

# HOUSE BILL 1325

R2

3lr2948

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By: **Delegate Wood**

Introduced and read first time: February 8, 2013

Assigned to: Ways and Means

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 28, 2013

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Transportation – Capital Projects – Life Cycle Cost Analysis**

3 FOR the purpose of requiring the Department of Transportation to adopt regulations  
4 to establish a methodology for applying life cycle cost analysis to the evaluation  
5 of certain ~~capital~~ pavement projects; requiring that the life cycle cost analysis  
6 methodology address certain matters; requiring the Department to ~~submit a~~  
7 ~~report of~~ utilize the results of the life cycle cost analysis for certain projects ~~to~~  
8 ~~the Board of Public Works~~ for certain purposes; defining a certain term; and  
9 generally relating to life cycle cost analysis of certain ~~capital~~ pavement projects  
10 of the Department of Transportation.

11 BY repealing and reenacting, with amendments,  
12 Article – Transportation  
13 Section 2–103.1(c)  
14 Annotated Code of Maryland  
15 (2008 Replacement Volume and 2012 Supplement)

16 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
17 MARYLAND, That the Laws of Maryland read as follows:

18 **Article – Transportation**

19 2–103.1.

20 (c) (1) The Consolidated Transportation Program shall:

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



- 1 (i) Be revised annually; and
- 2 (ii) Include:
- 3 1. A list of:
- 4 A. The current State transportation goals;
- 5 B. Program priorities; and
- 6 C. For projects in the construction phase, the criteria  
7 used to select major capital projects for inclusion in the capital program, as  
8 determined by the Department;
- 9 2. A statement of the Department's projected annual  
10 operating costs, set forth separately for the Office of the Secretary and for each modal  
11 administration;
- 12 3. Expanded descriptions of major capital projects;
- 13 4. A list of major capital projects for the current year,  
14 the budget request year, and the 4 successive planning years;
- 15 5. A list of anticipated minor capital projects, including a  
16 specific list of anticipated special projects for the current year and the budget request  
17 year and an estimate of the Program level for each of the 4 successive planning years;
- 18 6. A list of major bridge work projects;
- 19 7. A summary of the capital and operating programs, as  
20 defined by the Secretary, for the Maryland Transportation Authority;
- 21 8. For each listed major capital project, an indication  
22 whether the revenue source anticipated to support that project consists of federal,  
23 special, general, or other funds;
- 24 9. The Department's estimates of the levels and sources  
25 of revenues to be used to fund the projects in the Program;
- 26 10. A glossary of terms; and
- 27 11. A cross-reference table for the information contained  
28 in the various parts of the State Report on Transportation.

29 (2) In addition to the items listed in paragraph (1) of this subsection,  
30 the Consolidated Transportation Program shall include:

1 (i) A summary of current efforts and future plans, prepared  
2 after consultation with the Director of Bicycle and Pedestrian Access and the Bicycle  
3 and Pedestrian Advisory Committee established under § 2–606 of this title:

4 1. To develop and promote bicycle and pedestrian  
5 transportation; and

6 2. Working together with local jurisdictions, to  
7 accommodate in a safe and effective manner pedestrians and bicycles within a  
8 reasonable distance for walking and bicycling to rail stops, light rail stops, and subway  
9 stations;

10 (ii) A listing of all bicycle and pedestrian transportation projects  
11 expected to use State or federal highway funds; and

12 (iii) Reflected under the Office of the Secretary, any  
13 technology-related project to be funded from the account established under § 2–111 of  
14 this subtitle, along with a description and projected cost of each.

15 (3) Annually, the Consolidated Transportation Program shall include  
16 a report that:

17 (i) Identifies each major capital project for which the budget  
18 bill or a supplemental budget amendment first requests funds for the project  
19 development phase or for the construction phase;

20 (ii) With respect to each major capital project for which funds  
21 are requested in the budget request year, states:

22 1. The amount of the funds requested; and

23 2. The total estimated cost of the project;

24 (iii) Identifies significant changes in the cost, scope, design, or  
25 scheduling of major capital projects for each completed fiscal year;

26 (iv) When there is a significant change in cost, states the  
27 amount by which the expenditures that have been authorized exceed the original  
28 project estimate;

29 (v) When there is a significant change, states:

30 1. The amount by which costs exceed projected costs  
31 during each completed fiscal year; and

1 2. The total amount that has been expended for a major  
2 capital project;

3 (vi) Provides a purpose and need summary statement that  
4 includes:

5 1. A general description and summary that describes  
6 why the project is necessary and satisfies State goals, including current State  
7 transportation goals and Climate Action Plan goals required by the Greenhouse Gas  
8 Emissions Reduction Act of 2009 under § 2–1205(b) of the Environment Article;

9 2. The location of the project, including a map of the  
10 project limits, project area, or transportation corridor; and

11 3. A summary of how the project meets the selection  
12 criteria for inclusion in the capital program; and

13 (vii) Includes any other information that the Secretary believes  
14 would be useful to the members of the General Assembly, the general public, or other  
15 recipients of the Consolidated Transportation Program.

16 (4) The total operating and capital expenditures for the Department or  
17 for the Office of the Secretary or any modal administration projected in the  
18 Consolidated Transportation Program for the budget request year may not exceed the  
19 budget request for the Department, Office, or modal administration for that year.

20 (5) For a major capital project to be considered for inclusion in the  
21 construction program of the Consolidated Transportation Program, a request must be  
22 submitted to the Secretary by the proposing entity along with a purpose and need  
23 summary statement justifying the project that includes:

24 (i) The location of the project, including a map of the project  
25 limits, project area, or transportation corridor;

26 (ii) The need for the project; and

27 (iii) A discussion of how the project:

28 1. Addresses State transportation goals; and

29 2. Supports local government land use plans and goals.

30 (6) (i) The Department shall evaluate requests for major capital  
31 projects based on the State’s goals and, as appropriate, criteria as determined by the  
32 information submitted by the proposing entity and the availability of funding.

1 (ii) As part of the evaluation under this paragraph, the  
2 Department shall acknowledge the difference between urban and rural transportation  
3 needs.

4 (7) (I) IN THIS PARAGRAPH, "LIFE CYCLE COST ANALYSIS"  
5 MEANS AN ENGINEERING ECONOMIC ANALYSIS TOOL USED TO EVALUATE  
6 ALTERNATIVE INFRASTRUCTURE INVESTMENT OPTIONS THROUGH THE  
7 COMPARISON OF ALL COSTS ASSOCIATED WITH A PROJECT OVER THE EXPECTED  
8 LIFE SPAN OF THE PROJECT, INCLUDING:

9 1. CONSTRUCTION, MAINTENANCE, AND OPERATING  
10 COSTS;

11 2. COSTS TO USERS OF THE PROJECT; AND

12 3. COSTS EXPECTED TO BE INCURRED BY THE  
13 DEPARTMENT AND OTHER GOVERNMENTAL AGENCIES.

14 (II) THE DEPARTMENT SHALL ADOPT REGULATIONS TO  
15 ESTABLISH A METHODOLOGY FOR APPLYING LIFE CYCLE COST ANALYSIS TO  
16 THE DEPARTMENT'S EVALUATION OF EACH ~~CAPITAL~~ PAVEMENT  
17 CONSTRUCTION, RECONSTRUCTION, REHABILITATION, OR RESURFACING  
18 PROJECT INVOLVING EXPENDITURE OF MORE THAN ~~\$5,000,000~~ \$1,000,000.

19 (III) THE METHODOLOGY ESTABLISHED UNDER  
20 SUBPARAGRAPH (II) OF THIS PARAGRAPH SHALL:

21 1. PROVIDE FOR THE APPLICATION OF LIFE CYCLE  
22 COST ANALYSIS TO ALL ASPECTS OF A PROJECT UNDER CONSIDERATION,  
23 INCLUDING:

24 A. DESIGN ALTERNATIVES FOR THE PROJECT;

25 B. THE TIMING OF ACTIVITIES REQUIRED TO  
26 COMPLETE THE PROJECT; AND

27 C. THE OPERATION AND MAINTENANCE OF THE  
28 COMPLETED PROJECT; AND

29 2. SPECIFY THE CRITERIA TO BE CONSIDERED IN  
30 EVALUATING THE PROJECT AND THE WEIGHT TO BE GIVEN TO EACH CRITERION.

31 (IV) ON COMPLETION OF THE LIFE CYCLE COST ANALYSIS  
32 OF A PROJECT UNDER THIS PARAGRAPH, THE DEPARTMENT SHALL ~~SUBMIT A~~

1 ~~COMPREHENSIVE REPORT ON~~ UTILIZE THE RESULTS OF THE ANALYSIS ~~TO THE~~  
 2 ~~BOARD OF PUBLIC WORKS TO ASSIST THE BOARD~~ IN ITS CONSIDERATION OF  
 3 ANY CONTRACTS ASSOCIATED WITH THE PROJECT ~~REQUIRING APPROVAL BY~~  
 4 ~~THE BOARD.~~

5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
 6 October 1, 2013.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.