

SAO eNews
Office of the State Architect / Columbus, Ohio
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1. EDGE participation required on state Design and Construction Projects

The Encourage Diversity, Growth and Equity (EDGE) program became law July 1, 2003, when Section 123.152 of the Ohio Revised Code was enacted. The program creates a business development program for economically and socially disadvantaged Ohio businesses. SAO offers the following general overview of the program and how it relates to the design and construction industry in Ohio.

The statute applies the EDGE program to all State of Ohio construction contracts and design services agreements awarded under authority of Chapter 153 of the Ohio Revised Code. In addition, the program applies to procurement processes for virtually all state agencies. Customers of the State Procurement Office have been purchasing goods and services with an EDGE component for about two years.

As required by the statute, the Ohio Department of Administrative Services (DAS) established the EDGE program participation goal relative to all types of procurement, including construction, professional design services, and other types of procurement categories. DAS also created administrative rules to assure appropriate levels of EDGE participation and proper evaluation of bids and proposals. Further, SAO issued Special Conditions which inserts adjustments into the Standard Conditions of Contract for Construction -- Lead Contractor version to address the EDGE components.

The EDGE business participation goal is 5 percent. Proposers for professional services agreements as well as Bidders on construction contracts must demonstrate actual participation in the EDGE program, or provide a demonstration of their good faith efforts (with supporting evidence) to participate in the EDGE program, or both, as indicated in the Ohio Revised Code (123.152) and the Ohio Administrative Code (123:2 16-09).

Projects first advertised on and after Oct. 15 for professional services must incorporate the EDGE component into the project. The Request for Qualifications (RFQ) must include information about the EDGE participation goal percentage. Interested Associates are required to submit an "EDGE Participation/Intent to Perform" document, or provide a demonstration of its good faith efforts (with supporting evidence) to contract with and to use certified EDGE business enterprise(s), or both, as a part of the Associate's team in its response to the RFQ. If applicable, the Intent to Perform is again required at both the technical proposal submittal and the fee proposal stage.

SAO has produced a new RFQ form (formerly known as the Request for Professional Design Services). It includes an updated Associate Selection Rating form that has an area for use in evaluating a Proposers's EDGE participation. SAO recommends all Contracting Authorities begin advertising projects with the new RFQ as soon as possible. Beginning with its January 2006 edition, the new RFQ form is required for Ohio Register publication. Older versions shall no longer be published.

The Associate Agreement is updated to include the appropriate EDGE participation language and is available on the SAO Web site. The Construction Manager (CM) version of the Standard Conditions of Contract for Construction and an updated CM version of the Associate Agreement will be available in the near future.

The new documents referenced above are available, or will be made available, via the SAO Web site at: www.ohio.gov/sao (click on Forms/Documents - see section 100 Acquisition).

For construction projects first bidding on and after Oct. 15, the construction contracts must include the new September 2005 Special Conditions that modify the Standard Conditions of Contract for Construction -- Lead Contractor version. The document describes and provides access to the EDGE-related adjustment for construction contract bidding. Some of the prominent features include a new page in the Bid Form for the bidder to indicate its intention of participating in the EDGE program and a new section of the Responsible Bidder Information (RBI) Form that the Contractor and each EDGE Business Enterprise must certify and provide as a condition precedent to award. The new Special Conditions and related documents are available at no cost via the SAO Web site: www.ohio.gov/sao (click on Front End).

During September, SAO presented several training sessions throughout Ohio to inform the design and construction industry about the EDGE program and how it will be implemented on state projects. Additional training sessions are being scheduled with industry-related professional organizations. Sessions on EDGE also will be provided at SAO College Spring 2006 on Feb. 1 and 2 at the 2006 Construction Expo.

For more information about the EDGE program and how it relates to design services and construction contracting, contact the State Architect's Office at SAO-info@das.state.oh.us or call Angie Carder at 614.752.0448. To learn more about the qualifications for EDGE certification, the process to become an EDGE-certified business, and to find existing EDGE-certified businesses, go to the EDGE Web site at: www.EDGE.ohio.gov.

2. Changes in the Ohio Register format

Effective this month, new announcements (news items) will no longer appear in the Ohio Register. The sole purpose of the Ohio Register is to advertise Requests for Qualifications (RFQs).

News items are now first published in the SAO eNews, then accessed via the SAO Web site at www.ohio.gov/sao (click on "What's New"). SAO eNews is usually available by the 5th day of each month. Additional "Special Editions" of the SAO eNews are sent as needed. To subscribe to SAO eNews, please send an e-mail to SAO-info@das.state.oh.us or call Angie Carder at 614.752.0448.

3. Mandatory Use of Excel Pay Requests

In May 2003, SAO issued new Microsoft Excel versions of the Contractor payment request and Associate payment request. Now, after more than two years of use, and with great success, the time has come to use them on all projects. Effective Jan. 1, 2006, all Associates and Contractors are required to use the most current versions of the SAO pay requests. We recommend the pay requests be completed electronically; however, typed or handwritten forms will be accepted upon request. The older (Microsoft Word) versions of the forms are not valid after Dec. 31, 2005, and will not be accepted after that date.

Special Note: Please check the SAO Web site periodically for updates to these and all other SAO forms. To determine if you are using the most updated version, please refer to the form number at the bottom left of the form. The last four digits (just after the "v") indicate the month and year SAO issued the form. When SAO issues a revision to any form, the numbers after the "v" change to show the revision date.

4. New Staff Architect hired at SAO

Terry Banbury joined the SAO staff Oct. 3 as its newest project manager. Terry, a licensed architect, came to our office after serving the Ohio Department of Natural Resources for 10 years. Before joining the state, he was employed in the private practice for another 10-plus years in the Columbus metro area. Terry is certainly a great asset for our office and a strong member of Team A (providing service for the Ohio Department of Administrative Services, Ohio Department of Transportation and higher education projects administered by the State Architect's Office).

5. New Commercial Activity Tax

On July 1, the Ohio Department of Taxation introduced the new commercial activity tax (CAT), an annual business privilege tax measured by a business's gross receipt. The amount of taxable gross receipts determines whether or how the CAT applies. Businesses with annual gross receipts of \$150,000 or less are not subject to the CAT; those with receipts from \$150,001 - \$1 million pay a minimum \$150 tax; receipts exceeding \$1 million -- when the tax is fully phased in - will be taxed at a rate of 0.26 percent (tax rate for the first tax period from July 1 to Dec. 31, 2005, is only 0.06 percent).

For more information, go the Ohio Department of Taxation Web site at: <http://tax.ohio.gov> or confer with your tax advisor.

6. Continuing education required for architect license renewal

Ohio is implementing a continuing education requirement for license renewals of architects. Beginning with the renewal period starting on Jan. 1, 2006, and ending on Dec. 31, 2007, all architects must earn a total of 24 hours of continuing education. Sixteen of those hours must be in the area of health, safety and welfare.

To read the complete rules for continuing education, go to:
http://arc.ohio.gov/pdfs/Continuing_Education_Rules.pdf.

For more information, go the State of Ohio Board of Examiners of Architects Web site at: <http://arc.ohio.gov>. For more information about AIA Ohio's continuing education program, visit their Web site at: <http://www.aia.org>.

7. SAO College at the Expo - Feb. 1 & 2

SAO again will collaborate with the Builders Exchange of Central Ohio to provide SAO College in conjunction with the annual Ohio Design and Construction Expo. Both events will be held Feb. 1 and 2 at the Columbus Convention Center. Please mark your calendars now. For more information, go to <http://www.gsd.das.state.oh.us/sao/saocollege/saocollege.htm>.

8. Link to the October 2005 Ohio Register

The October 2005 Ohio Register was posted to the SAO Web site on Oct. 3. It can be viewed and printed at www.ohio.gov/sao (click on Ohio Register).

SAO eNews is a free text-only e-mail newsletter which is usually available by the 5th day of each month. Additional "Special Editions" of the SAO eNews are sent as needed. To subscribe, unsubscribe or change your e-mail subscription address, please notify Angie Carder at SAO-info@das.state.oh.us or call 614.752.0448. The SAO Web site address is: www.ohio.gov/sao.

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