if I don’t want to pay those prices?

• That is your call... We are offering this as a low cost alternative to hiring a contractor or hiring your own employees and renting or purchasing equipment to do the work.

• The last time the Township Force Account Rate were raised was 20 Years ago, in 1998.

• This is our ACTUAL cost to do Force Account work and is the same method we use to determine if we can do the work in-house or need to contract.
Questions?????

Good Resources....
Ohio Revised Code
Ohio Township Handbook
Ohio Attorney General Opinion
Your County Prosecutor
Your County Engineer

Bad Resources....
Another Engineer
County Engineer ... that is not yours
Another Lawyer
County Prosecutor ... that is not yours
Some Reminders....

• Sign Inspection and Installation Resolutions due **March 15th**
• OPWC Resurfacing or Widening Deadline is **August 1st**
• Local Resurfacing. Chip Seal or Widening Deadline is **January 1st**
OPWC Priorities for 2019....

### OPWC Funds Received 2015-2018

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**OPWC Paving or Widening Requests are Due to the County Engineer's Office August 1, 2018**

**Historical Funding for Townships is $250,000 Annually**