

18. Force Account

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18.1. Introduction

Competitive bidding is the preferred method of selecting the work force to construct a project. However, when cost effective and in the best interest of the state, a local agency may perform the work with its own forces (force account).

18.2. Public Interest Finding

For a project to be constructed by force account, the Department must make the determination the force account construction is in the best interest of the state and is cost effective. Prior to executing the Agreement (Ch. 4), the local agency must receive departmental approval of a Public Interest Finding (PIF). The PIF will be submitted to the regional director and demonstrate cost effectiveness and in the best interest of the state by including:

- Description of the proposed force account work
- Description of the benefits of using force account in lieu of competitive bid process
- Explanation of:
 - o Local agency resources (labor, material, equipment, and financing) and workload as they affect its ability to satisfactorily do the work
 - o Dates when the work will occur
- Estimated force account expenses including wages, materials and commodities, indirect costs and a comparison of costs between force account construction and a competitively bid construction contract.

Comparisons should be based on actual costs. When actual costs are not available, the following information must be provided:

- Labor – A detailed evaluation of the labor costs to perform the work. This must include the labor rates (including benefits) for local

agency forces compared to the Davis-Bacon wage rates a contractor must pay.

- Equipment – This element should compare the Blue Book costs for the contractor's equipment to the local agency's rate for the same equipment.
- Materials & Supplies – Assume these costs would be the same for the local agency as that of a contractor. To the contractor's cost, add a reasonable profit factor for the effected region of approximately 5% - 10%.
- Cost of Bidding – Include a reasonable cost (e.g. \$5,000) for processing a solicitation. If the project is under \$100,000 this factor need not be applied.
- The PIF will be reviewed by the regional director and forwarded to the chief contracts officer for approval.

18.3. Design Project Development

18.3.1 Introduction

Project development for a force account project follows the same procedures as for a competitive bid project with the exception of the Plans, Specifications and Estimate (PS&E).

Abbreviated plans and specifications may be used. PS&E plan set for force account will typically consist of typical section, project layout, summary of quantities and traffic control plans. Technical specifications will be consistent with the DOT&PF Standard Specifications for Highway Construction or alternate specifications that have been approved by DOT&PF.

18.4. Construction Administration

18.4.1 General Discussion

Construction will be administered in accordance with Chapter 14 of this manual.

18.4.2 Progress Billing

Progress billing must be based on work performed. Costs of the labor, equipment and material will be documented in the project files. Billing supporting information will be described in the Agreement.

18.4.3 Project Closeout

A project is considered complete when the following items have been completed:

- Summary of the final estimate is compiled
- Materials Summary and Materials Certification
- As-built drawings. Required when the facility connects or is adjacent to a DOT&PF-maintained facility
- Final records audit and final closeout review by DOT&PF quality assurance unit
- DOT&PF quality assurance unit reviews the final estimate and signs the Final Estimate Review Report (Form 25D-031)

To initiate project closure and final payment, submit:

1. Cover letter
2. Final billing
3. Final estimate with Final Estimate Review Report
4. As-builts, if required

Attachment 18A. Project Approval

The project approvals will be listed in the Agreement and will address pertinent project actions as noted in other chapters of this manual. In addition, the local agency will prepare and the DOT&PF will approve the Public Interest Finding.