WEST VIRGINIA LEGISLATURE

2019 REGULAR SESSION

Introduced

House Bill 3027

By Delegate Butler

[BY REQUEST OF THE DEPARTMENT OF TRANSPORTATION]

[Introduced February 12, 2019; referred to the committee on Technology and Infrastructure then the Judiciary.]

A BILL to amend and reenact §17-2D-2 of the Code of West Virginia, 1931, as amended, relating generally to the West Virginia Highway Design-Build Pilot Program; allowing Division of Highways to contractually obligate no more than \$350 million on any one design-build project for fiscal years beginning after June 30, 2019; allowing up to \$350 million to be contractually obligated for individual projects financed with bonds under authority of the Roads to Prosperity Amendment of 2017 after June 30, 2019; providing that design-build projects financed with bonds under authority of the Roads to Prosperity Amendment of 2017 do not count toward the annual cap on the design-build program; and clarifying terminology.

Be it enacted by the Legislature of West Virginia:

ARTICLE 2D. HIGHWAY DESIGN-BUILD PILOT PROGRAM.

§17-2D-2. Highway Design-Build Program.

- (a) Notwithstanding any provision of this code to the contrary, the Commissioner of the West Virginia Division of Highways may expedite the construction of projects by combining the design and construction elements of a highway or bridge project into a single contract as provided in this article.
- (b) The Division of Highways may expend contractually obligate no more than \$50 million in each year in the program: *Provided*, That if any of the \$50 million is unused not so obligated in one year, the remaining amount may be applied to the following year's contractual obligation amount: *Provided*, *however*, That the total aggregate amount to be expended contractually obligated may not exceed \$150 million in any one year: *Provided further*, That for fiscal years beginning after June 30, 2017, the Division of Highways may expend obligate no more than \$200 million on any one project: *And provided further*, That for fiscal years beginning after June 30, 2017, the Division of Highways may expend contractually obligate no more than \$400 million in each year in the program: *And provided further*, That for fiscal years beginning after June 30, 2017, if any of the \$400 million is unused not contractually obligated in any year, the remaining

amount may be applied to the following year's <u>contract obligation</u> amount: *And provided further*, That for fiscal years beginning after June 30, 2017, the total aggregate amount to be <u>expended obligated</u> may not exceed \$500 million in any one year: <u>And provided further</u>, That for fiscal years beginning after June 30, 2019, the Division of Highways may contractually obligate no more than \$350 million on any one project: <u>And provided further</u>, That <u>expenditures contractual obligations</u> made for projects that are necessitated by a declared state of emergency within a county that the Governor has included in a declaration of emergency are not to be included against the <u>expenditure</u> contractual obligation limits provided in this subsection.

- (c) A design-build project may be let to contract only in accordance with the commissioner's established policies and procedures concerning design-build projects.
- (d) Projects receiving funding above the amount of federal core funding as appropriated to the state by formula in a federal highway authorization, currently titled MAP-21, may utilize the program, but shall not be included in expenditure limits provided by subsection (b) of this section.
- (e) Notwithstanding the contractual obligation limitations contained in this section, projects financed with bonds under authority of the Roads to Prosperity Amendment of 2017 may be constructed as design-build projects with an obligation limitation of \$350 million for any one project. Contract obligations made by the Division of Highways for projects financed with bonds under authority of the Roads to Prosperity Amendment of 2017 are not counted toward the yearly total aggregate obligation amount limits contained in this section.

NOTE: The purpose of this bill is to authorize the design-build program to be used for projects financed with bonds under authority of the Roads to Prosperity Amendment of 2017 with an obligation limitation of \$350 million per project. The phrases "contractual obligation" and "contractually obligated" are substituted for the term "expenditure" to be more accurate.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.