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SECTION 500.00 – CONSTRUCTION

SECTION 505.00 – CONSTRUCTION INTRODUCTION

A Board Order is issued to Utilities that are to relocate or adjust their facilities within the right-of-way of the State Highway System due to a highway improvement project. A utility agreement is executed with Utilities whose facilities are to be relocated or adjusted at project expense or when ITD's contractor performs utility work (refer to [Section 435.00](#)). The ITD [Contract Administration \(CA\) Manual chapter 105.07](#) covers the duties and responsibilities of the Resident/Regional Engineer during the construction process relating to Utilities, and is outlined below.

SECTION 510.00 – PRIOR TO AWARD OF CONTRACT

While some utility work may be completed prior to start of project construction, many projects require utility work to be done in concurrence with construction of the project. Therefore, communication and coordination between utilities and the contractor is essential.

The Contractor's work may be delayed because of the Utility's failure to remove, relocate or adjust utility facilities when needed. The Resident/Regional Engineer takes the following actions to mitigate delays caused by Utilities:

- During project advertisement, contact the utility representative listed in the proposal to ensure the Utility is aware that start of project construction will be soon.
- Verify the Utility has a copy of the plans and proposal and that the utility facilities are correctly shown.
- Inquire of the Utility the amount of time needed for advanced notification from the Contractor, for ordering materials and scheduling work crews, and the time needed to complete the work.
- Discuss work requirements.

SECTION 515.00 – AFTER AWARD OF CONTRACT

After notice of award to the successful bidder, share the above utility information with the Contractor so it can be included in the CPM schedule.

For those cases where the Contractor is performing the utility facility relocation or adjustment work, the Utility agreements stipulate that the Resident/Regional Engineer obtain concurrence from each Utility if the contract bid prices for the utility work exceeds the amount specified in the agreement. The Resident/Regional Engineer must obtain payment from the Utility for all utility work to be completed by the Contractor prior to the work starting. The District Record Inspector must apply these funds to the project.

Invite all Utilities to the preconstruction conference and include utility work as a topic. It is recommended that this discussion occur early in the conference so that the Utilities may leave if they wish. At the preconstruction conference:

- Discuss the utility work items and the amount of time needed for advanced notification from the Contractor, for ordering materials and scheduling work crews, and the time needed to complete the work.
- Discuss methods to be implemented for protecting utility locate markings.
- Emphasize that it is the Contractor's responsibility to coordinate the utility work and include:
 - **Timely** prior notification of when Utilities need to perform utility work.
 - **Sufficient** time in the Contractor's work schedule for the Utilities to complete utility work.
- Stress to the Contractor that if delays occur because of Contractor's failure to properly communicate and coordinate with the Utilities (e.g., untimely notification, not enough time given to Utilities to accomplish utility work), it will be considered avoidable and no additional compensation will be available to the Contractor.
- Adequately document in the meeting minutes the necessary utility notification and work schedule requirements.

Require the Contractor to show utility work as activities on the CPM schedule and verify with the Contractor that the Utilities agree with the durations shown. Confirm that the Contractor is communicating adequately with the Utilities concerning CPM schedule adjustments and updates. Accomplish this by including this as a topic during the regular weekly progress meetings and discussing with the Utilities.

NOTE: There is no contractual relationship between the Contractor and the Utilities. The above procedures will facilitate communications between the Contractor and the Utilities resulting in the prevention and mitigation of utility conflicts and delays to the Contractor.

SECTION 520.00 – PROGRESS OF UTILITY WORK

The Resident/Regional Engineer should:

- Evaluate whether to send CPM schedule updates to Utilities. This is especially critical if the contractor has revised activities or durations that were agreed upon in the initial or previous schedules.
- Invite Utilities to jobsite progress meetings when warranted.
- Verify that the Contractor is coordinating with Utilities as required and agreed upon.
- Verify that Utilities are coordinating with each other as required and agreed upon.

The Resident/Regional Engineer must also:

1. Oversee inspection of utility work for compliance to plans and all agreement requirements.
 - Complete an ITD-25 Standard Construction Diary for a Utility on each day work is done.
 - Inspect salvaged utility materials prior to disposal per utility agreement.
2. Prepare Change Orders

- If there are changes to the plans involving utility work covered by a utility agreement, a change order must be executed.
 - For work to be completed by the Contractor, payment is obtained from the Utility prior to work start.
 - Concurrence from the Utility/Railroad Supervisor is required for the ITD-2317. The ITD-403 must be signed by an authorized utility representative prior to the work commencing. Send a copy of the executed change order to the Utility/Railroad Supervisor.
 - Verify that these changes are on the project as-built drawings.
 - Request funds to be obligated for any additional cost for utility work at project expense by ITD-2101 when necessary.
3. Review and pay billings from each Utility
- Utility submits billing(s) including any supporting cost documentation to Resident/Regional Engineer for reimbursement of utility facility relocation costs in accordance with a utility agreement.
 - These utility billings and any supporting cost documentation are reviewed by the Resident/Regional Engineer for obvious errors or discrepancies with the understanding that ITD personnel are not necessarily experts in utility work.
 - Questions regarding utility billings are to be directed to the billing Utility. Any billing disputes or adjustments are to be resolved with the Utility prior to the final payment.
 - Established rates for overhead, equipment and other items may be obtained from Internal Review. The District may request an audit by Internal Review of either the utility billings or utility billing procedures of a Utility at anytime.
 - Utility payments are made by the District in accordance with the Utility agreement and Section 8.5 of the Financial Services Manual. The District prepares an Invoice and Tracking form that in turn will generate a warrant from the State Controller's Office. Generally a retainage amount of 5% is withheld from each progress payment.
 - Payments are to be made within 60 days in accordance with Subsection 67-2302 of Idaho Code or as specified by the Utility agreement. Otherwise the billing Utility may assess a late fee and/or interest charge.
 - Utility payments are reviewed by the District Records Inspector in accordance with Section V of the District Record Inspector Manual.

Utility adjustment agreements are to be reviewed for any additional payments required from each Utility after the Contractor completes the utility work.

SECTION 525.00 – COMPLETION OF UTILITY WORK

The Resident/Regional Engineer is responsible to complete a Utility Permit ITD-2110 for each Utility covering all utility relocation work. Attach the as-built utility plans to the permit. This permit is maintained within the District in accordance with District procedures (see [Section 200](#)).

An [ITD-1865 Utility/Railroad Fiscal Final Review Report](#) is prepared by the Resident/Regional Engineer and submitted to the District Records Inspector for completion and distribution, including one copy going to the Utility/Railroad Supervisor. This form is to be completed for all projects that include any utility relocation work, whether at project expense or company expense. Any request by a Utility for additional money shall be reviewed in regard to any utility agreement or utility change order with the Utility. Some agreements, such as railroad agreements, require that ITD reimburse the company for all additional costs or losses. The District is responsible for obtaining funding for any payments for valid requests. Payment is made in accordance with *Section 8.5 of the Financial Services Manual*. No retainage amount is withheld.

Final payments and any retainage withheld from previous payments are paid in full after the Utility has completed the agreed work, in accordance with *Sections 8.3.4 and 8.5 of the Financial Services Manual* and *Section V of the District Record Inspector Manual*. An audit by Internal Review of either the billings or billing procedures of the railroad or utility company can be requested through the [ITD-1865](#).

Generally audits are not conducted on agreement amounts less than \$200,000 or for agreements where the actual cost exceeds the estimated amount by less than 15% or \$50,000.