

The Construction Conversation

Ohio's Legislative, Administrative, and Judicial Two-Way Newsletter

August, 2022

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Legislative: Inflation Reduction Act

The United States Congress passed House Resolution 5376, signed into law by the President on August 16, 2022, providing \$750 billion in federal funds along with various construction industry incentives. (Cont'd p. 2.)

Administrative: State Projects

The Ohio Facilities Construction Commission held its August meeting in the recently constructed Beulah Park Middle School in Grove City. Separately, Governor DeWine announced \$5 million to upgrade county jail facilities. (Cont'd p. 2.)

Judicial: Lake Erie Wind Power

The Ohio Supreme Court upheld the Power Siting Board's certificate of environmental compatibility for a demonstration project of six wind turbines to be built in Lake Erie, ten miles offshore from Cleveland. (Cont'd p. 2.)

Legislative: Leadership to Change

In the November 8th General Election, half of Ohio's State Senators and all of Ohio's State Representatives are up for election. With term limits, Leadership will change in both houses, but remain with Republican majorities. (Cont'd p. 2.)

Administrative: Lead Service Line Replacement

The Ohio Environmental Protection Agency announced \$1.5 million for local communities to locate and replace lead

pipes. The August funding is the second round of awards for the H2Ohio Lead Line Mapping Grant Program. (Cont'd p. 3.)

Administrative: OCILB Discusses General Contractors' License

The Ohio Construction Industry Licensing Board met with representatives of the Carpenters and Millwrights Union in August, who sought information regarding Ohio's specialty trades licenses. The representatives are considering a legislative effort toward creating a "General Contractor's License" under OCILB. (Cont'd p. 3.)

Administrative: New Large Construction

The University of Cincinnati and West Carrollton School District in Montgomery County seek Construction Managers at Risk for projects estimated to cost \$100 million and \$112 million respectively. (Cont'd p. 3.)

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Legislative: Inflation Reduction Act (Cont'd)

The American Institute of Architects summarized that, “The Inflation Reduction Act includes about \$370 billion in energy and climate-related spending, making it the largest federal investment to combat climate change in history.”

The legislation provides \$330 million in grants to states and local governments to adopt the latest energy codes meeting or exceeding the 2021 International Energy Conservation Code.

\$2.15 billion will fund “low-embodied carbon materials” and products for use in General Services Administration-owned buildings.

The legislation creates two tiers for the 179D Energy Efficient Commercial Building Tax Deduction for architects, engineers, and contractors designing energy retrofits on government buildings. First tier is a lower base deduction of 50 cents per square foot if a building outperforms the ASHRAE standard by 25%. Second tier is a higher base deduction up to \$5.00 per square foot if the building also meets prevailing wage and apprenticeship requirements.

Administrative: State Projects (Cont'd)

Executive Director Cheryl Lyman Summarized that OFCC ended Fiscal Year 22 (July 1st) with 81 projects in design, and 193 projects in construction, totaling \$2.3 billion in project costs.

The jail facilities grants bring funding to a total of \$50 million. Security upgrades will be built in Darke, Ross, and Highland Counties, while Sewer systems will be improved in Pickaway, Monroe, and

Erie Counties.

Judicial: Lake Erie Wind Power (Cont'd)

The project will be the first freshwater, offshore wind generation facility on the continent.

Environmentalists challenged the project as not providing enough data of the potential harm to birds and bats.

In a bipartisan 6-to-1 decision, the Court held that construction may begin, while more data is collected before operation. The turbine rotors must be turned off from dusk to dawn until research is complete.

Justice Sharon Kennedy (Republican nominee for Chief Justice) dissented, writing that the Power Siting Board used a lesser standard not found in the law, a legislative function.

The company named “Icebreaker Windpower” signed a lease with the Ohio Department of Natural Resources, for 4.2 acres of submerged land.

In re Application of Icebreaker Windpower, Inc., 2022-Ohio-2742.

Legislative: Leadership to Change (Cont'd)

Speaker of the House Bob Cupp (R, Lima) and Speaker Pro Tempore Tim Ginter (R, Salem) are term limited and not running. Therefore, when the new Representatives return in January, 2023, they will elect new leadership at the top. With political splits in the Republican caucus, no clear leader has emerged.

The Democratic House leadership is

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expected to return, with those members not facing a term limit until 2026.

Senate President Matt Huffman (R, Lima) will return for two more years. President Pro Tempore Jay Hottinger (R, Newark) and Minority Leader Kenny Yuko (D, Richmond Heights) are not running due to term limits. The balance of leadership positions in the Senate are held by Senators who are not facing a term limit until 2026.

Campaign finance funds are lopsided Republican, for candidates running in re-drawn Districts declared unconstitutional by the Ohio Supreme Court.

Going into the General Election, Senate Republicans reported a campaign funds balance of \$4.3 million, compared to Senate Democrats with \$184,308, or 4%.

House Republicans reported a balance of \$1.6 million, compared to House Democrats with \$505,699, or a third.

Administrative: Lead Service Line Replacement (Cont'd)

The Ohio EPA will accept applications until September 9, 2022 by application online.

An estimated 6.1 million lead water lines remain in use across the nation. In 2014, Flint, Michigan faced a water crisis when lead leached into drinking water supplies, putting at risk 100,000 residents.

The Ohio Department of Health provides lead abatements for contaminated homes, with payments to licensed contractors.

Administrative: OCILB Discusses General Contractors' License (Cont'd)

The Carpenters' and Millwrights' Union represents journeymen in Indiana, Kentucky, and Ohio. The OCILB is a contractors' license, and not a journeyman's license.

But the concern is that, among over 600 local building departments in Ohio alone, local governments require a general contracting license. Ohio law does not provide any statewide license, so general contractors must obtain a separate, local license for every permitted project, including often posting a surety bond.

To advance such a proposal, the Associated General Contractors would represent the contractors. Given the late date of the legislative session, certainly no initiative is imminent.

Administrative: New Large Construction (Cont'd)

UC seeks proposals by September 20, 2022 for a Commissioning Agent for the renovation of the Sheakley Athletics Center. The renovation will house a new Indoor Practice Facility for all athletic programs, and an Athlete Performance Center for physical therapy, strength and conditioning, and offices. Systems will include HVAC, Electrical, Plumbing, and Automation.

West Carrollton will design and construct a new elementary school of over 95,000 square feet, and a new Middle/High School of over 190,000 square feet. Proposals are due September 15, 2022.

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Join us in

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Call-In

on

Wednesday, September 14, 2022

3:30 p.m.

Luther Liggett is inviting you to a scheduled
Zoom meeting.

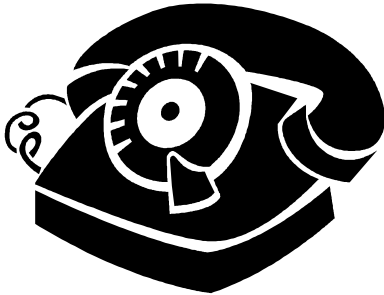
Join Zoom Meeting

<https://us02web.zoom.us/j/86500065891?pwd=cFFMRExRU0Rqc2JsejFwZEVtV05MQT09>

Meeting ID: 865 0006 5891

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