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## **HOUSE BILL NO. 2047**

## AMENDMENT IN THE NATURE OF A SUBSTITUTE (Proposed by the Senate Committee on Transportation

on February 8, 2001) (Patron Prior to Substitute—Delegate Rollison)

A BILL to amend and reenact § 33.1-23.02 of the Code of Virginia, relating to asset management by the Virginia Department of Transportation.

Be it enacted by the General Assembly of Virginia:

## 1. That § 33.1-23.02 of the Code of Virginia is amended and reenacted as follows:

§ 33.1-23.02. Definition of the term "maintenance" and "asset management"; implementation of program of asset management required.

A. For the purpose of this title, unless otherwise explicitly provided, the term "maintenance" shall include ordinary maintenance, maintenance replacement, and any other categories of maintenance which that may be designated by the Commissioner.

B. For the purposes of this section, unless otherwise explicitly provided, the term "asset management" means a systematic process of operating, maintaining, and upgrading the state system of highways by combining engineering practices and analyses with sound business practices and economic theory to achieve cost-effective outcomes.

C. The Department shall implement outcome-based asset management practices in operating, maintaining, and upgrading state highways.

D. The Commissioner shall advise the Board, on or before June 30 of even-numbered years, of those performance targets and outcomes to be achieved, based on the funding identified for maintenance over the biennium beginning July 1 of that year. In addition, not later than September 20 of even-numbered years, the Commissioner shall advise the Board of the Department's accomplishments relative to the expectations and budget expenditures for the biennium ending June 30 of that year.

E. Any Department-initiated contract for ordinary maintenance, maintenance replacement or outcome-based asset management services shall be procured through competitive, sealed bidding. Such contracts shall be of such size and scope to encourage maximum competition and participation by agency pre-qualified and otherwise qualified contractors.