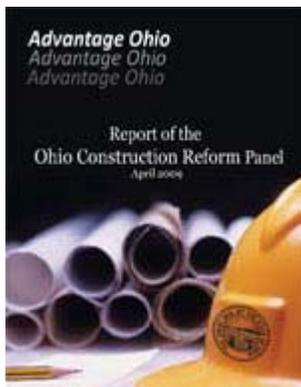

SAO eNews / May 2009

Inside this issue:

- Ohio Construction Reform Panel releases report
- ODOT completes \$4.5 million maintenance facility in Pike County
- OAKS CI deploys five additional business processes
- Obtaining SAO construction bidding information
- SAO College 2009
- DMA certifications will expire on June 30
- Professional design submittal reminders
- Ohio Register archive

Ohio Construction Reform Panel releases report



The full report of the Ohio Construction Reform Panel (OCRP) has been released. Since taking office in 2007, the administration of Governor Ted Strickland has been working in public-private partnership on some of the most difficult issues affecting the business of state government and its role in fostering a healthy business climate. Known as Advantage Ohio, this initiative has led to common sense regulatory reform by state agencies, reforms in the state's purchasing practices, a renewed commitment to promoting minority-owned small businesses in Ohio and expansion of the Ohio Business Gateway.

In August of 2008, Gov. Strickland requested the Ohio Department of Administrative Services to bring together various public and private sector stakeholders to discuss another huge issue affecting the state's bottom line and Ohio's economy – publicly funded or administered construction. The Ohio Construction Reform Panel (OCRP) was established.

Public construction in Ohio accounts for nearly \$3 billion annually in state spending. These projects include everything from renovations to state government buildings to local school building through the Ohio School Facilities Commission to building and renovation projects on Ohio's public university and college campuses. Construction in Ohio is a major economic driver and job creator and public construction is a significant share.

For more than 132 years, there has been no fundamental change in the method of project delivery for the state's public construction projects. During that time, as with every other U.S. industry, major changes have occurred in technology, management techniques and practices, materials and the need for greater energy efficiency in the design and construction industry.

From November 2008 and into the spring of 2009 there were numerous meetings of the full Panel

and its subgroups. Each recommendation contained in the report began as an idea culled from an initial survey, was vetted by one of four Panel subgroups and was further discussed and voted on during a full Panel meeting. For a recommendation to be included in this report, it needed to receive a minimum of 75% of Panel members voting for it in the affirmative.

The Panel reviewed the current design and construction laws and practices as compared to industry best practices, provided recommendations to improve quality and time of delivery, cut costs for taxpayers and bring more value to the public construction process. A collaborative approach used in developing recommendations. The guiding principles behind all of the reform suggestions are: transparency, flexibility, accountability and efficiency.

The state's current project delivery model involves separate contractors for general trades work, plumbing, electrical, heating and cooling and sometimes fire protection. There is an option to use a construction manager to provide consulting services, but they are prohibited from holding contracts for the work.

The Panel's recommendations include expanding the public project delivery options to the following models: construction manager at-risk, design-build and expanded use of a general contractor to perform all of the work. In the new construction manager at-risk model, a construction manager is acquired early in the design stages to bring their expertise to bear on estimating, scheduling and other construction issues that could affect the design.

For the design-build model, a single entity is procured to provide design and construction services. This model may be structured as a joint venture, an integrated firm that provides design-build services within their organization, or teams led by either an architect or contractor.

The general trades contracting option increases the threshold from \$50,000 to \$600,000 with adjustments for inflation to be considered after five years. This would continue to be used on small projects in which a high degree of coordination and early involvement by trade contractors is not necessary to ensure success.

For more information or to download the full OCRP report, go to the SAO Web site at <http://www.ohio.gov/sao> and click on "Ohio Construction Reform Panel."

ODOT completes \$4.5 million maintenance facility in Pike County

The State Architect's Office, in conjunction with the Ohio Department of Transportation, recently completed a new maintenance facility in Pike County. The project consisted of demolition of existing buildings, a new pre-engineered 25,000 square-foot metal garage and maintenance building, a re-fueling station with above-ground fuel tanks, a monopole communications antenna, site grading, parking lots, salt storage structures, calcium tanks, a pole barn storage building, a salt mixing building, relocation of an existing bituminous tank and a brine maker with storage tanks.



The project was led by SAO architects Bruce Ratekin and Teri Johnson and in association with Roger Fields & Associates and Sands & Decker. The contractors included J&H Reinforcing & Structural Erectors, J.A. Guy, and West End Electric Co. ODOT representatives included Mark Spagnuolo, Jeff Snoke and Tim Thompson.



Upcoming projects with ODOT include three more new maintenance facilities, the remodeling of approximately 44 rest areas and various HVAC upgrades throughout the state.

Photos by: SAO and ODOT representatives during the construction period

OAKS CI deploys five additional business processes



The OAKS CI team deployed five additional business processes on April 13. These processes included Contractor Pay Request, Prevailing Wage Report, Financial Institutions, Financial Risks and Professional Services Fee Allowance.

The Contractor Pay Request enables a Contractor to submit an invoice for completed work on a periodic basis and utilizes the itemized Schedule of Values approved in an earlier business process. The pay request defines the current amount due for contract work completed to date with itemized labor and materials values for general conditions, allowances and each item of work, stored materials, retainage and approved change orders. The format also defines the utilization of EDGE (Encouraging Diversity, Growth and Equity) apprentice and subcontractors during the pay period. Processing must occur in an expedited and efficient manner to comply with the 30-day prompt-pay requirements of the Ohio Revised Code. In addition to the pay request, the Contractor must complete the Prevailing Wage Report business process to file certified payroll reports associated with each pay request application.

The Financial Institutions business process is used to provide a record of the financial institutions used for escrow by agencies and institutions using OAKS CI. The business process record includes the financial institution's name, address and contact information for retainage, lien escrow and other withholding escrow accounts. The Financial Risk business process is used by the project manager to record any unexpected or unplanned financial risks to the project cost sheet, usually resulting from future professional services contract amendments, future change orders and possible claims. Once the risk item has been realized in the form of an amendment, change order or miscellaneous expense it is closed in the Financial Risk business process. Likewise, items that are never realized may be closed to remove them from the project cost sheet.

The Professional Services Fee Allowance business process records the approved fee amount for each executed change order which enables the architect/engineer to request payment for the services performed. The business process calculates the standard fee, allows the creator to make adjustments as needed and executes a transfer on the schedule of values from the contract change order fee allowance to the architect/engineer's additional services change order fees.

OAKS CI has now deployed 49 of 62 planned business processes in the production environment. The remaining business processes are expected to be released in May. For more information about OAKS CI, go to <http://ci.oaks.ohio.gov> or contact either Steve Mayo at 614.728.4310 or Fred Holcomb at 614.466.0830.

Obtaining SAO construction bidding information

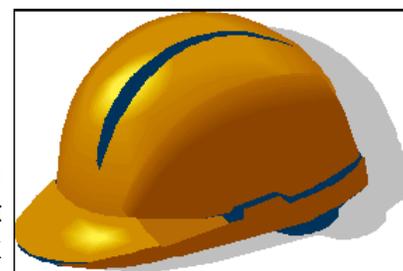
State of Ohio construction bidding opportunities are available via many different advertising sources throughout the state.

Chapter 153 of the Ohio Revised Code requires all State of Ohio construction bidding opportunities to be advertised in the local newspaper(s) in the county of the project location once a week for three consecutive weeks. In order to solicit additional bidder participation, bid advertisements also may be placed in other newspapers or Web sites, as determined by the architect/engineer (A/E), construction manager (CM), SAO project manager and/or owner.

The A/E or CM may contract with a printing company to print and distribute the procurement documents (proposed contract documents, procurement requirements and other available information) to prospective bidders and plan rooms.

A Bidder may obtain the procurement documents in whole or in part from a printing company designated by the A/E or other issuer if applicable. Additionally, the A/E must direct the printer to furnish a complete set of the Procurement Documents to Dodge Reports, Builder's Exchange, Construction Bulletin and other appropriate plan rooms approved by SAO.

Additionally, SAO advertises bidding information on the OAKS Capital Improvements (OAKS CI) Web site at <http://ci.oaks.ohio.gov>. Included on the OAKS CI Web site are several documents: the public bid advertisement showing which newspaper(s) the advertisement will appear and the dates to be advertised, the solicitation containing a list of plan rooms from which to obtain the procurement documents, a link to the SAO FTP (file



transfer protocol) site also containing the bidding procurement documents, the bid tabulation after the bid opening is held and the bid award letter showing the bidder awarded the contract. Addenda and rebid information is posted as needed.

For more information about specific procedures for accessing and downloading SAO construction bidding information, go to the OAKS Capital Improvements Web site at <http://ci.oaks.ohio.gov> and click on the "Obtaining SAO Construction Bidding Information" help file document.

SAO College 2009

SAO College 2009 is planned for sometime in September and will be held in the central Ohio, Cincinnati and northeast Ohio areas. This year we are planning a one-day seminar only. The exact dates for these seminars have not yet been determined but will be announced in a future issue of SAO eNews.

Sponsored by the State Architect's Office, SAO College began several years ago to educate interested parties about the proper design management and construction management of state projects. More than 200 participants, including state agency and institution representatives, architects, engineers, contractors and construction managers throughout the State of Ohio, attend SAO College annually.

For more information about SAO College, go to the SAO Web site at <http://www.ohio.gov/sao> and click on the site map to obtain the direct link.

DMA certifications will expire on June 30



DMA is an acronym for “Declaration Regarding Material Assistance / Nonassistance to a Terrorist Organization.” The DMA is a questionnaire which must be completed by certain applicants to certify that they have not provided “material assistance” to a terrorist organization.

The DMA was created to provide the state with an additional tool to deter and prosecute acts of terrorism within Ohio. The Ohio Revised Code officially defined and created the DMA in Sections 2909.32, 2909.33 and 2909.34.

Prior to executing the architect/engineer (A/E) agreement the selected A/E must represent and warrant that it has not provided any material assistance as that term is defined in O.R.C. Section 2909.33(C), to an organization that is identified by, and included on, the U.S. Department of State Terrorist Exclusion List and that it has truthfully answered “no” to every question on the declaration, and that it has provided or shall provide such to the Contracting Authority and/or the Ohio Business Gateway.

In addition, a contractor must represent and warrant that it has not provided any material assistance, as that term is defined in O.R.C. Section 2909.33(C), to an organization that is identified by, and included on, the U.S. Department of State Terrorist Exclusion List and that it has truthfully answered “no” to every question on the Declaration.” The contractor further represents and warrants that it has registered with the Ohio Business Gateway to file for DMA precertification and has provided or shall provide its DMA to the Contracting Authority prior to execution of their contract. If these representations and warranties are found to be false, the contract is void and the contractor shall immediately repay to the owner any funds paid under the contract.

All pre-certifications expire on June 30, 2009 (the second year of the state's biennium period). To be pre-certified during the two years subsequent to that expiration date, an entity must submit a new declaration to the director of the Office of Budget and Management pursuant to rules the director adopts.

For more information about DMA or to obtain the appropriate forms for re-certification, go to http://homelandsecurity.ohio.gov/dma/dma_general_info.asp.

Professional design submittal reminders

SAO is no longer requiring an annual submittal of Part II of the Statement of Qualifications form for professional design services. However, professional design firms and construction managers responding to a request for qualifications for State of Ohio projects must submit Part II of the Statement of Qualifications (SAO Form #F110-330) for each firm on its team.

To access the Statement of Qualifications (in both Microsoft Word and PDF formats) online, go to www.ohio.gov/sao and click on "Forms/Documents" then scroll down under "Acquisition" to form number F110-330.

Reminder: SAO Form #F110-330 (Statement of Qualifications) officially replaced both the ADM-0255 and ADM-0254 forms on March 1, 2008. The ADM-0255 and ADM-0254 forms are no longer accepted.

Ohio Register archive

At the end of each month, all RFQs published during that month are compiled into one "Ohio Register" document using the next issue number. RFQs will continue to be accessible individually on the "Current RFQs" page of the OAKS Capital Improvements Web site at <http://ci.oaks.ohio.gov> until the response deadline. The archived Ohio Register documents also are available via this site under the title of "Archived RFQs." For more information or questions about this process, please contact Angie Carder at 614.752.0448 or at angie.carder@das.state.oh.us.

State Architect's Office

4200 Surface Road • Columbus, Ohio 43228-1395

v: 614.466.4761 • f: 614.644.7982

e: StateArchOff@das.state.oh.us