

**COORDINATION AND NOTIFICATION
FOR
UTILITY RELOCATION,
ADJUSTMENTS, AND
REIMBURSEMENT**

POLICIES AND PROCEDURES

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TRANSPORTATION**

DESIGN DIVISION

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COORDINATION AND NOTIFICATION FOR UTILITY RELOCATION, ADJUSTMENTS, AND REIMBURSEMENT

Policies and procedures followed by the State to assure compliance with 23 CFR 645 on federal-aid highway projects involving utility relocation, adjustment, and reimbursement are outlined below:

- (1) Route inspection. The respective district should make a route inspection to evaluate the impact of the proposed highway route on existing utility facilities, and to suggest, where feasible, alternate route selections to minimize conflict with existing, or planned, utility installations. This procedure frequently results in substantial economies to the highway project and, in addition, tends to minimize interruptions in essential public utility services. The latter benefit contributes materially to better public relations for both the State and the Utility Co. This may include, but not limited to, District reviews, field reviews, concept and design reviews.
- (2) Statewide Transportation Improvement Program (STIP). The STIP is a four-year approved program of projects. The STIP includes all federally-funded highway and transit projects to be constructed in North Dakota. The STIP is updated every year, and the public has the opportunity to comment on the proposed projects. A news release advising that the draft STIP is available to the public for review and comment is distributed to all daily and weekly newspaper and broadcast media outlets statewide. Comments are due within one month of

publication of the draft STIP. More information about the STIP is located on the NDDOT website at <http://www.dot.nd.gov/> under “Manuals and Publications” link.

(3) Solicitation of Views letter (SOV). For each project that could possibly impact any utility facilities, all known Utility Co. within the project limits shall be sent a Solicitation of Views (SOV) letter. All solicitation letters shall describe the project limits, type, bid opening, construction season, and have a map of the proposed project including the section, township, and range. The attached map should delineate the project area and any expected area of disturbance. These letters are used to request comments on the proposed project from the Utility Co., and are given a minimum of 30 days to respond. The solicitation of views process ensures that the scope of the project is made known to the Utility Co., and ensures that they have an opportunity to comment on the project early on in the project development process.

(4) Preliminary utility coordination. Whenever possible, the Utilities Engineer, consulting engineers, or the responsible agency shall send a preliminary utility coordination letter to all possible affected Utility Co. after the environmental documentation has been completed, or earlier if possible. This letter shall be sent to all the affected Utility Co. with any available preliminary information. The information may include the following if available: preferred alternate, updated design criteria, potential utility conflict plans, conflict summary, cross sections, or survey data with approximate known utilities that are within the project area.

In an effort to coordinate and minimize cost associated with potential utility facility relocations early on in the project development process, the NDDOT at this time

may request comments, information, or further correspondence from the potential affected Utility Co. Further correspondence with the Utility Co. may include if available: preliminary plans, additional information, or meetings with the Utility Co.

- (5) Preliminary engineering. After the design of the project is sufficiently advanced so that the utility facility conflicts to be relocated or adjusted can be definitively determined, the highway Designer, consulting engineers, or the responsible agency shall review the plans and any Utility Co. comments with the Utilities Engineer to ascertain the location and extent of any utility relocations necessary to accommodate the planned highway construction, and to consider adjustment of the proposed plans, where feasible and within acceptable design standards, to avoid relocation or adjustment of major or costly utilities without changing the scope of the project. The NDDOT at this time may request comments, information, or further correspondence from the potential affected Utility Co. Further correspondence with the Utility Co. may include if available: preliminary plans, additional information, or meetings with the Utility Co.
- (6) Notification to utility company. After determination of the location and extent of utility relocations necessary to accommodate highway construction, each Utility Co. affected is notified by the Utilities Engineer, consulting engineers, or the responsible agency in writing which of its facilities must be relocated or adjusted and which portions, if any, will be eligible for reimbursement. Depending on the complexity of the utility relocations or adjustments, a meeting may also be held between Utilities Engineer or Consultant firm with the affected Utility Co. The

Utility Co. is requested to proceed with the necessary field inspection, preparation of plans, and a cost estimate for the relocation work.

This notification may include a conflict summary sheet, highway plan sheets, including title sheet, scope of work sheet, plan and profile sheets, and when necessary, cross section sheets showing the approximate location of its facilities, which must be relocated or adjusted to accommodate highway construction. These plan sheets will also indicate which facilities will be reimbursed for relocation expenses and which portions will not be reimbursable. Whenever possible, these utility coordination plans will be made available to the potential bidders prior to the bid letting date at either the district office, or available electronically.

The availability of substantially completed highway plans in advance of contract letting dates varies considerably. However, in general, it is the State's policy to provide the Utility Co. adequate lead time to make the necessary field investigation, to prepare a detailed cost estimate, and to complete the actual relocation work prior to the start of highway construction. The required lead time will depend upon the extent and complexity of the relocation work and upon the capability of the particular Utility Co. However, it is the State's policy to notify the Utility Co. a minimum of three (3) months before the bid opening date, six (6) months is desirable, and sooner in some cases involving major facilities and projects. If final highway plans are available, notice may be sent to the Utility Co. a year or more prior to the contract letting date if circumstances so warrant. For

utility permit information, see NDDOT policy “A Policy for Accommodation of Utilities on State Highway Right-of-Way.”

- (7) Utility agreements. Reimbursable utility work must be covered with a signed agreement between the NDDOT and the Utility Co. The Utilities Engineer, Local Government Division, or the responsible agency, will send the required agreement (SFN 9681), letter (let20.16), Cost Estimate, Utility Adjustment (SFN 5700), associated documents and plans to all Utility Co. that will be reimbursed for their relocations.

Occasionally, a Utility Co. may not return the Agreement documents on a timely basis, and then a follow-up letter (let20.12) must be sent as a reminder to return the documents. The Utility Relocation Agreement must have the appropriate North Dakota Risk Management Appendix and Certificate of Insurance from the Utility Co., along with the other required documents.

Any proposed betterments that the Utility Co. proposes to make, and any cost sharing, shall be shown on the Cost Estimate form. Betterments are improvements to the company system that are not eligible for reimbursement.

Cost sharing (let20.16) is when the Department is only partially responsible for the costs of relocation, as shown in the plans.

Individual agreements are entered into between the State and the Utility Co. on a project basis. In general, the agreement provides that:

- (a) The provisions of 23 CFR 645 shall apply to the relocation or adjustment of utility facilities on federal-aid highway projects.

- (b) The Utility Co. will comply with applicable federal and state laws, and rules and regulations issued pursuant thereto, as referred to in the agreement.
- (c) The Utility Co. will relocate or adjust its facilities prior to the start of highway construction, or coordinated with highway construction operations.
- (d) The Utility Co. will comply with the provisions of 23 CFR 645 whenever existing utility facilities remain on, over, or under highway rights of way.

Plans are attached to the utility agreement showing the size, type, and location of utility facilities involved, and a description of the work to be performed.

A detailed cost estimate is also attached to the agreement covering the proposed relocation work, together with a statement, if applicable, of the portion of the total cost to be borne by the State and by the Utility Co., and the basis used to determine the portion to be borne by each party.

The form of the utility agreement may be revised from time to time as necessary to adapt to changed conditions, or to conform to changes in federal or state laws and rules and regulations issued pursuant thereto.

- (8) Legal review of utility agreements. Prior to administrative approval, each utility agreement is reviewed by the Legal Division as to form and to assure compliance with applicable federal and state laws and rules and regulations, and to assure eligibility of the costs of relocation for reimbursement from the state pursuant to the provisions of 23 CFR 645.
- (9) Administrative approval of utility agreements. Individual utility agreements are approved by the Design Engineer and NDDOT Director. After administrative approval and notification from FHWA is received that the utility work is approved,

the Utilities Engineer will make the necessary copies and make distribution as shown on form let20.7. The agreement is forwarded to the Utility Co. together with a letter (let20.7) requesting the company to proceed with the relocation work in accordance with the agreement and the Utility Co. will be authorized to start relocation. Any relocation work done by the Utility Co. prior to FHWA or NDDOT authorization date will not be eligible for reimbursement from the NDDOT.

- (10) Construction project coordination. On major grading projects or projects with complex utility impacts, a plan note shall be put in the plans requiring the contractor to hold a post bid utility coordination meeting. At this time, an anticipated construction schedule will be created by the NDDOT's contractor and the impacted Utility Co.

In addition to the post bid utility coordination meeting, all Utility Co. will be invited to the preconstruction conference in accordance with the NDDOT Standard Specification 108.01 A.

- (11) Field inspection of utility relocations. The project Engineer notes in the daily diary the number of people the Utility Co. has working on the project and also the type and number of units of equipment used on the project.

The Utilities Engineer, or his designated representative, may make field inspections of utility relocations during progress of the relocation work if significant or unusual engineering problems are involved, or if requested to do so by the Project Engineer.

- (12) Bills for utility relocation. Bills received from a Utility Co. for relocation work are initially reviewed by the Utilities Engineer to determine if the total amount of the

bill fairly reflects the cost of completed work and is reasonably consistent with the estimated cost. If Utilities Engineer is unsure of completed items, the Utilities Engineer will request information from the Project Engineer/Manager to confirm completed items. If the preliminary reviews by the Utilities Engineer indicate that the bill is in satisfactory form and is sufficiently supported, a progress payment is made on the bill. Retainage in the amount of ten percent (10%) may be withheld until the final estimate payment is made.

Progressive and final estimates (SFN 2251) to the Utility Co. will be made by the Utilities Engineer or the responsible agency. Progressive estimates may be made at any time the Utility Co. submits a billing. When the final billing is received from a Utility Co., the Utilities Engineer or the responsible agency will review the invoice to determine accuracy and to insure that the costs are eligible for reimbursement. The supporting documents shall be included with the final billing. These may be computer print-outs of the materials, labor, equipment, employees' expenses, and miscellaneous charges. Copies of vendor vouchers should also be included with this billing. Any relocation work done by the Utility Co. prior to the authorization date will not be eligible for reimbursement by the NDDOT. Any part of the billing that cannot be substantiated by the Utility Co. will not be reimbursable from the NDDOT.

- (13) Request for audit. Agreements and billings exceeding \$500,000.00 require an audit. Utilities Engineer may request and audit on Agreements and billings up to \$500,000.00 if it appears that the utility relocation work included additions or betterments not necessitated by the highway project. A request for audit (SFN

9637), along with the supporting documents and a copy of the final invoice, shall be submitted to the NDDOT Audit Services Division by the Utilities Engineer. A site audit of the final bill is then performed by the NDDOT Auditor at a later date. The site audit is coordinated with other field audit work, but ordinarily will be done within sixty days after receipt of the final bill for the utility relocation work.

The Utilities Engineer, or the responsible agency, will make the Final Estimate payment based on the audited costs identified in the Audit Report.

The Project Engineer, Utilities Engineer, and Auditor may make a plan-in-hand field inspection of the completed utility relocation work and prepare a cost analysis of those items and submit the proposed adjustments to the Utility Co. together with any proposed adjustments resulting from the site audit.

- (14) Finalizing project. After the matter of adjustments and relocations, if any, have been resolved, and final payment is made on the bill for the utility adjustment or relocation work, NDDOT Financial Management Division will request authorization from the Utilities Engineer to close out project.
- (15) Documentation in project files. Utility agreements, field inspection reports, audit data, correspondence, engineering reports, legal opinions, and other pertinent information relative to utility relocations are retained in the project file for a period of three years after completion and acceptance by the State of the highway project, which necessitated the utility relocation.

Utility communication/coordination flow chart

STATE	PROJECT NO.	SECTION NO.	SHEET NO.
ND	Utility Flow Chart		1

