



March 3, 2020

The Honorable Dave Greenspan
Ohio House of Representatives
77 South High St., 13th Fl.
Columbus, OH 43215

Dear Representative Greenspan:

The American Council of Engineering Companies of Ohio (ACEC Ohio) represents over 140 engineering companies that employ over 8000 people in Ohio and offer a wide array of engineering and other professional services for all types of construction and environmental improvement projects. The Council has reviewed the Ohio Department of Transportation (ODOT) Performance Audit completed by the Auditor of State, as well as ODOT's response to the audit both dated December 2019. ACEC Ohio is generally in agreement with the Department's response and would like to offer additional comments and clarification for consideration:

Recommendation 2.1 – Deploy qualified internal staff before hiring consultant inspectors.

- ODOT is currently utilizing their own internal work force before deploying consultant inspectors. However, the Department has a pool of contract consultants that are highly trained and willing to work on a specific project or a task order basis for varied sized jobs. Consultant inspection provides the Department with access to a flexible, highly qualified workforce; thus, it reduces the risk to taxpayers and offers innovation to the Department.
- We respectfully disagree that seasonal employees are a viable substitute for the current consultant workforce and believe a fair cost comparison should be used to evaluate a consultant cost versus the cost of a full-time employee of ODOT. To adequately make a comparison, the full loaded rates for both need to be compared; not just labor and fringe benefits as the only variable cost for ODOT. The nationwide calculated mean overhead rate based on direct labor cost exclusive of fringe benefits for Department of Transportation's is over 200% and Ohio is consistent with that average.
- A joint ODOT and ACEC Ohio Workforce Development Committee has been working collaboratively over the past four years to ensure a pipeline of qualified transportation inspectors is available and ready for "as-needed" inspection services. The construction industry has faced a well-documented shortage of skilled labor creating an immediate impact on the availability of qualified transportation inspectors in Ohio and the Midwest.
- Two key successes from this committee are:
 - Construction Inspection Workforce Program (CIWP) with several University partners and working with the National Institute for Certification in Engineering Technologies (NICET) to provide a 2-year associates degree option for not only the traditional college student but also non-traditional

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students that would like to become ODOT Prequalified for Construction Project Inspection. As part of the program, the students are able to work in the industry while completing their course work.

- A Project Intern Program to allow for individuals desiring to enter the industry to have an entry point in both the public and private sector. These individuals must have a high school diploma and a set timeline to accomplish multiple pre-qualification related tasks over a two-year period of time.

Recommendation 2.2 – Optimize seasonal highway maintenance work assignments by using HT1 seasonal employees to full capacity.

- Working with ODOT, ACEC Ohio helped establish and implement Prequalification categories and a process to ensure high quality staff are trained and available when consultants are called upon by the Department. The prequalification process took approximately two years to finalize and an additional year to implement. This prequalification process establishes minimum requirements to perform various types of inspections including specialized project specific elements, such as structures, coatings and traffic signal & lighting. The training and certification requirements established a higher standard of capabilities needed to perform the inspection duties.
- This higher standard coupled with the overall shortage of workers entering the construction industry has led to rising costs for consultant inspection, primarily driven by the supply and demand issue. The establishment of the prequalification categories was a large investment of resources for ODOT and ACEC Ohio but has created a process that we can have confidence in and will lead to high quality inspection as we complete infrastructure projects for the motoring public and taxpayers of Ohio.
- While the costs of inspection have grown, the risk associated with not having a qualified inspection force is much greater and could lead to negative impacts to the overall costs of construction, long-term maintenance and safety of the motoring public.
- ODOT's current balance of utilizing internal full-time and seasonal employees before engaging consultants allows for the flexibility needed to staff projects to meet the supply and demand of the Department's construction program.

Recommendation 2.3 – Collect and maintain data related to use of consultant construction inspectors in an easily retrievable electronic format.

- ACEC Ohio agrees with ODOT's response to this recommendation and supports an integrated automated system.

ACEC Ohio is committed to the partnership with ODOT to enhance the Department's overall efficiency and effectiveness with consultant inspectors. We appreciate your review of our comments and would welcome the opportunity to meet with you for further discussion.

Sincerely,



Beth Easterday
President