



COMMONWEALTH of VIRGINIA

DEPARTMENT OF TRANSPORTATION
1401 EAST BROAD STREET
RICHMOND, VIRGINIA 23219 2000

Charles A. Kilpatrick, P.E.
Commissioner

December 1, 2014

The Honorable C. Todd Gilbert
Chairman, House General Laws Committee
P.O. Box 309
Woodstock, Virginia 22664

The Honorable Stephen D. Newman
Chairman, Senate Transportation Committee
P.O. Box 480
Forest, Virginia 24551

Dear Chairman Gilbert and Chairman Newman:

Chapter 783 of the 2012 Acts of Assembly directs the Virginia Department of Transportation (VDOT) to report annually by December 1st on certain information relating to performance and payment bonds. The Act specifically directs VDOT to report the following information to the Chairmen of the House Committee on General Laws and the Senate Transportation Committee:

- The number of companies that were unable to procure a performance or payment bond pursuant to subsection H of Va. Code § 2.2-4337;
- The number of waivers granted by the Department pursuant to subsection H of Va. Code § 2.2-4337; and
- The number of companies that were enrolled in any Department of Treasury, Division of Risk Management self-bonding program for Department projects.

In 2014, there were two companies conducting business with VDOT that were unable to procure a performance or payment bond pursuant to subsection H of Va. Code § 2.2-4337. The requirement of a bond was waived by VDOT for a total of five projects. One company was granted waivers for four projects. The second company was granted a waiver for one project. In accordance with Chapter 783, each of the five waivers was granted after proof of denial of a bond from a surety company. Both companies were referred to and utilized the Virginia Department of Treasury's self-bonding program.

Sincerely,

A handwritten signature in black ink, appearing to read "C. Kilpatrick", written over a white background.

Charles A. Kilpatrick, P. E.
Commissioner of Highways

cc: The Honorable Aubrey L. Layne, Jr.