

State of Connecticut

**Department of Transportation
Bureau of Finance and Administration**

**UTILITY MANUAL
FOR
DOCUMENTING AND BILLING
HIGHWAY RELOCATION
WORK**

Division of Financial Management and Support

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INTRODUCTION

This manual is a guide for Utility Companies to use when documenting and billing the Department of Transportation for highway relocation projects. The term "Utility Company" is meant to include all Utility Companies as well as municipally owned Utility Companies. A highway relocation project is defined as the work required for the relocation of a Utility Company's existing facility due to the reconstruction, rehabilitation or relocation of a roadway through either minor widening or relocating the roadway to a new alignment.

The Purpose of This Manual

This manual is provided to Utility Companies because the Department of Transportation recognizes the need to clarify the guidelines to follow when documenting and billing highway relocation projects. The purpose of this manual is to promote quicker and smoother processing of Utility Company invoices and to reduce the number of disallowances due to incomplete documentation.

This manual is not intended to replace the Department of Transportation's Public Service Facility Policy and Procedures for Highways in Connecticut (PSFP). Therefore, all policies and procedures detailed in the PSFP and referenced in agreements with the Department of Transportation are still in effect.

Types of Utility Agreements

A Master Utility Agreement has been consummated between the Department of Transportation and various Utility Companies. The Master Utility Agreement covers work associated with preliminary engineering, test pits, construction and reimbursable work. A copy of the Master Utility Agreement is presented in Appendix A on page 48. Utility Companies that are not party to a Master Utility Agreement enter into separate project and phase agreements with the Department of Transportation for highway relocation work.

The Department of Transportation issues several different Project Authorization Letters (PALs) to Utility Companies that have entered into a Master Utility Agreement. PALs replace the need for a separate agreement for each highway relocation project. This manual assumes that the reader is associated with a Utility Company that has entered into a Master Utility Agreement and receives PALs from the Department of Transportation. When a Utility Company has not entered into the Master Utility Agreement, all references to "PALs" in this manual should be taken to mean agreement.

Since the Master Utility Agreement does not cover any work associated with right of way acquisition, all Utility Companies must enter into a separate agreement for the acquisition of its right of way and the relocation of its facility.

About the Manual

The manual is composed of twelve sections. Seven sections cover the following topics:

PALS. Describes the preparation of Preliminary Engineering and Construction Project Authorization Letters (PALS) and the preparation of the Right of Way Agreements.

The Con 40 and Con 41 forms. Describes the construction aspect of the project regarding the preparation of the forms required by the Department of Transportation for the reporting of all field labor, equipment, and material.

Invoice Summary and Processing Form (ISP). Describes how a Utility Company should bill the Department of Transportation for work performed, involving preparation of the invoice and the reconciliation of the bill to the documentation and agreement estimates.

Subcontractors. Describes the approval process and the reporting and billing of subcontractor work.

Other sections cover agreement overruns, changes in scope, increases in cost, joint-owned facilities, reimbursable work and final reimbursement.

Throughout the manual, a sample highway relocation project is used to illustrate the information that is presented.

SECTION ONE: PRELIMINARY ENGINEERING PAL

1.0 Introduction

A Utility Company can start Preliminary Engineering work for a highway relocation project when it has received a Preliminary Engineering Project Authorization Letter (PAL) * from the Department of Transportation's Engineering Administrator. The Preliminary Engineering PAL will state the date the Utility Company is authorized to incur charges. This section describes the Preliminary Engineering PAL. A typical Preliminary Engineering PAL is presented in Appendix B on page 78.

1.1 Prior to Sending the Preliminary Engineering PAL

Before the Preliminary Engineering PAL is sent to a Utility Company, the Department of Transportation sends the Utility Company a letter of notice regarding the proposed highway relocation project. Included with the letter are a set of preliminary plans and a notification of the design utility meeting. At the design utility meeting, the Utility Company advises the Department of Transportation of any major conflicts they may have as a result of the project. The Utility Company also advises the Department of Transportation in writing of any work the Utility Company wants performed by the Department of Transportation's Prime Contractor.

After the design utility meeting, and within two weeks, the Utility Company submits a Preliminary Engineering estimate, including test pits if necessary, and indicates if the Utility Company is to perform the Preliminary Engineering work or if a consultant will be used. When a consultant is used, the Utility Company must follow the guidelines outlined in A Procedure for Retaining a Consultant Engineer. These guidelines are available on request by calling the Department of Transportation's Utility Section.

1.2 Contents of the Preliminary Engineering PAL.

The Preliminary Engineering PAL contains a description of the conflict requiring relocation, the town and project number, the project's Federal Aid Project Number (if applicable), the Utility Company's Master Agreement number, the Utility Company's estimate and the

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percentage of Department of Transportation participation. The percentage of participation in highway relocation projects is provided for in Connecticut State statutes 13a-126 and 13a-98f. The statutes are generally summarized below.

Statute 13a-126:	<u>State Road</u>	<u>Non-Access</u>
Private Utility Company	50%	100%
Municipal Utility	cost of apportionment by Feds + 50% of the Non-Federal share	100%
Statute 13a-98f:	<u>State Road</u>	<u>Local</u>
Private Utility Company	50%	0%
Municipal Utility	Cost of Federal apportionment	Cost of Federal apportionment
Other Municipalities	100%	100%

Exhibit 1-1 . Determination of State Participation

The Department of Transportation will not participate in the cost of utility relocation when the highway has been abandoned. Exceptions to this are when the Public Service Facility is disturbed by the construction or when a fire hydrant is inaccessible to fire apparatus because of the highway relocation.

SECTION TWO: CONSTRUCTION PAL

2.0 Introduction

A Utility Company cannot start construction work for a highway relocation project until it has received both a Construction Project Authorization Letter (PAL) * and an "order to start" letter. The Construction PAL will be from the Department of Transportation's Engineering Administrator and the "order to start" letter will be from the Department of Transportation's District Engineer. This section explains the Construction PAL. A typical Construction PAL is presented in Appendix C on page 80.

2.1 Prior to Sending the Construction PAL

Before the Construction PAL is sent, the Utility Company will receive the final design plans from the Department of Transportation. Based on these plans, the Utility Company will submit a detailed estimate specifying the following:

- A description of the location by station or pole number.
- A listing of the type and quantity of material to be installed or removed.
- Complete detail of any work to be performed by a subcontractor. If the subcontractor work is to be lump sum, then a copy of the bid or agreement should be included with the estimate or submitted immediately following consummation of the agreement with the subcontractor. The bid should specify whether the subcontractor will be providing labor, equipment and material or just labor and equipment. **The lump sum method cannot be utilized for any aspect of the work in excess of Twenty-Five Thousand Dollars (\$25,000) unless the Utility Company is using a Continuing Contractor (see Subcontractors, Page 31).**
- A clear indication of any credits due to the Department of Transportation for betterments, depreciation and salvage.

The estimate is to include the percentage of Department of Transportation participation. The percentage of participation is determined according to Connecticut State statutes 13a-126 and 13a-98f as summarized in Exhibit 1.1, *Determination of State Participation* on page 4.

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2.2 Contents of the Construction PAL.

Upon acceptance of the Utility Company's estimate, the Department of Transportation will prepare the Construction PAL. The Construction PAL will contain a description of the conflict requiring relocation, the town and project number, the project's Federal Aid Project Number, the Master Agreement number and the Utility Company's detailed estimate.

SECTION THREE: BEGINNING CONSTRUCTION WORK

3.0 Introduction

This section presents the guidelines to follow when a highway relocation project begins.

3.1 Prior to Beginning Construction Work

The Utility Company will be notified by the Department of Transportation to order material prior to starting construction. However, before construction can begin the Utility Company must receive a Construction Project Authorization Letter (PAL) * from the Department of Transportation **along with a Purchase Order**. Exceptions to this rule can be made only by the written order of the Chief Engineer of the Department of Transportation.

After the Department of Transportation awards the project to a contractor, the appropriate construction district office will notify the Utility Company of the date it is authorized to adjust the facility. This notification is called the "order to start". The Utility Company will also be notified of the preconstruction meeting. Once the District issues a permit, then the Utility Company may begin construction.

3.2 Procedures to Follow When Construction Begins

The Utility Company's field crew must notify the inspector of the following on a daily basis:

- Their arrival.
- The Foreman's name.
- The size of the crew.

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- The anticipated work.
- The schedule for each day, including travel time.
- The schedule for the preparation and sign off of the Con 40 forms.
- Notification of weekend or holiday work. Weekend or holiday work must be called in on the last working day before the weekend or holiday. Approval for weekend or holiday work must be obtained before the work is performed.

3.3 Unreasonable Delays

Unreasonable delays on the part of any Utility Company in relocating, adjusting or removing its facilities, after the receipt of due notice from the Department of Transportation to proceed with the work, may make the Utility Company liable to the Department of Transportation's contractor for redress due to any delays attributed to the Utility Company.

SECTION FOUR: THE CON 40 FORM

4.0 Introduction

The Con 40 form, or its approved equivalent, is a daily labor and work record that is used to report all field labor, equipment and material. The Con 40 form is the Department of Transportation's authorization to pay for highway relocation work, provided the work is within the scope of the Utility Company's agreement. **These forms can be found on-line at <http://www.ct.gov/dot/cwp/view.asp?a=1410&q=413852>.** This section covers the guidelines to follow when preparing the Con 40 form. Appendix D on page 68 presents a properly prepared Con 40 form.

4.1 Preparing the Con 40 Form

These rules must be observed when preparing the Con 40 form:

- Test pit work performed during the Preliminary Engineering phase does not have to be reported on the Con 40 form.
- Any test pit work or inspection performed during the construction phase must be reported on the Con 40 form.
- Subcontractor work should be reported on the Con 40 form. Subcontractor work should be reported according to the directions in Section 7, Subcontractors, on page 31.
- The Con 40 form must be signed and dated by both the Utility Company's representative and the Department of Transportation's representative. **An original and two copies are to be sent/brought to the Inspector for signature by the Utility Company. One copy will be given to the Utility Company representative, one copy will be retained for the project records and the original shall be forwarded to the District Utility Coordinator for processing and transmittal to the Financial Management and Support Unit.**
- The Con 40 form must be submitted within fifteen days from the date the work was performed. **District Personnel are under no obligation to sign any Con's submitted after the project has been completed which may result in loss of reimbursement.**
- Preliminary Engineering office labor and non-field construction labor do not have to be reported on the Con 40 form.

4.2 Preparing the Heading

The heading is on the upper left side and the upper right side of the Con 40 form. The heading must contain this information:

- In the TOWN box, the name of the town in which the work was performed.
- In the FEDERAL PROJ. NO. box, the Federal Project number, if the work is Federally participating.
- In the STATE PROJ. NO. box, the State project number.
- In the UTILITY box, the name of the Utility Company.
- In the UTILITY W.O. box, the Utility Company's work order number.
- In the PERCENTAGE COMPLETE box, the percentage of work that is completed.
- In the UTILITY SUB-CONTRACTOR box, the name of the Utility Company's subcontractor applicable to the work performed.
- In the DATES box, the dates the work was performed.

4.3 Preparing the LABOR EMPLOYED Section

In the CLASSIFICATION column, all field labor should be listed according to employee classification, including:

- Inspector.
- Supervisor.
- Equipment operator.
- Traffic control workers.
- All other related on-site workers.

The employee classifications should be listed in the CLASSIFICATION column. The total number of employees working in each classification should be listed in the NO. column. The total number of hours worked by all the employees within a classification should be listed in the Total Hours column.

Field labor associated with all temporary material installed and material removed must be reported in the LABOR EMPLOYED section.

Overtime must be approved by the Department of Transportation before it is worked. Minor O. T. work, like the completion of backfill in an open trench, must be authorized by the Department of Transportation's field representative. Minor O. T. work does not require formal written approval.

Approval for more extensive overtime must be requested in advance by the Utility Company to the District Engineer. If the District Engineer concurs that the overtime is in the best interest of the Department of Transportation, the District Engineer will approve the overtime by a letter to the Utility Company.

When overtime is worked, it must be segregated from regular time and clearly marked as "O. T." when reported on the Con 40 form.

Travel time and paid meal time must be reflected on the Con 40 form.

4.4 Preparing the EQUIPMENT USED Section

In the KIND (SIZE OR CAPACITY) column, all equipment should be listed according to type and size and capacity. Include any equipment used for the installation of temporary material and removal of any material. The total number of each type of equipment should be listed in the NO. column. The total number of hours each type of equipment was used should be listed in the Total Hours column.

4.5 Preparing the MATERIALS AND SUPPLIES USED Section

The MATERIALS AND SUPPLIES USED section should be used for reporting permanent material only.

Temporary material used should be reported on the Con 41 form according to the directions in Section 5, The Con 41 Form, on page 13. Removal of material should also be reported on the Con 41 form.

In the ITEM column, all major and minor material installed for permanent use should be listed. Insignificant material like nuts and bolts need not be listed. Entries in the ITEM column should specify the type of material used. The terminology should be consistent with the terminology used in the Utility Company's agreement and with the terminology used when billed.

In the Quant. column, the total amount of material used should be listed. In the Unit column, the measure of the material used should be specified, such as "pounds," "feet," "each," "meters," "kilograms," etc.

4.6 Preparing the REMARKS Section

In the REMARKS section, the work should be described in clear and complete language. The description should include the location by station or pole number and the major material involved. For example: "install 100 feet of 12 inch cast iron pipe between station 10 + 25 and 11 + 25 at High Street including 12 inch gate valve." A change in scope or extra work should be noted in the REMARKS section if the work performed was not part of the original agreement. Any other pertinent information the Utility Company feels may be relevant should also be noted.

SECTION FIVE: THE CON 41 FORM

5.0 Introduction

The Con 41 form, or its approved equivalent, is used to report all temporary material installed and all temporary and existing plant removed. Information reported on the Con 41 form determines depreciation and salvage credit on permanent material as well as credits for temporary material removed. **These forms can be found on-line at <http://www.ct.gov/dot/cwp/view.asp?a=1410&q=413852>.** This section covers the guidelines to follow when preparing the Con 41 form. Appendixes E, F and G on pages 83 - 85 present properly prepared Con 41 forms.

5.1 Preparing the Con 41 Form

These rules must be observed when preparing the Con 41 form:

- When temporary material is used on a project, they should be reported under the Temporary Materials Installed section (see Section 5.4 on page 14). When the temporary material is removed, they should be reported under the Material Removed section (see Section 5.5 on page 15).
- The Con 41 form must be signed and dated by both the Utility Company's representative and the Department of Transportation's representative. **An original and two copies are to be sent/brought to the Inspector for signature by the Utility Company. One copy will be given to the Utility Company representative, one copy will be retained for the project records and the original shall be forwarded to the District Utility Coordinator for processing and transmittal to the Financial Management and Support Unit.**
- The Con 41 form must be submitted within fifteen days from the date the material was installed or removed. **District Personnel are under no obligation to sign any Con's submitted after the project has been completed which may result in loss of reimbursement.**

5.2 Preparing the Heading

The heading is on the upper left side and the upper right side of the Con 41 form. The heading must contain this information:

- In the **TOWN** box, the name of the town in which the work was performed.
- In the **FEDERAL PROJ. NO.** box, the Federal Project number, if the work is Federally participating.
- In the **STATE PROJ. NO.** box, the State project number.
- In the **STATE CONTRACTOR** box, the name of the State contractor.
- In the **UTILITY** box, the name of the Utility Company.
- In the **UTILITY W.O.** box, the Utility Company's work order number.
- In the **UTILITY SUB-CONTRACTOR** box, the name of the Utility Company's sub-contractor if applicable to the work performed.
- In the **DATES** box, the dates the work was performed.

5.3 Preparing the **ITEM** column

The **ITEM** column is used to describe and list temporary material installed and all material removed. All major and minor material must be listed. Insignificant material like nuts and bolts need not be listed. Entries in the **ITEM** column should be specific as to the type of material used. The terminology should be consistent with the terminology used in the Utility Company's agreement and with the terminology used when billed.

5.4 Preparing the **TEMPORARY MATERIALS INSTALLED ON PROJECT** Section

In the **TEMPORARY MATERIALS INSTALLED ON PROJECT** section, all temporary material installed should be listed on the left side of the form. A properly prepared Con 41 form for temporary material installed is shown in Appendix E on page 83.

In the **Quant.** column, the total amount of material and the measure of the material used should be specified, such as "pounds," "feet," "meters," "kilograms," "each," etc.

In the **DATE** column, the date the material was installed should be noted.

In the **DESCRIPTION AND LOCATION** column, the description should include the location by station or pole number and the temporary major material involved. For example: "install 250 feet of 15 V cable between station 15 + 10 and 16 + 10 at Main Street." Any other pertinent information the Utility Company feels may be relevant should also be noted.

5.5 Preparing the MATERIALS REMOVED FROM PROJECT Section.

In the **MATERIALS REMOVED FROM PROJECT** section, all temporary and existing material removed from a project should be listed on the right side of the form. Appendix F on page 84 presents a properly prepared Con 41 form for temporary and existing plant removed.

In the **Quant.** column, the total amount of material and the measure of the material used should be specified, such as "pounds," "feet," "each," "meters," "kilograms," etc.

In the **DATE** column, the date the material was removed should be noted.

The **DISPOSITION** column should clearly indicate if the material removed will be junked, scrapped or returned to stores by checking the appropriate box:

- **JUNKED MATERIAL** is defined as material which has no value and will be disposed of by the Utility Company.
- **SCRAP MATERIAL** is defined as material recovered but not accepted for reuse and determined to have a net sale value by the Utility Company.
- **MATERIAL RETURNED TO STORES** is defined as material which can be reused by the Utility Company.

In the **DESCRIPTION AND LOCATION** column, the description should include the location by station or pole number and the major material involved. For example: "install 250 feet of 15 V cable between station 15 + 10 and 16 + 10 at Main Street." Any other pertinent information the Utility Company feels may be relevant should also be noted.

5.6 Type of Work

The type of material removed should be clearly indicated on the Con 41 form by checking off either the **TEMPORARY WORKED** column or the **EXISTING PLANT REMOVED** column, whichever is applicable.

5.7 Reconciliation

A reconciliation of temporary material installed versus temporary material removed must be performed. On removal, all temporary material installed must be reported in the **TEMPORARY MATERIAL REMOVED** section of the Con 41 form. There should be no variances.

Appendix G on page 85 presents two properly prepared Con 41 forms. The first Con 41 form is for temporary material installed. The second Con 41 form is for reconciliation of temporary material removed.

SECTION SIX: THE ISP FORM; PROCEDURES FOR BILLING AND DOCUMENTING

6.0 Introduction

The ISP form is used to bill the Department of Transportation for work performed on highway relocation projects. The use of the ISP form is required in order to be reimbursed. In addition, the ISP form must be accompanied by complete documentation and backup for the charges it contains. This form can be found online, by going to the Department's website (<http://www.ct.gov/dot>) and clicking first on the "Publications" link, then clicking on the "Forms" link. This section explains the guidelines to follow when preparing the ISP form and the procedures to follow when billing and documenting.

6.1 Preparing the ISP Form

The Utility Company must provide the following information on the ISP form. Only the sections cited below should be completed by the Utility Company. The remaining sections are for use by the Department of Transportation and should be left blank. Appendix H on page 86 presents a properly prepared ISP form with documentation.

- **Contract CORE ID** - the CORE ID is located in the upper right hand corner of the front sheet on Department contracts signed after July 1, 2007. It is usually 11 characters long, beginning with 2 digits followed by "DOT" then a sequence of numbers and letters. Contracts completed prior to that date will contain only an Agreement or Identification number. If your contract doesn't contain a CORE ID, please use the appropriate Federal Identification number.
- **Vendor Name & REMIT Address** - the Utility Company's name and address where you want the check to be sent.
- **Brief Contract Description** - the State Project Number, phase, project location, partial or final bill number and date of the agreement.
- **Vendor Contacts** – the Engineer and financial contact information.
- **Vendor Invoice No./Info.** - A unique invoice number. Please note that the billing information or notation cannot be longer than thirty characters.
- **Billed Amount** - the total amount due, less the Utility Company's share, less any retainage, for the net amount due for this invoice only.

- **Billing Period** – the dates the work was performed.
- **Brief Invoice Description** - any billing information or notation to be used by the Utility Company to identify the reimbursement check.
- **Signature Lines** – please sign and date indicating the work has been performed.

6.2 Separate Billings

Never combine bills for more than one PAL* on the same ISP form. Bills should be separated according to the type of PAL the Utility Company has with the Department of Transportation.

When test pits are included in the Preliminary Engineering PAL, the bill for the test pits should be included with the Preliminary Engineering bill. When a separate test pit PAL has been written, the bill should be only for the actual cost of the test pit work. Any Preliminary Engineering costs associated with the test pit work should be billed under the Preliminary Engineering PAL.

When a bill includes costs that are reimbursed from different types of funds, the bill should be separate and should be properly identified. For example, when a portion of a project is Federally funded and the remaining portion is State funded, the bill should separate the costs for the Federal portion and the costs for the State portion.

Partial bills should be labeled as such and should reflect a retainage withheld. Please note that partial bills cannot be submitted against construction Right of Way Agreements. Only final construction right of way bills are to be submitted.

6.3 Billing Procedures

All bills submitted to the Department of Transportation must include the following items:

- The original ISP form.
- One copy of the ISP form.
- All of the accompanying documentation.
- One copy of all the accompanying documentation.

Documentation requirements are covered later in this section. Bills should be mailed to the Division of Financial Management and Support, Department of Transportation, P.O. Box 317546, Newington, CT 06131-7546.

* This manual assumes that the reader is associated with a Utility Company that has entered into a Master Utility Agreement and receives PALs from the Department of Transportation. When a Utility Company has not entered into the Master Utility Agreement, all references to "PALs" in this manual should be taken to mean agreement.

6.4 Procedures for Final Bills

Final bills should be clearly marked as final bills. Final Preliminary Engineering bills must be submitted within six months from the date the Utility Company's construction was authorized. Final construction bills must be submitted within six months of completion of the project by the Department of Transportation and should include a copy of the "as built" plans. Failure to submit final bills within these time frames may result in the loss of reimbursement.

Final reimbursement will be made after an audit. See Section 12, Final Reimbursement, on page 46.

6.5 Documentation of Labor

Appendix I on page 87 illustrates how labor should be documented. Documentation of labor should include the following information:

- Employee names or employee numbers.
- Employee classifications. The employee classifications for field labor used on the invoice should match the employee classifications used on the Con 40 form.
- The hourly rate. Straight time and premium time must be separated and clearly identified.
- The number of hours worked, including travel time if it is reimbursed by the Utility Company.

- The date or dates worked. Either specific dates or a payroll week ending date can be used.
- Labor surcharge and fringe benefits. Labor surcharges should be billed as the actual costs computed from experience from the previous fiscal year. Labor surcharges and fringe benefits are computed using the straight time rate of pay only. Labor surcharges and fringe benefits are not applicable to the premium portion of overtime. The Utility Company must submit yearly experience and administrative rates to the Department of Transportation for review and approval. In the event the Utility Company does not submit rates within one hundred twenty (120) days after the close of the fiscal year, an additive rate of thirty percent (30%) shall be used. Weather loading is not an eligible surcharge.

Exhibit 6-1 Computing Labor Surcharge and Fringe Benefits

Exhibit 6-1 illustrates how to compute the authorized absence rate, the fringe benefit rate and the rate for administrative costs.

FFF Payroll Base, which shall be computed as follows:

Total Payroll		XXX
Less: Overtime Premium	AAA	
Other Premium payments in excess of base pay	<u>BBB</u>	
	CCC	CCC
Total Payroll - Straight Time		DDD
Less: Vacation, Holiday Sick Leave and Other Authorized Absences		<u>EEE</u>
Payroll Base		FFF

1. Authorized Absence Rate* =

$$\frac{\text{Authorized Absence pay - previous calendar year}}{\text{Payroll Base (FFF)}}$$

Authorized absences: These shall include, but not be limited to, vacation, holiday, sick leave, military leave and personal leave.

2. Fringe Benefit Rate*

$$\frac{\text{Cost of Fringe Benefit - previous calendar year}}{\text{Payroll Base (FFF)}}$$

Fringe Benefits: These shall include, but not be limited to, the actual cost to the Utility or Municipality for pension expense, hospital and major medical insurance and group life, worker's Compensation insurance, public liability and property damage insurance, limited protection insurance and payroll taxes.

3. Charges for a project's administrative costs cannot exceed five percent of the total labor costs. Administrative costs are for general engineering, legal and administrative functions that are essential and contribute directly to the project.

* 1 and/or 2 are to be applied to the straight time payroll only on a project to project basis. Thrift and bonus accounts granted by a Utility or Municipality will not be considered as an eligible expense.

All field labor must be documented on Con 40 forms. Field labor charges cannot be reimbursed without Con 40 documentation. Although the Department of Transportation should already have a copy of these forms on file, the Utility Company may submit a copy of these forms with its bill. Submission of these forms by the Utility Company assists in the invoice reconciliation process. Field labor should be reported according to the directions in Section 4, The Con 40 Form, on page 9. Subcontractor labor should be reported according to the directions in Section 7, Subcontractors, on page 31.

6.6 Reconciliation of Labor

The Utility Company is responsible for the reconciliation of the labor hours billed versus the labor hours reported on Con 40 forms. This reconciliation must be performed prior to submission of the invoice. Field labor costs should not be billed unless they are documented on a Con 40 form.

The terminology used when billing for labor should be consistent with the terminology used on the Con 40 form. Labor costs must be consistent with the costs included in the Utility Company's agreement and estimate.

Records must be maintained by the Utility Company using either a job cost system or time sheets which detail the specific project.

6.7 Documentation of Equipment

Appendix J on page 88 illustrates how equipment should be documented. Documentation of equipment should include the following information:

- The equipment name or number.
- The number of hours the equipment was used.
- The date or dates the equipment was used. Either specific dates or a payroll week ending date can be used.
- The hourly rate billed for equipment should conform with the audited equipment rates developed by the Utility Company. If there is no established equipment rate, the rate cited in the current edition of the Department of Transportation's equipment rental rate should be used.
- Rental of equipment should be charged either by the rate established by the existing Continuing Contractor or by the lowest qualified bidder. The rental rate cannot exceed the **weekly** rental rate cited in the current edition of Rental Rate Blue Book for Construction Equipment **divided by forty (40) hours**.

All equipment used during construction must be documented on a Con 40 form. Charges for equipment cannot be reimbursed without Con 40 documentation. Claims for loss or damage of small tools must be explained in detail. The cost of small tools is not reimbursable if the loss or damage is due to the Utility Company's negligence. These guidelines are to be considered when documenting transportation of equipment:

- The cost of motor vehicles used for employee transportation is reimbursed at the amount established by the Utility Company or at the rate established in the Public Service Facility Policy and Procedures for Highways in Connecticut (PSFP). If a motor vehicle does not appear on a Con 40 form, the bill for the motor vehicle should detail its specific use and include the point of origin, the destination and the number of miles traveled.
- The costs of transporting equipment to the job site is reimbursed at the amount established by the Utility Company or the rate established in the PSFP.

Section 4, *The Con 40 Form*, on page 9 describes how to report equipment usage.

6.8 Reconciliation of Equipment

The Utility Company is responsible for the reconciliation of the equipment hours billed versus the equipment hours reported on Con 40 forms. This reconciliation must be

performed prior to submission of the invoice. Equipment costs should not be billed unless they are documented on a Con 40 form. The terminology used when billing for equipment should be consistent with the terminology used on the Con 40 form. Equipment costs during the construction phase must be consistent with the costs included in the Utility Company's agreement and estimate.

6.9 Documentation of Permanent Material

Appendix K on page 89 illustrates how to document permanent material. Documentation of permanent material should include the following information:

- The type of material used. All major and minor material should be listed. Major materials are items like poles, cable, conductors, ducts, manholes, pipes, valves, etc. Minor materials are items such as crossarms, MJ tees, adapters, retainer glands, etc. In lieu of billing minor material, a percentage of the major permanent material may be billed. This percentage is based on past experience computations. Prior written approval must be obtained from the Department of Transportation to bill for minor material in this manner.
- The measure of the material used, such as "pounds," "feet," "meters," "kilograms," "each," etc.
- The total amount of the material that was used.
- The unit cost of the material. If the material is requisitioned from a Utility Company's storeroom, the current stock prices should be billed. Items that are not furnished from stock should be delivered to the project site and billed at the actual cost to the Utility Company including transportation costs associated with the delivery. A copy of the freight bill must be provided.
- The dates the material was used. Either specific dates or a payroll week ending date can be used.
- Material handling may be charged for permanent material. This rate is limited to five percent of the permanent material billed if there has been no submission of actual additive rates. The maximum rate allowed cannot exceed ten percent of the permanent material billed.

- A reasonable cost for inspection and testing of material may be included in the bill when such expense has been incurred.
- A Utility Company may rehabilitate an existing facility rather than replace it providing the rehabilitation cost does not exceed the replacement cost.

The cost of permanent material to be transported to the job site is reimbursed at the amount established by the Utility Company or at the rate established in the PSFP.

All permanent material must be documented on Con 40 forms. Charges for permanent material cannot be reimbursed without Con 40 documentation.

Section 4, *The Con 40 Form*, on page 9 describes how to report permanent material.

6.10 Reconciliation of Permanent Material

The Utility Company is responsible for the reconciliation of the permanent material billed versus the permanent material reported on Con 40 forms. The Utility Company is also responsible for the reconciliation of the type and quantity of material billed versus the material itemized on the Utility Company's estimate.

This reconciliation must be performed prior to submission of the invoice. Permanent material costs should not be billed unless they are documented on a Con 40 form.

The terminology used when billing for permanent material should be consistent with the terminology used on the Con 40 form. If the type and quantity of material billed is not on the original or any revised estimates, a Change in Scope is required. Material costs must be consistent with the costs included in the Utility Company's agreement and estimate.

6.11 Documentation of Temporary Material Installed

Temporary material is material that is installed temporarily and removed by the Utility Company at the end of a project. The Utility Company's bill should separate permanent material billed from temporary material billed.

Appendix L on page 90 illustrates how to document temporary material installed. Documentation of temporary material installed should include the following information:

- The type of material used. All major and minor material should be listed. Major materials are items such as poles, cable, conductors, ducts, manholes, pipes, valves, etc. Minor materials are items such as crossarms, MJ tees, bends, adapters, retainer glands, etc. In lieu of billing minor material, a percentage of the major temporary material may be billed. This percentage is based on past experience computations. Prior written approval must be obtained from the Department of Transportation to bill for minor material in this manner.
- The measure of the material used, such as "pounds," "feet," "meters," "kilograms," "each," etc.
- The total amount of the material that was used.
- The unit cost of the material. If the material is requisitioned from a Utility Company's storeroom, the current stock prices should be billed. Items that are not furnished from stock should be delivered to the project site and billed at the actual cost to the Utility Company.
- The dates the material was used. Either specific dates or a payroll week ending date can be used.
- Material handling may be charged for temporary material. This rate is limited to five percent of the temporary material if there has been no submission of additive rates. The maximum rate allowed cannot exceed ten percent of the temporary material billed.

The cost of temporary material to be transported to the job site is reimbursed at the amount established by the Utility Company or at the rate established in the PSFP.

The Utility Company is reimbursed for the full cost of shipping temporary material from the point of purchase to the job site. A copy of the freight bill must be provided. All temporary material must be documented on Con 41 forms.

All temporary material must be documented on Con 41 forms.

Charges for temporary material cannot be reimbursed without Con 41 documentation.

Section 5, *The Con 41 Form*, on page 13 describes how to report temporary material.

If the Utility Company retains temporary material as permanent, the Department of Transportation is due a credit equal to the cost of the temporary material less a measure of depreciation not to exceed ten percent.

6.12 Credit for Temporary Material Removed

The Department of Transportation is to receive credit for all temporary material removed and accepted for reuse by the Utility Company. The credit for temporary material removed should be equal to the cost of the temporary material installed, less depreciation, which is not to exceed ten percent of the cost of the temporary material. Appendix L on page 90 illustrates how to document temporary material credits.

6.13 Reconciliation of Temporary Material

The Utility Company is responsible for the reconciliation of temporary material credited versus the temporary material reported on Con 41 forms. There should be no difference between the reporting of temporary material installed and the credit for temporary material removed and accepted for reuse by the Utility Company.

A reconciliation of the temporary material billed versus the temporary material itemized on the Utility Company's estimate must also be performed. This reconciliation must be performed prior to submission of the invoice.

The terminology used when billing for temporary material should be consistent with the terminology used on the Con 41 form. Material costs must be consistent with the costs included in the Utility Company's agreement and estimate.

6.14 Computing Depreciation Reserve Credit

Depreciation reserve credit is the credit the Department of Transportation is given for the accumulated depreciation on an existing plant when it is replaced. Depreciation reserve credit is not given when an existing plant is removed but not replaced. Appendix M on page 91 illustrates how depreciation reserve credit should be documented.

There are two methods of computing depreciation reserve credit, depending on whether the original cost of the removed existing plant is known or unknown. Examples of both methods of computing depreciation reserve credit are given in the following paragraphs.

WHEN THE ORIGINAL COST IS KNOWN - To illustrate the computation of depreciation reserve credit when the original cost of an existing plant is known, consider the following data:

ABC company installed 150 feet of cable in 1986. The original cost to install the cable was \$1,000. The life expectancy of the cable is 14 years. The cable was removed in 1993. To compute the credit due to the Department of Transportation for depreciation of the cable, first determine the number of years the cable was used:

Date removed (a)----- 1993
 less date of original installation (b) ----1986
 Years of Life used (a - b)-----7

Then determine the percentage of the cable's life that was used:

Years of life used (a - b)-----7
 Life expectancy (c)-----14
 Percentage of life used [(a - b) + c] x 100----50%

Finally, multiply the original cost of the cable by the percentage of life used to determine the depreciation reserve credit:

Original cost -----(d)
 Depreciation -----50% x (d)

The result of \$500 is the depreciation reserve credit due to the Department of Transportation.

WHEN THE ORIGINAL COST IS UNKNOWN. When the original cost of an existing plant is unknown, the original cost must be estimated by using statistics in the current issue of Engineering News Record or Handi Whitman. Then the credit due to the Department of Transportation for depreciation reserve credit is computed using the same method explained above. To illustrate the computation of depreciation reserve credit when the original cost is unknown, consider the following data:

ABC Company installed 150 feet of cable in 1993. The total cost of labor, equipment and material is \$1,000. The original cable was installed in 1983 and had a life expectancy of 20 years. The original cost of the cable is unknown.

Using the current issue of *Engineering News Record*, obtain the average annual index for the original construction year (4295 in this example) and the average monthly index for the present construction year (5126 in this example).

Next, compute the percentage of the average annual index to the average monthly index:

Average annual index for the original ,construction (a) -----	4295
Average monthly index for the present construction year (b) -----	5126
Percentage (a + b) x 100 -----	83.78%

This percentage is multiplied by the total cost of labor, equipment and material of the new facility. The end result is used as the cost of the original facility.

Present cost (c)-----	\$1,000
Original cost (c x 83.78%)-----	\$837.80

After the original cost is determined, the depreciation reserve credit for the cable is computed using the same method described previously. First determine the years of life used:

Date removed (a) -----	1993
Less date of original installation (b) -----	1983
Years of Life used (a - b) -----	10

Then determine the percentage of the cable's life that was used:

Years of Life used (a - b) -----	10
Life expectancy (c) -----	20
Percentage of Life used [(a - b) + c] x 100-----	50%

Finally, multiply the estimated original cost of the cable by the percentage of life used to determine the depreciation:

Estimated original cost (d) -----	\$837.80
Depreciation (d x 50%) -----	\$418.90

The result of \$418.90 is the depreciation reserve credit due to the Department of Transportation.

See Section 9, *Joint-Owned Facilities*, on page 37 for details on reporting and computing depreciation of joint-owned facilities.

6.15 Betterment

When notified of a highway relocation project, a Utility Company may decide to improve or add to its existing facility. Any improvement to a Utility Company's existing facility is considered betterment and the Department of Transportation is entitled to a credit for the improvement. Exceptions to this are:

- When the improvement is required by the highway relocation project.
- When the replacement is equivalent, but not identical, to the existing plant.
- When the existing material is no longer regularly manufactured. Replacement to the next higher grade or size is acceptable.
- When the improvement is required by law.

To compute betterment, first determine the cost to replace the existing plant in kind including labor, equipment and material. Then determine the cost to replace the improved or new facility including labor, equipment and material. The difference is the betterment credit due to the Department of Transportation. Appendix N on page 92 illustrates how betterment should be documented.

All labor, equipment and material associated with the improvement of the facility should be reported according to the directions in Section 4, *The Con 40 Form*, on page 9.

6.16 Scrap

Scrap material is defined as material that is recovered but not accepted for reuse and determined by the Utility Company to have a net sale value. When recovered material is sold for scrap, the Department of Transportation is entitled to credit for the full value of the sold material. The scrap material must be sold to the highest bidder. When a Utility Company uses a system of periodic disposal of scrap material, the credit due the Department of Transportation is at the current value of that scrap. Appendix O on page 93 illustrates how scrap material should be documented.

Scrap should be reported according to the directions in Section 5, *The Con 41 Form*, on page 13.

6.17 Other Billable Costs

The Department of Transportation will reimburse the Utility Company for reasonable miscellaneous costs such as travel expenses associated with the relocation of its facilities. These costs will be reimbursed according to the allowable rates determined by union contracts or by company policy, providing the costs are reasonable.

6.18 Reconciliation of Total Costs Versus the Estimate

The Utility Company is responsible for the reconciliation of the total costs versus the Utility Company's estimate. If total costs exceed the Utility Company's estimate, a written explanation must be provided. This explanation should be mailed to The Division of Financial Management and Support, Department of Transportation, P.O. Box 317546, Newington, CT 06131-7546.

The procedures to follow for an overrun of the Utility Company's estimate are outlined in Section 8, *Agreement Overruns; Change in Scope; Increased Cost*, on page 35.

SECTION SEVEN: SUBCONTRACTORS

7.0 Introduction

When a Utility Company lacks sufficient staff or equipment to perform a task required for a highway relocation project, it may subcontract the services of a Continuing Contractor. Alternately, the Utility Company may solicit bids to perform the required task. This section describes the procedures to follow when subcontractors are utilized.

7. 1 Obtaining Approval of a New Continuing Contractor

Use of a Continuing Contractor is done with the understanding that the Utility Company has no joint interest in their organization, that the Continuing Contractor has furnished acceptable quotes for performing their required work, and that the use of a Continuing Contractor is in the public interest.

A Continuing Contractor must agree to permit the Department of Transportation and the Federal Highway Administration to audit all records pertaining to highway relocation projects. The Continuing Contractor must agree to maintain these records for at least three years from the date of completion of their work when the project is State funded and five years when the project has Federal participation.

Rates charged by a Continuing Contractor to a Utility Company for a highway relocation project cannot exceed the rates which the Continuing Contractor would charge the Utility Company for similar work. Rates charged by a Continuing Contractor to a Utility Company for equipment cannot exceed the rates cited in the Rental Rate Blue Book for Construction Equipment, as modified by the current adjustment table.

7.2 Procedures to Follow When Soliciting Bids

When a Utility Company subcontracts work to a subcontractor that is not on the certified Continuing Contractor list, it must solicit bids. These procedures should be followed when soliciting bids:

- The Utility Company must obtain three bids in writing.
- The Utility Company must submit the three written bids to the Department of Transportation for approval.

- Bids must describe the work to be performed by the subcontractor, the location, the type and quantity of material to be used and an estimate for the work.
- Bids must indicate if the material to be installed will be furnished by the subcontractor or the Utility Company.

- Bids must indicate if the estimate is lump sum or for work based on actual cost.

- The lowest bidder must be the chosen subcontractor.

7.3 Exceptions

The procedures noted above for soliciting bids may be waived for any of the following reasons:

- If the subcontractor work is less than \$10,000.

- If an emergency exists. Specifically, if time restrictions do not allow for competitive bids or if, due to a specialized nature of the work to be performed, the number of subcontractors are limited.

- If the presence of two or more contractors at the project site would hinder the progress of the project.

- If a qualified contractor is immediately available at the work site.

Although the procedures for soliciting bids may be waived for any of the above reasons, the Utility Company must still enter into an agreement with the subcontractor. All rates for the subcontractor work must be reasonable. Written approval of the use of the subcontractor must be obtained from the Department of Transportation prior to entering into the subcontract agreement.

7.4 Reporting Subcontractor Labor, Equipment and Material

Subcontractor work should be reported on separate Con 40 and Con 41 forms. Timely preparation and submission of these forms is important. The forms must be submitted within fifteen days from the date the work was performed. Subcontractor work can be based on actual cost, lump sum or quantity. Although the itemization of labor and equipment is not required for subcontractor work based on lump sum or quantity, the inclusion of labor and equipment on the Con 40 form will assist the Department of Transportation inspector.

- For subcontractor work based on actual cost, the labor, equipment and material should be reported according to the directions in Section 4, The Con 40 Form, on page 9, and Section 5, The Con 41 Form, on page 13. Use of these forms is required for reimbursement for subcontractor work.
- Subcontractor work based on lump sum should be reported according to the percentage of work complete and must be reported on the Con 40 and Con 41 forms. The location and description of the work performed should be reported in the REMARKS section on the Con 40 form.
- Subcontractor work based on quantity should be reported according to the type and quantity of material that was installed or removed. The type and quantity of material installed or removed must be reported on the Con 40 or Con 41 forms. The location and description of the work performed should be reported in the REMARKS section on the Con 40 form or Con 41 form.

7.5 Billing and Documenting Subcontractor Labor, Equipment and Material

When a Utility Company submits a bill that includes subcontractor costs, the accompanying documentation must include:

- A copy of the agreement.
- The contractor's bid and detailing bid sheets.
- A copy of the subcontractor's bill.

Utility Company additives are not applicable to subcontractor work.

Subcontractor bills based on actual cost should be billed as follows:

- Labor should be billed according to the directions in Section 6.5, Documentation of Labor, on page 19.
- Equipment should be billed according to the directions in Section 6.7, Documentation of Equipment, on page 21.
- Material should be billed according to the directions in Section 6.9, Documentation of Permanent Material, on page 23.

Subcontractor bills based on lump sum must include the total lump sum, the period of time worked, the percentage complete proper reporting of subcontractor work based on lump sum.

Subcontractor bills based on quantity must include the period of time worked and the quantity of material that was installed. Appendix Q on page 95 illustrates the proper reporting of subcontractor work based on quantity.

7.6 Reconciliation of Subcontractor Labor, Equipment and Material

The Utility Company is responsible for the reconciliation of subcontractor work to the Con 40 and Con 41 forms prior to submission of the invoice to the Department of Transportation. Subcontractor work must not be billed unless the work has been reported on a Con 40 or Con 41 form.

SECTION EIGHT: AGREEMENT OVERRUNS; CHANGE IN SCOPE; INCREASED COST

8.0 Introduction

When the estimated cost in a Utility Company's original agreement is exceeded, a written explanation must be provided to the Department of Transportation. The explanation should specify the reasons for the overrun and state whether the increase is due to a change in scope from the original estimate or due to financial increases. This section presents the procedures to follow when reporting overruns.

8.1 Procedures to Follow for a Change in Scope

When the actual work to be performed is different from the estimate, the Utility Company must submit a written request to the Department of Transportation for its approval of a change in scope **as soon as the change is encountered**. The request must include a description of the change and an estimate of the additional costs **including a new material list if applicable**.

The request should be directed to the District Engineer of the appropriate Department of Transportation district. A copy of the request should also be mailed to The Division of Financial Management and Support, Department of Transportation, P.O. Box 317546, Newington, CT 06131-7546. The Utility Company should not proceed with the work until written approval of the change in scope has been received from the Department of Transportation.

When an emergency causes a change in scope, the Utility Company may get verbal approval from the Department of Transportation Project Engineer before proceeding with the work. However, a written explanation of the change in scope must be submitted to the Department of Transportation. The Utility Company must not submit bills for work associated with the change in scope until written approval has been received from the Department of Transportation.

Reimbursement for a change in scope to a Right of Way Agreement will be processed through an amended condemnation. For details, see Section 10.3, Reimbursement for Right of Way, starting on page 42.

8.2 Procedures to Follow for Increased Cost

When the estimated cost is exceeded solely due to increases in the cost of labor, equipment and material (and not due to a change in scope), the Utility Company must submit a written explanation for the increase to the Department of Transportation as soon as possible so funding can be acquired. Funding after six months that the project has been completed may not be available. The explanation should be mailed to the appropriate District for construction PAL's and the Utility Section, Department of Transportation, P.O. Box 317546, Newington, CT 06131-7546 for preliminary engineering PAL's. A copy should also be mailed to The Division of Financial Management and Support, Department of Transportation, P.O. Box 317546, Newington, CT 06131-7546. After reviewing the explanation, the Department of Transportation will notify the Utility Company in writing as to its acceptability. The Utility Company will be reimbursed upon acceptance of the increased cost by the Department of Transportation.

SECTION NINE: JOINT-OWNED FACILITIES

9.0 Introduction

This section covers the reporting and billing procedures to follow when a Public Service Facility is relocated and the facility is joint-owned or used by two or more Utility Companies.

The custodian of a joint-owned facility is responsible for installing the facility. The custodian is also responsible for billing the Department of Transportation for labor, equipment and material used to install the facility. Depreciation on a joint-owned facility is proportionally credited to the Department of Transportation based on the percentage of ownership by the owners of the facility. All labor, equipment and material associated with joint-owned facilities should be reported according to the directions in Section 4, *The Con 40 Form*, on page 9 and Section 5, *The Con 41 Form*, on page 13.

9.1 Procedures for Billing Joint-Owned Facilities: When the Custodian and the Non-Custodian Are Both Public Utilities

Public Utilities working on 100% reimbursable state highway projects must follow these procedures:

- Only the custodian will bill the Department of Transportation for the cost of the pole and its installation.
- Both the custodian and the non-custodian will issue a credit to the Department of Transportation for the depreciation of its share of the old pole.
- The custodian will not bill the non-custodian for the joint-owned pole.
- There will be no billing from the non-custodian to the Department of Transportation.

Public Utilities working on 50% reimbursable state highway projects must follow these procedures:

- Only the custodian will bill the Department of Transportation for 50% of the cost of the pole and its installation, based on the reimbursement outlined in their agreement with the Department of Transportation.

- Both the custodian and the non-custodian will issue a credit to the Department of Transportation for depreciation of its share of the old pole.
- The custodian will bill the non-custodian for 50% of the reciprocal billing amount.
- There will be no billing from the non-custodian to the Department of Transportation.

9.2 Procedures for Billing Joint-Owned Facilities: When the Custodian is a Public Utility and the Non-Custodian is a Municipality and Both Have an Agreement with the Department of Transportation

Public Utilities and Municipalities working on 100% reimbursable state highway projects must follow these procedures:

- Only the custodian should bill the Department of Transportation for the cost of the pole and its installation.
- Both the custodian and the non-custodian will issue a credit to the Department of Transportation for depreciation of its share of the old pole.
- The custodian will not bill the non-custodian for the joint-owned pole.
- There will be no billing from the non-custodian to the Department of Transportation.

Public Utilities and Municipalities working on 50% reimbursable State highway projects must follow these procedures:

- Only the custodian will bill the Department of Transportation for the cost of the pole and its installation based on the reimbursement outlined in their agreement with the Department of Transportation.
- Both the custodian and the non-custodian will issue a credit to the Department of Transportation for depreciation of its share of the old pole.
- The custodian will bill the non-custodian for 50% of the reciprocal billing amount.
- There will be no billing from the non-custodian to the Department of Transportation.

9.3 Procedures for Billing Joint-Owned Facilities: When Only the Municipality Has an Agreement with the Department of Transportation and the Municipality is the Custodian.

These procedures must be followed:

- Only the custodian (Municipality) will bill the Department of Transportation for the cost of the pole and its installation based on the reimbursement outlined in their agreement with the Department of Transportation.
- The custodian (Municipality) will issue a credit to the Department of Transportation for the depreciation of its share of the pole.
- The custodian (Municipality) will not bill the non-custodian for the joint-owned pole.

9.4 Procedures for Billing Joint-Owned Facilities: When Only the Municipality Has an Agreement with the Department of Transportation and the Public Utility is the Custodian

These procedures must be followed:

- The custodian will bill the non-custodian (Municipality) the reciprocal billing amount for its share of the pole.
- The non-custodian (Municipality) will bill the Department of Transportation for their share of the cost of the joint-owned pole.
- The non-custodian (Municipality) will issue a credit to the Department of Transportation for depreciation of its share of the pole.

SECTION TEN: RIGHT OF WAY

10.0 Introduction

The designation "Right of Way - Utility" refers to the public service facilities that occupy private or public lands through an estate, interest or right in the land. Right of way includes the entire area between right of way lines, including roadway and appurtenances, reserved for or secured by the Department of Transportation for construction.

The Department of Transportation requires a Utility Company to enter into a formal Right of Way Agreement when a highway relocation project requires the acquisition of the Utility Company's right of way and the relocation of its facility. The Department of Transportation participates in 100% of the net costs for Right of Way Agreements.

An agreement is not required when there are no facilities to be relocated or adjusted on a Utility Company's right of way. This is considered an acquisition of straight land interest takings which is processed by the Department of Transportation's Office of Right of Way.

This section outlines the steps that are taken by the Department of Transportation and the Utility Company when preparing a Right of Way Agreement. This section also describes the contents of a Right of Way Agreement and details the reporting, billing and reimbursement of right of way work.

10.1 Preparing the Right of Way Agreement

Prior to preparing the Right of Way Agreement, the Department of Transportation assembles a map of the property interests to be taken and forwards a copy of it to the Utility Company.

Based on the map, the Utility Company prepares a relocation plan that must be in compliance with the policies and procedures outlined in the Public Service Facility Policy and Procedures for Highways in Connecticut (PSFP).

Upon completion of the plans, the Utility Company submits a copy of the plans and specifications to the Department of Transportation along with a copy of the estimate for construction. The estimate must include this information:

- A complete detail of all the work to be performed by the Utility Company.
- A complete detail of subcontractor work, if any. If work performed by a subcontractor is based on lump sum or quantity, a copy of the bid should be provided with the estimate.
- Any credit due to the Department of Transportation for betterment to the Utility Company's existing plant.
- Any credit due to the Department of Transportation for depreciation.
- Any credit due to the Department of Transportation for salvage value.
- The number of calendar days needed for the relocation work.

The Department of Transportation reviews the plans, specifications and estimate for acceptability. If it is acceptable, then the Department of Transportation will prepare the Right of Way Agreement.

After it is prepared, the Department of Transportation forwards an unsigned Right of Way Agreement and one copy to the Utility Company. The Utility Company signs both and returns them to the Department of Transportation. Finally, the Department of Transportation sends a fully consummated agreement with a purchase order to the Utility Company.

10.2 Reporting and Billing of labor, Equipment and Material for Right of Way Work

Labor, equipment and material used for right of way work should be reported and billed according to the directions in these sections:

- Section 4, The Con 40 Form, on page 9.
- Section 5, The Con 41 Form, on page 13.
- Section 6, The ISP Form; Procedures for Billing and Documenting, on page 17.
- Section 7, Subcontractors, on page 31.
- Section 8, Agreement Overruns; Change in Scope; Increased Cost, on page 35.

10.3 Reimbursement for Right of Way

Reimbursement will be the same as a standard construction or preliminary engineering agreement.

SECTION ELEVEN: REIMBURSABLE WORK

11.0 Introduction

A Utility Company may request that all or part of its highway relocation work be performed by the Department of Transportation's Prime Contractor. This is referred to as "reimbursable work" by the Department of Transportation. Reimbursable work requires a Utility Company to enter into a Reimbursable Project Authorization Letter (PAL). * This section examines the various types of reimbursable work and how the costs to the Utility Company are determined.

11.1 Types of Reimbursable PALs

A PAL is required when the Department of Transportation's contractor is to perform all of the highway relocation work for a Utility Company. A PAL is also required when the Utility Company is to perform a portion of the highway relocation work and the Department of Transportation's contractor is to perform the remainder.

Con 40 and 41 forms will be required for the portion of the work performed by the Utility Company. For more information about preparing the forms, see Section 4, *The Con 40 Form*, on page 9 and Section 5, *The Con 41 Form* on page 13.

* This manual assumes that the reader is associated with a Utility Company that has entered into a Master Utility Agreement and receives PALs from the Department of Transportation. When a Utility Company has not entered into the Master Utility Agreement, all references to "PALs" in this manual should be taken to mean agreement.

11.2 Prior to Sending the Reimbursable PAL

Before the Reimbursable PAL is sent, the Utility Company must provide an estimate of the work to be performed. The estimate should include the following:

- Who will perform the work.
- The estimated cost of the work to be performed by the Utility Company.
- The estimated cost of the work to be performed by the Department of Transportation's contractor.
- A clear indication of credits due to the Department of Transportation for betterment, depreciation and salvage value.
- The Department of Transportation's 10% surcharge for engineering and administrative costs on the work to be performed by the Department of Transportation's contractor. For further preparation of the estimate, refer to Section 2.1, *Prior to Sending the Construction PAL*, on page 5.

11.3 Contents of the Reimbursable PAL

Upon acceptance of the Utility Company's estimate, the Department of Transportation will prepare the Reimbursable PAL. The Reimbursable PAL will contain a description of the conflict requiring relocation, the town and project number, the project's Federal Aid Project Number, the Master Agreement number and the Utility Company's detailed estimate. The Reimbursable PAL will also include a demand deposit clause for the entire amount of the Utility Company's share of the estimated cost of the work and any credits due to the Department of Transportation.

11.4 Demand Deposits

When the Department of Transportation's contractor is to perform a portion of highway relocation work for a Utility Company, a demand deposit is' required under the following circumstances:

- When the existing plant is removed and a depreciation or salvage credit is due to the Department of Transportation.
- When the facility installed by the Department of Transportation's contractor is a betterment to the Utility Company's existing facility.
- When the Utility Company requests work to be performed by the Department of Transportation's contractor which is not necessary for the highway relocation project.

- When the Department of Transportation's participation is less than 100% of the total cost of relocation.

Upon receipt of the Reimbursable PAL, the Utility Company is to remit a demand deposit to the Department of Transportation, Accounts Receivable Unit, P.O. Box 317546, Newington, CT 06131-7546. The check should be made payable to "Treasurer-State of Connecticut."

11.5 Determination of Costs for Reimbursable Work

To determine the costs of reimbursable work, the Utility Company must provide a schedule of depreciation, betterment and salvage credits due to the Department of Transportation. The Department of Transportation will provide an accounting of the actual costs for the reimbursable work performed by the Department of Transportation's contractor. Any material provided to the Department of Transportation's contractor by the Utility Company should be billed to the Department of Transportation's contractor if the contractor's bid included material. An audit will be performed by the Department of Transportation's external auditors and the Utility Company will be notified of the results.

If the project costs exceed the demand deposit, the Utility Company will be billed for the balance due to the Department of Transportation. If the project costs are less than the demand deposit, the Department of Transportation will refund the balance of the demand deposit.

SECTION TWELVE: FINAL REIMBURSEMENT

12.0 Introduction

Final reimbursement for a highway relocation project is made to the Utility Company upon completion of a final audit and after all exceptions to the audit have been resolved. This section deals with the final reimbursement process.

12.1 Final Audit

The Department of Transportation or its designees may perform a field audit of the Utility Company's accounts before making final reimbursement. The field audit includes the examination of source documents and records. During the field audit, any items to which exceptions may be taken will be discussed with the Utility Company's representatives.

12.2 Issuing of the Audit Report

An audit report will be issued if the total billing on a highway relocation project exceeds \$150,000 and may be produced if the total billing is under \$150,000.

12.3 Labor Surcharges and Fringe Benefits

The Utility Company must submit yearly experience rates to the Department of Transportation before final reimbursement can be made. The yearly experience rates should be computed according to the calculations in Exhibit 6-1 on page 20, Computing Labor Surcharges and Fringe Benefits. The yearly experience rates will be audited by the Department of Transportation. If yearly experience rates are not submitted by the Utility Company, any labor surcharges and fringe benefits will be adjusted to the latest approved rate submitted by the Utility Company.

12.4 Unresolved Audit Findings

If a Utility Company takes exception to an audit report, it must issue a statement of explanation or rebuttal to the Department of Transportation within thirty days of the receipt of the audit report.

APPENDIX A: MASTER AGREEMENT

Agreement No.

MASTER AGREEMENT

between

STATE OF CONNECTICUT, DEPARTMENT OF TRANSPORTATION

and

(THE UTILITY COMPANY'S NAME)

FOR READJUSTMENT, RELOCATION, AND/OR REMOVAL OF

UTILITY FACILITIES ON HIGHWAY PROJECTS

THIS AGREEMENT, concluded at Newington, Connecticut, this _____ day of _____, A.D., 200_, by and between the State of Connecticut, Department of Transportation, acting herein by the Commissioner of the Department of Transportation, hereinafter referred to as the State, and _____, acting herein by _____, its _____, hereunto duly authorized, hereinafter referred to as the Utility or collectively referred to as the “Parties”.

WITNESSETH, THAT:

WHEREAS, the State and the Utility wish to memorialize their understandings concerning their respective duties, rights, liabilities, and obligations whenever the Commissioner of Transportation determines that any Utility Facility located within, on, along, over or under any land comprising the right-of-way of a state highway, or any other public highway associated with a State highway project, must be readjusted or relocated in or removed from such right-of-way due to the construction or reconstruction of such highway, and

WHEREAS, the State, acting by its Commissioner of Transportation, is authorized to enter into this Agreement pursuant to Sections 4-8, 13a-98, 13a-98f, 13a-126, 13a-165, 13b-3 and 13b-23 of the Connecticut General Statutes, as revised, and

WHEREAS, the Utility has represented to the State that it is duly authorized to enter into this Agreement, carry out its responsibilities under this Agreement, and bind itself and its successors and assigns.

NOW, THEREFORE, in consideration of the mutual exchange of promises by and between the State and the Utility, evidenced within this Agreement, the State and the Utility mutually agree as follows:

Section 1: Definitions

The following definitions shall apply to this Agreement:

- a. “Additional Construction Work” means design, engineering or construction performed by or on behalf of the State and paid by the Utility for the incorporation of a Utility Facility in a Project which is for the requirements of the Utility and not required by any physical conflict between the Utility Facility and the Project;
- b. “Administrator” means the Transportation Engineering Administrator, Department of Transportation;
- c. “Change in Scope Letter” means a letter from the Utility to the State describing a deviation from the statement of work contained in the Project Construction Estimate;

- d. “Construction Estimate” means the estimate prepared by or on behalf of the Utility for the cost of physically readjusting, relocating and/or removing Utility Facilities owned by the Utility for a State highway project;
- e. “Deductible” means the cost of the readjusted, relocated or removed Utility Facility above the cost required to provide a Utility Facility of equal capacity, age and value showing the betterment and associated cost for which the State is not participating; (i) the value of materials salvaged from existing installations; and (ii) depreciation reserve credits as determined by the cost of the original installation,
- f. “Engineer” means the District Engineer for Construction, Department of Transportation;
- g. “Increased Cost Letter” means a letter from the Utility to the State describing a deviation in the cost of work contained in the Preliminary Engineering Estimate or the Project Construction Estimate;
- h. “Installations and Adjustments” means the physical readjustment, relocation, and/or removal of a Utility Facility;
- i. “Authorization to Order Materials Letter” means the letter from the State authorizing the Utility to acquire materials necessary for the Additional Construction Work or Installations and Adjustments;
- j. “Plans” means the detailed engineering design documents prepared for the readjustment, relocation, and/or removal of the Utility Facilities necessitated by the Project;

- k. “Preliminary Engineering Estimate” or “P.E. Estimate” means the estimate prepared by or on behalf of the Utility for developing the Construction Estimate, Plans and Supporting Data;
- l. “Project” means a State highway project;
- m. “Project Authorization Letter for Construction” means the letter from the Administrator approving any and all of those construction costs listed in the Construction Estimate;
- n. “Project Authorization Letter for P.E.” means the letter from the Administrator authorizing the Utility to incur those preliminary engineering costs approved by the Administrator;
- o. “Reference Documents” means “Public Service Facility Policy and Procedures for Highways in Connecticut,” dated November 1, 2008, as amended from time to time, “Utility Accommodation Manual,” dated February 1, 2009 as amended from time to time, “State of Connecticut Department of Transportation Standard Specifications for Road, Bridges and Incidental Construction, Form 816” (Form 816) and “Supplemental Specifications” as amended from time to time, and by Title 23, Code of Federal Regulations, Part 645, Subpart A and Subpart B dated April 1, 2007, as amended from time to time;

p. “Supporting Data” means the documentation that forms the basis of the Construction Estimate including utility relocation informational plan sheets, Utility timetables and any Utility specifications;

q. “Utility Facility” means either utility facilities or utilities as defined in Section 13a-98f of the Connecticut General Statutes or a public service facility as defined in Section 13a-126 of the Connecticut General Statutes.

Section 2: Utility

2.01 Preparation of P.E. Estimate

When requested by the State or its designated agents, the Utility shall prepare and submit to the State a P.E. Estimate for which the Utility may apply to the State for reimbursement under the Connecticut General Statutes. The Utility shall not incur charges for the Project until the Utility receives written authorization from the Administrator in the form of a Project Authorization Letter for P.E. Said authorization may be withheld at the sole discretion of the Administrator. Any increase in the P.E. Estimate for a particular Project will require prior written authorization of the Administrator, which may be withheld at the Administrator's sole discretion.

2.02 Preliminary Engineering Performed by Consultant

In the event the Utility elects not to perform preliminary engineering with its own forces, or forces of the Utility’s corporate affiliates, the Utility shall so advise the

State in writing by requesting prior approval to employ the services of a consultant. The Utility agrees to clearly and accurately identify all consultant costs in its estimates and in its billings to the State.

2.03 Preparation of Plans, Construction Estimate and Support Data

Subsequent to the issuance of the Project Authorization Letter for P.E., the Utility shall prepare: (a) Plans, (b) the Construction Estimate, and (c) Supporting Data for the changes to its facilities to accommodate the construction or reconstruction of the Project. The Plans, Construction Estimate, and Supporting Data shall all be prepared in accordance with the Reference Documents which are hereby incorporated by reference and made a part of this Agreement.

2.04 Test Pits and Borings

(a) Whenever the State, acting through the Administrator, notifies the Utility in writing that the State requires the Utility to conduct test borings or to excavate test pits to ascertain the exact location, dimensions, or the structural condition of a Utility Facility for the purposes of a Project the cost shall be shared by the State and the Utility. The State's share shall be determined in accordance with the applicable provisions of Sections 13a-98f and 13a-126 of the Connecticut General Statutes, as revised.

(b) Whenever the State, acting through the Administrator, notifies the Utility in the Project Authorization Letter for P.E. to prepare a Plan, Construction Estimate, and Supporting Data for the relocation or adjustment of its Utility Facilities due to

the requirements of the proposed Project and the Utility finds that it can comply with this request only by means of borings or test pits, the Administrator may grant permission for the borings or test pits to be done as part of the Utility's preliminary engineering design, and payment therefore shall be made under the provisions of Sections 13a-98f or 13a-126 of the Connecticut General Statutes, as revised.

2.05 The Construction Estimate

The Construction Estimate shall include, but shall not be limited to, (a) costs required to provide a facility of equal capacity; (b) any costs in excess of the costs required to provide a Utility Facility of equal capacity clearly showing the betterment and associated costs for which the State is not participating; (c) the value of materials salvaged from existing installations; and (d) depreciation reserve credits as determined by the cost of the original installation, the life expectancy of the original Utility Facility, and the unexpired term of such life use. The Construction Estimate shall incorporate the deductible value of items (a) through (d) referenced herein subject to audit as set forth in Subsections 2.16, 2.18 and 3.04 of this Agreement after completion of the work and before final payment is made to the Utility. The depreciation reserve credit must be shown in the Construction Estimates for which the construction cost to the State is over Twenty Thousand Dollars (\$20,000), and the State waives the requirement that depreciation reserve credit be shown in Construction Estimates on construction costs of Twenty Thousand Dollars (\$20,000) or less.

2.06 Submission at Request of Administrator

The Utility shall submit the Plans, Construction Estimate, Supporting Data and Specifications requested by the Administrator to the State for its approval. If after review by the State the Plan, Construction Estimate and Supporting Data are acceptable, the Administrator shall provide the Utility written approval of the Plans, Construction Estimate and Supporting Data. The Project Authorization Letter for Construction shall not be construed as authorization to proceed with work in furtherance of said Installations and Adjustments.

2.07 Utility Responsibilities

The Utility shall assume full responsibility for the accuracy of all data, design, and other products of engineering work created, prepared or produced by the Utility, its agents, servants, employees, corporate affiliate or consultants, as shown on Plans, Supporting Data, Specifications or other pertinent documents relative to the Installations and Adjustments, as herein provided for under the terms of this Agreement. The Utility shall also assume full responsibility for all costs of every name and description which may be incurred by the State as a result of any errors or omissions contained in the data, design, or other products of engineering work created, prepared or produced by the Utility, its agents, servants, employees, corporate affiliate or consultants, as shown on said Plans, Supporting Data, Specifications or other pertinent documents. The Utility shall assume no responsibility for costs incurred by the State as a result of any errors or omissions

contained in the data, design, or other products of engineering work created, prepared or produced by the State as shown on said Plans, Supporting Data, Specifications or other pertinent documents.

2.08 Authorization to Order Materials

Upon the Utility's receipt of the Authorization to Order Materials Letter for a Project, the Utility shall use its best efforts to promptly obtain all materials necessary for the relocation and readjustment of Utility Facilities for the Project. Within ten (10) calendar days of receiving the Authorization to Order Materials Letter, the Utility shall notify the State in writing of the date when it anticipates that the Utility will have obtained all materials necessary for the relocation and readjustment of Utility Facilities for the Project. In the event the Utility becomes aware of a change in the date that it anticipates obtaining all materials necessary for the relocation and readjustment of Utility Facilities for the Project, the Utility shall provide the State with written notification of the change. The Utility acknowledges that the State will utilize the anticipated date provided by the Utility to plan for Project. If the Utility fails to provide the State with a written notice required by this Subsection, the Utility shall be responsible for any and all damages incurred by the State arising from the Utility's failure to provide any such notice.

2.09 Notice to Proceed

The Utility shall not proceed with work in furtherance of the Installations and Adjustments prior to the receipt of a written notice from the Engineer. The Utility

shall proceed with due diligence with the Installations and Adjustments in accordance with the approved Plans, Construction Estimates, and Supporting Data.

2.10 Diligent Performance

The Utility shall diligently perform all work necessary to complete the Installations and Adjustments of its Utility Facilities, and shall comply with all requirements of the State in connection with such work. All Installations and Adjustments shall be completed within a reasonable time. In determining the Installations and Adjustments were completed within a reasonable time, the State may consider, among other things, any schedule submitted by the Utility to the State for the Installations and Adjustments and any other information that the Utility believes the State should consider determining whether the Installations and Adjustments were completed in a reasonable time.

2.11 Reference Documents Controlling

The actual adjustments to the Utility's Facilities shall be governed by the Reference Documents. The Reference documents are hereby incorporated by reference and made a part of this Agreement.

2.12 Performance of Work by Utility Forces or Contractor

Any Installations and Adjustments authorized by the State may be carried out by the Utility with its own forces and/or by the Utility's duly qualified and certified continuing contractors, but nothing in this paragraph shall be construed to authorize any work to be done by other contractors or any other utility company, except for

certain minor contract work approved in advance by the Administrator. Written approval by the State of other than continuing contractors doing work under this Agreement may be granted by the State on the basis of a contract being awarded by the Utility to the lowest qualified bidder from a minimum of three bids submitted by entities unaffiliated with the Utility. If the Utility is unable to obtain three bids, the Utility shall write to the State and explain why it was unable to obtain three bids. The State may, upon the Utility demonstrating good cause for not obtaining three bids, waive the three bid requirement. Upon receipt of written approval from the State, the Utility may award a contract for such work. The State reserves the right to reject any or all bids for such work at its sole discretion.

2.13 Preparation of Progress Reports

During the construction phase of Projects, the Utility shall prepare reports required for the State's review of the Utility's billing of costs. State Form CON-40, or an approved equivalent form(s), shall be used for the daily reporting of labor, inspection, supervision, or any other related on-site work, as well as equipment and materials used in the work, and shall be prepared by the Utility and certified by representatives of the State and the Utility. Material used and recovered on temporary work, as well as permanent plant items removed, shall be reported on State Form CON-41 in the same manner as the CON-40. The Utility shall submit CON-40's and CON-41's within fifteen (15) calendar days following the completion of its weekly activities.

2.14 Changes in Scope of Work

In the event that the statement of work contained in the approved Project Construction Estimate needs to be changed, the Utility shall provide the Engineer with a Change in Scope Letter. The Change in Scope Letter shall contain such information as the Engineer deems necessary for his review of the proposed changes, including but not limited to, the facts requiring such change, and the proposed impact upon the budget for Installations and Adjustments. In the event the Engineer authorizes the change, such authorization shall be in writing and effective upon receipt by the Utility.

2.15 Construction Cost Increases

When changes in construction are due solely to increases in cost of labor, materials and equipment, the Utility shall advise the State in an Increased Cost Letter with an explanation for this change. The Increased Cost Letter shall contain, but shall not be limited to, the facts requiring such change, and a statement that payment will be made under the provisions of the "Public Service Facility Policy and Procedures for Highways in Connecticut" as amended from time to time. The Utility shall not implement any such changes in preliminary engineering or construction until those changes have been approved in writing by the State.

2.16 Form of Payment Requests

All requests for payment shall be submitted on State Form CLA-3, or a DOT

approved equivalent form together with pertinent vouchers and cost records, and shall be subject to audit by the State and/or the Federal Highway Administration. All billing for preliminary engineering, test pits, construction and inspection activities shall be billed separately on State Form CLA-3 and be on a project-by-project basis.

2.17 Waiver of Right to Payment

The failure of the Utility to submit the final bills within the time frames specified within this Agreement will constitute a waiver by the Utility of its right to reimbursement of the State's equitable share and may, at the election of the State, result in the loss of reimbursement to the Utility.

2.18 Review of Records

The Utility agrees to permit the State, the United States Department of Transportation and/or their duly authorized representatives to examine, review, audit and/or copy any records, books or other documents of the Utility relative to all charges, including charges for extra work, settlement of claims, alleged breaches of this Agreement, charges of continuing contractors of the Utility for work performed by the continuing contractor for the Utility on work other than State highway work or any other matter involving expense to the State.

2.19 Preservation of Project Records

The Utility agrees that it shall preserve all of its records and accounts concerning the implementation of each Project for a period of seven (7) years after final

payment under said Project. If any litigation, claim or audit is started before the expiration of the seven (7) year period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved.

2.20 Requirement for Encroachment Permit

The Utility shall obtain an encroachment permit pursuant to the provisions of Sections 13a-247 and 13b-17 of the General Statutes and Sections 13b-17-1 through 42 of the Regulations of Connecticut State Agencies prior to placing any Utility Facility placed within, on, along, over, or under any land compromising the right-of-way of a state highway. Any Utility Facility placed within, on, along, over, or under any land compromising the right-of-way of a state highway without an encroachment permit from the State shall not be eligible for reimbursement and nothing in this Agreement shall obligate the State to reimburse the Utility for the costs associated with the readjustment, relocation, or removal of any such facility. The Utility shall reimburse the State for the costs associated with the readjustment, relocation, or removal of any facility placed within, on, along, over, or under any land compromising the right-of-way of a state highway or any other public highway without an encroachment permit.

2.21 Requirement of Encroachment Agreement for Trunk Line or Transmission Type Facilities

The Utility shall enter into an encroachment agreement with the Commissioner pursuant to the provisions of Section 13a-126c of the General Statutes for any longitudinal use of the right-of-way of a state highway to accommodate trunk line or transmission-type facilities prior to placing any trunk line or transmission-type facility within, on, along, over, or under any land compromising the right-of-way of a state highway. Any trunk line or transmission-type facility placed within, on,

along, over, or under any land compromising the right-of-way of a state highway without an encroachment agreement shall not be eligible for reimbursement and nothing in this Agreement shall obligate the State to reimburse the Utility for the costs associated with the readjustment, relocation, or removal of any such facility. The Utility shall reimburse the State for the cost associated with the readjustment, relocation, or removal of any facility place, within, on, along, over, or under any land compromising the right-of-way of a state highway or any other public highway without an encroachment agreement.

2.22 Indemnification and Hold Harmless

The Utility shall indemnify and save harmless the State and all its officers, agents and employees from all suits, actions or claims of any name and description, brought for, or on account of, any injuries or damages received or sustained by any persons or property as a consequence of the Utility's performance of the work on any relocation, readjustment or removal of its Utility Facilities, or of any omission of such work, pursuant to this Agreement, which obligation may not be limited by the amount of any insurance policy.

2.23 Sovereign and Governmental Immunity

It is further understood and agreed by the Parties hereto, that the Utility shall not use the defense of Sovereign Immunity in the adjustment of claims or in the defense of any suit, including any suit between the State and the Utility, unless requested to do so by the State. If this Agreement is between the State and a Municipality, the

Municipality agrees that in the event of an adjustment of claims or in the defense of any suit between the State and the Municipality, the Municipality shall not use the defense of Governmental Immunity.

2.24 Compliance with Administrative and Statutory Requirements

The Utility shall comply with all State and Federal Administrative requirements incorporated herein by reference and attached herewith as Exhibit A, as may be amended from time to time, and all Schedules, as may be amended from time to time, attached herewith, which are also hereby made part of this Agreement.

2.25 Documents Submitted With Cost Estimates

For each Project, the following documents and any documents attached thereto shall be incorporated by reference into this Agreement:

- a. the Project Authorization Letter for P.E.;
- b. the Project Authorization Letter for Construction;
- c. the Authorization to Order Materials Letter;
- d. the Notice to Proceed;
- e. the State's response to any Change in Scope Letter;
- f. the State's response to any Increased Cost Letter; and
- g. documentation of Additional Construction Work.

2.26 Special Provisions Disadvantaged Business Enterprises

The Utility hereby acknowledges and agrees to comply with "Special Provisions, Disadvantaged Business Enterprises As Subcontractors And Material Suppliers

Or Manufacturers For Federal Funded Projects Involving Utility Adjustment & Relocations,” dated May 7, 2001, as revised, as set forth in Exhibit A, Schedule 1 (attached herewith and incorporated by reference).

2.27 Insurance

- (a) With respect to the operations that the Utility performs or engages a Prime Contractor to perform, and also those that are performed by subcontractors of the Prime Contractor, in conjunction with the Project, the Utility shall carry, and/or shall require its Prime Contractor (i) to carry and (ii) to impose on its subcontractors the requirement to carry, for the duration of the Project, the insurance requirements set forth in the Form 816 at (i) Section 1.03.07 “Insurance,” and (ii) specifically with respect to any working drawings prepared by a designer, Section 1.05.02(2)(a) “Plans, Working Drawings and Shop Drawings”. With respect to Section 1.05.02(2)(a) , evidence of the Professional Liability Insurance Policy may be submitted on the State’s Form “Certificate of Insurance DOC-001.”
- (b) With respect to Design/Construction Inspection activities that the Utility performs or engages a Designer/Inspection Consultant to perform, and also those that are performed by any subconsultants of the Designer/Inspection Consultant, in conjunction with the Project, the Utility shall carry, and/or shall require its Designer/Inspection Consultant for the Project (i) to carry and (ii) to impose on its subconsultants the requirement to carry, for the duration of the Project, the insurance

requirements set forth in the Form 816 at Section 1.03.07, Items (1), (2), (3), (5), (7), and (8) "Insurance." For the purposes of this subparagraph (b), any reference in the Standard Specifications to "Contractor" and "subcontractor" hereby refers to the Designer/Inspection Consultant and subconsultant, respectively.

- (c) With respect to the Design/Construction Inspection activities that the Utility performs or engages a Designer/Inspection Consultant to perform, and also those that are performed by any subconsultants of the Design/Inspection Consultant, in conjunction with the Project, the Utility shall carry, and/or shall require its Design/Inspection Consultant (i) to carry and (ii) to impose on its subconsultants the requirement to carry, for the duration of the Project, a Professional Liability Insurance policy for errors and omissions in the minimum amount of Two Million Dollars (\$2,000,000), which policy may contain a maximum Two Hundred and Fifty Thousand Dollars (\$250,000) deductible clause, provided that the policy holder shall be liable to the extent of at least the deductible amount. The Professional Liability Insurance coverage shall continue for a period of three (3) years from the date of acceptance of the Project by the State, subject to the continued commercial availability of such insurance. The Professional Liability Insurance Policy must include pollution and environmental impairment coverage as part thereof, if such insurance is applicable to the work performed as part of the Design/Inspection Activities in conjunction with the Project.

- (d) With respect to the operations that the Utility performs or engages a Design/ Inspection Consultant to perform, and also those that are performed by subconsultants thereof, in conjunction with the Project, the Utility shall carry, and/or shall require its Design/Inspection Consultant (i) to carry and (ii) to impose on its subconsultants, the requirement to carry, for the duration of the Project, a Valuable Papers Insurance Policy until the work has been completed and accepted by the State. Said policy will assure the State that all records, papers, maps, statistics, survey notes and other data shall be reestablished, recreated, or restored if made unavailable by fire, theft, flood, or other cause. This policy shall provide coverage in the amount of Fifty Thousand Dollars (\$50,000) regardless of the physical location of the insured items.
- (e) Said coverages must be provided by an insurance company or companies satisfactory to the State, except that, with respect to work performed directly and exclusively by the Utility, the Utility may request that the State accept coverage provided under a self insurance program. If requested by the State, the Utility must provide evidence of its status as a self-insured entity and describe its financial condition, the self-insured funding mechanism and the specific process on how to file a claim against the self insurance program. If such self-insurance coverage with respect to any insurance required herein is acceptable to the State, in its sole discretion, then the Utility shall assume any and all claims as a self-insured entity, and the respective insurance requirements stated herein will not be applicable.

(f) The Utility shall produce, within five (5) business days, a copy or copies of all applicable insurance policies when requested by the State. In providing said policies, the Utility may redact provisions of the policy that are deemed by the insurer to be proprietary. This provision shall survive the suspension, expiration or termination of this Agreement. The Utility shall insert this required provision into its contracts or agreements with its Prime Contractor and/or Design/Inspection Consultant, if applicable, and shall require its Prime Contractor and/or Design/Inspection Consultant to insert this required provision into its (their) contracts or agreements with its (their) subcontractors and/or subconsultants.

2.28 Maximum Fees for Architects, Engineers and Consultants (Federal Funds)

When any phase of the Project is federally funded, the Utility hereby acknowledges and agrees to comply with the guidelines set forth in Schedule B, Policy No. F&A-30, dated April 12, 2006; Subject: Maximum Fees for Architects, Engineers and Consultants”, as set forth in Exhibit A, Schedule 2 (attached herewith and incorporated by reference). The Office of Policy and Management’s General Letter No. 97-1, dated November 21, 1996, as set forth in Exhibit A, Schedule 3 (attached herewith and incorporated by reference) and the guidelines stipulated therein are to be utilized, when applicable, in accordance with this Policy Statement.

The Utility shall submit to the State for review and approval, any proposed Agreement between the Utility and a consultant prior to its execution. No reimbursable costs may be incurred on the consultant agreements prior to the State’s written approval.

The Utility shall ensure that all Parties are in compliance with the audit requirements set forth in Title 48, Section 31 of the Code of Federal Regulations (CFR) and Title 23, Section 172 CFR, as revised, when retaining consultants.

2.29 Office of Policy and Management's Letter 97-1 (100% State Funds)

When all phases of the Project are one hundred percent (100%) state funded, the Utility hereby acknowledges and agrees to comply with the guidelines stipulated in the Office of Policy and Management's General Letter No. 97-1, dated November 21, 1996, which is incorporated by reference, when architects, engineers, and/or consultants are retained.

Section 3: State

3.01 Payment for Increased Costs

The State's obligation to pay the cost increase shall be subject to final audit as set forth in Subsections 2.16, 2.18 and 3.04 of this Agreement.

3.02 Partial Payments

Upon the Utility's request for partial payments made on the proper form, the State may make partial payments to the Utility of ninety-seven and one half percent (97.5%) of the State's equitable share of the approved cost for all authorized actual incurred charges.

(a) The Utility's final bill to the State for the State's equitable share of all preliminary engineering costs incurred by the Utility, shall be submitted to

the State within six (6) months of the date of the Administrator's written authorization to the Utility to incur charges; time being of the essence.

(b) The Utility's final bill to the State for the State's equitable share of all authorized construction costs incurred, shall be submitted to the State within a period of six (6) months after completion of the Utility's construction activities, time being of the essence.

3.03 State's Equitable Share

The State's equitable share of the cost of the Installations and Adjustments of the Utility, as herein provided and approved by the State, shall be in conformance with the provisions of the applicable Connecticut General Statutes, as revised.

3.04 No Prohibition on Additional Funding

Nothing in this Agreement shall preclude the State from requesting reimbursement from the Federal Highway Administration for a portion or all of its share of the cost of the Utility Installations and Adjustments, as provided for in this Agreement, in accordance with the provisions of Title 23, Code of Federal Regulations, Part 645; Subpart A, dated April 1, 2007, and subsequent supplements or amendments. The records and accounts of the Utility shall be made available in the Utility's office for audit, upon request, by authorized representatives of the State and/or the United States Department of Transportation. Nothing in this Agreement shall preclude the State from requesting funding from any other federal agency, municipality or any other funding source.

Section 4: State and Utility

4.01 Additional Construction Work Pursuant to Connecticut General Statutes Section 13a-98

- (a) Upon request of the Utility, the State may include Additional Construction Work in a Project. The Utility agrees to accept ownership of and maintain as part of its overall system, all Additional Construction Work herein provided for, immediately upon completion of the Additional Construction Work or at such time as notified by the State.
- (b) Upon demand by the State, following the advertising of a Project, the Utility shall deposit with the State, a certified check, drawn on the account of the Utility, payable to the "State Treasurer, State of Connecticut," in the amount of the estimate for the Additional Construction Work for each Project. After final audit for the Project in the event the actual cost of Additional Construction Work is more than the amount of the Utility's deposit, the Utility shall pay the difference to the State. In the event the actual cost of Additional Construction Work is less than the amount of deposit, the State shall pay the difference to the Utility. No interest shall be payable or due on the difference between the amount deposited and the final audited amount. In the event the construction of a certain Project is cancelled, all monies deposited by the Utility for said Additional Construction Work shall be

returned to the Utility with no interest within ninety (90) days after receipt of notice of cancellation of the Project by the Department of Transportation's Office of Financial Management and Support or its successors, unless the State notifies the Utility in writing stating otherwise.

4.02 Incorporation of Utility Installations and Adjustments into Project

When requested to do so by the Utility, required Installations and Adjustments may be included in any Project contract for highway improvements whenever the Administrator considers it to be in the best interest of the State. If it is determined that a demand deposit is required from the Utility, it shall be accomplished as in Subsection 4.01 of this Agreement.

4.03 Audit

Final payment costs associated with each of the activities of preliminary engineering, test borings or test pits, and construction shall be made for actual authorized cost incurred, after final audit and after all exceptions have been resolved.

4.04 Jurisdiction and Forum

The Utility agrees that this Agreement shall be governed, interpreted and construed under and in accordance with the laws of the State of Connecticut, whether or not its conflict of laws principles would dictate otherwise. This Agreement shall be deemed to have been made in Newington, Connecticut. Nothing herein shall be construed to waive any of the State's immunities.

4.05 Litigation

The Utility agrees that the sole and exclusive means for the presentation of any claim against the State arising from or in connection with this Agreement shall be in accordance with Chapter 53 of the Connecticut General Statutes (Claims against the State) and the Utility further agrees not to initiate legal proceedings in any State or Federal Court in addition to, or in lieu of, said Chapter 53 proceedings.

4.06 Preconditions to Commence Work and Reimbursement by State

This Agreement itself is not an authorization for the Utility to provide goods or begin performance in any way. The Utility may provide goods only after receiving (a) a Project Authorization Letter for Construction; and (b) an Authorization to Order Materials Letter. The Utility may begin performance only after receiving (a) a Project Authorization Letter for Construction; (b) an Authorization to Order Materials Letter; (c) a Purchase Order issued by the State against this Agreement; and (d) a Notice to Proceed as set forth in Subsection 2.09 of this Agreement. The State shall issue a Purchase Order against this directly to the Utility and to no other person. Any work performed in a state highway right of way shall require an encroachment permit. If the Installation and Adjustment or Additional Construction Work concerns a trunk line or transmission type facility in a state highway right of way, the Utility shall enter into an encroachment agreement with the State. A Utility providing goods or commencing work without the requisite items listed in this Subsection does so at the Utility's own risk.

4.07 No Third Party Beneficiaries

No person shall be deemed to be a third party beneficiary to this Agreement.

4.08 Term

This Agreement shall have a term of ten (10) years from the effective date of this Agreement. No revision to this Agreement shall be valid unless mutually agreed upon by both Parties in writing and approved, as to form, by the Attorney General of the State of Connecticut.

- (a) The State and the Utility reserve the right to terminate or propose to revise this Agreement in whole or part at any time by fifteen (15) days advance notice, in writing, to the other party. The termination of this Agreement by the Utility shall not relieve the Utility from its obligation to remove a Utility Facility from a State highway upon written notice from the State that the Utility Facility conflicts with a Project.
- (b) The State, upon written notice, may, in its sole discretion, suspend, postpone, or terminate this Agreement, and such action shall in no event be deemed a breach of contract. Any such action may be taken by the State for its own convenience and shall not be deemed a breach of this Agreement.
- (c) Any such suspension, postponement or termination shall be affected by delivery to the Utility of a written notice specifying the extent to which performance of work under the Agreement is being suspended or postponed or that the Agreement is being terminated, and the date upon which such action shall be effective.

- (d) If the State terminates the Agreement, the State shall reimburse the Utility for items or work completed prior to the effective date of termination, or as may be agreed by the Parties for items of work partially completed.
- (e) When the volume of work completed, as of the termination date, is not sufficient to reimburse the Utility under contract unit prices for its related expenses, the State may consider reimbursing the Utility for such expenses.
- (f) Materials obtained by the Utility or its contractor for the Project that have been inspected, tested as required, and accepted by the State, and that have not been incorporated into the physical Project, shall, at the option of the Utility, be purchased from the contractor at actual cost as shown by receipted bills and the State shall reimburse the Utility for same. To this cost shall be added all actual costs for delivery at such points of delivery as may be designated by the State, as shown by actual cost records.
- (g) The Utility shall make payment to the State for the original costs of materials obtained by the State or its contractor for the Project that have been purchased by the Utility less an allowable handling fee and take possession of these materials in the event the Project is cancelled or the Agreement is terminated without any fault of the Utility.
- (h) Termination of this Agreement shall not relieve the Utility or its contractor of its responsibilities for the completed work, nor shall it relieve the

contractor, its surety or the Utility of its obligations concerning any claims arising out of the work performed or any obligations existing under bonds or insurance required by the Connecticut General Statutes or by this or any other agreement with the State or the Utility.

4.09 Official Notice

Any official notice from one such party to the other such party (or parties), in order for such notice to be binding thereon, shall:

a. Be in writing (hardcopy) addressed to:

(i) When the State is to receive such notice -

Commissioner of Transportation
Connecticut Department of Transportation
2800 Berlin Turnpike
P.O. Box 317546
Newington, Connecticut 06131-7546;

(ii) When the Utility is to receive such notice:

(The person(s) acting herein as signatory for the Utility)

(The Utility Company's Name and Address)

b. Be delivered in person with acknowledgement of receipt or be mailed by the United States Postal Service – “Certified Mail” to the address recited herein as being the address of the party(ies) to receive such notice; and

c. Contain complete and accurate information in sufficient detail to properly and adequately identify and describe the subject matter thereof.

The term "Official Notice", as used herein, shall be construed to include, but not be limited to, any request, demand, authorization, direction, waiver, and/or consent of the Party(ies) as well as any document(s) including any electronically produced versions provided, permitted, or required for the making or ratification of any change, revision, addition to, or deletion from, the document, contract, or agreement in which this "Official Notice" specification is contained.

Further, it is understood and agreed that nothing hereinabove contained shall preclude the Parties from subsequently agreeing, in writing, to designate alternate persons (by name, title, and affiliation) to which such notice(s) is (are) to be addressed; alternate means of conveying such notice(s) to the particular Party(ies); and/or alternate locations to which the delivery of such notice(s) is (are) to be made, provided such subsequent agreement(s) is (are) concluded pursuant to the adherence to this specification.

4.10 Agent for Service of Process

The Utility agrees that the Secretary of the State of the State of Connecticut, (including any successor thereto) is hereby appointed by the Utility as its agent for service of process for any action arising out of or as a result of this Agreement, such appointment to be in effect throughout the life of this Agreement, including any supplements thereto and all renewals thereof, if any, and seven (7) years thereafter, except as otherwise provided by statute.

Agreement No.

IN WITNESS WHEREOF, the Parties hereto have set their hands and seals on the day and year indicated.

WITNESSES:

STATE OF CONNECTICUT
Department of Transportation
Commissioner of the
Department of Transportation

Sign: _____
Print:

BY: _____ (Seal)
Thomas A. Harley, P.E.
Chief Engineer
Bureau of Engineering and Construction

Sign: _____
Print:

Date: _____

UTILITY COMPANY NAME

Sign: _____
Print:

BY:
Sign Name: _____ (Seal)
Print Name:
Print Title:

Sign: _____
Print:

Date: _____

**APPENDIX B: PRELIMINARY ENGINEERING PROJECT
AUTHORIZATION LETTER (PAL)**

February 7, 2009

(Utility Company name and address)

Attn: xxxxxxxx xxxxxxxx

Gentlemen:

Subject: Preliminary Engineering for Public Utility Adjustment
on State Maintained Highways
Realignment of CT xx
Town of xxxxxxxx
State Project No. xx-xxx
Federal Aid Project No. xxxx-xx(xxx)
Master Agreement No. xx-xx-(xxxx)

On January 1, 2008, you were advised that your xxxxxxxx facilities might be in conflict with the proposed construction of the subject project by the State. In order that you may prepare the necessary plans and estimates for the adjustments to your plant as may be required, certain Preliminary Engineering charges will be incurred.

Your estimate for Preliminary Engineering dated January 12, 2009, in the amount of Six Thousand Dollars and No Cents (\$6,000.00) of which the State's share is Three Thousand Dollars and No Cents (\$3,000.00) is accepted by the State and by reference made part of the Master Agreement between the State of Connecticut, Department of Transportation and (Utility Company name) dated xxxxxxxx (Master Agreement date). You are authorized to incur charges retroactive to January 1, 2007, the date preliminary project plans were sent to you for your review. This cost shall not be exceeded without first obtaining written permission from the State.

The State's equitable share of the cost of the Preliminary Engineering shall be in conformance with Section 13a-126 of the General Statutes of Connecticut, as revised. This work is required due to construction along a highway, on which access is not limited, the equitable share of the cost to be borne by the State shall be fifty percent (50%) of the net cost.

The Agreement itself is not an authorization for the public service company to provide goods or begin performance in any way. The public service company may provide

goods or begin performance only after it has received a duly issued purchase order against the agreement. A public service company providing goods or commencing performance without a duly issued purchase order in accordance with this section does so at the public service company's own risk. The State shall issue a purchase order against the agreement directly to the public service company and to no other party.

Very truly yours,

xxxxxxx xxxxxx, P.E.
Trans. Engineering Administrator
Bureau of Engineering
and Highway Operations

Attachment

**APPENDIX C: CONSTRUCTION PROJECT
AUTHORIZATION LETTER**

February 7, 2009

(Utility Company name and address
Attn:

Gentlemen:

Subject: Public Utility Adjustment
on State Maintained Highways
Realignment of CT xxx
Town of xxxxxxxx
State Project No. xx-xxx
Federal Aid Project No. xxxx-xx(xxx)
Master Agreement No. xx-xx-(xxxx)

On January 1, 2009, you were advised that your xxxxxxxx facilities might be in conflict with the proposed construction of the subject project by the State.

Your estimate of the cost of these adjustments, dated January 12, 2009, in the amount of Six Thousand Dollars and No Cents (\$6,000.00) of which the State's share is Three Thousand Dollars and No Cents (\$3,000.00) is accepted by the State and by reference made part of the Master Agreement between the State of Connecticut, Department of Transportation, and the (Utility Company name) dated xxxxxxxx (Master Agreement date). This cost shall not be exceeded without first obtaining written permission from the State.

Whereas this work is required due to construction along a state maintained highway, on which access is not limited, the equitable share of the cost to be borne by the State shall be fifty percent (50%) of the readjustment, relocation or removal after deductions provided under Section 13a-126 of the General Statutes of Connecticut, as revised.

The Agreement itself is not an authorization for the public service company to provide goods or begin performance in any way. The public service company may provide goods or begin performance only after it has received a duly issued purchase order against the agreement. A public service company providing goods or commencing performance without a duly issued purchase order in accordance with this section does so at the public service company's own risk. The State shall issue a purchase order against

the agreement directly to the public service company and to no other party. However, the authorization for you to proceed to adjust your facilities will be given by the District Engineer. xxxxxx xxxxxx, (appropriate district number and address)

Very truly yours,

XXXXXXXX xxxxxxxx, P.E.
Trans. Engineering Administrator
Bureau of Engineering
and Highway Operations

Attachment

APPENDIX D: CON 40 FORM

TOWN Hartford	FORM NO. CON-40 REV 7/08 STATE OF CONNECTICUT DEPARTMENT OF TRANSPORTATION DAILY LABOR AND WORK RECORD PUBLIC UTILITY	UTILITY ABC WATER
FEDERAL PROJECT NO. IXAM-93(111)		UTILITY W.O. 12345 % COMPLETE
STATE PROJECT NO. 63-001		UTILITY SUB-CONTRACTOR
DATES 7/6/08 - 7/7/08		

LABOR EMPLOYED				EQUIPMENT USED			MATERIALS AND SUPPLIES USED			REMARKS
DATES	CLASSIFICATION	No.	Total Hours	KIND (SIZE OR CAPACITY)	No.	Total Hours	ITEM	Quant.	Unit	DESCRIPTION AND LOCATION
7/6/08										
	Foreman	1	8	Payloader	1	8	16 "x 6" Tees (M-J)	2	Ea	Install 2 Hydrants and gate boxes at station
	Equip. Oper	1	8	Utility Truck	1	8	6 " Gate Valve	2	Ea	
	Utility Man	1	8	1 Ton Dump Truck	1	8	5 1/2 " Hydrants	2	Ea	21+ 80 and station 26 + 80
							6 " Retainer Glands	8	Ea	on Main Street
							8 " Riser Pipe	8	Ea	
							6 " Ductile, Iron Pipe	20	Ft	
							Gate Boxes	2	Ea	
7/7/08										
	Foreman	1	8	Payloader	1	11				S1 Foreman
	Foreman	1	3	Utility Truck	1	11				01 Foreman
	Utility Men	2	16							S1 Equip. Operator
	Utility Men	2	6							01 Equip. Operator

I CERTIFY TO THE BEST OF MY KNOWLEDGE AND BELIEF, THAT THE ACCOUNT HEREIN SHOWN IS AN ACCURATE STATEMENT OF THE LABOR AND EQUIPMENT EMPLOYED AND MATERIALS USED IN THE CONSTRUCTION WORK IDENTIFIED BY THE HEADING ON THIS SHEET.

SIGNED: _____

FOR UTILITY	TITLE	DATE	FOR D.O.T.	TITLE	DATE
-------------	-------	------	------------	-------	------

COPY 1 - FINANCIAL SERVICES COPY 2 - UTILITY COMPANY COPY 3 - DISTRICT OFFICE COPY 4 - INSPECTOR COPY 5 - UTILITY REPRESENTATIVE

APPENDIX F: CON 41 FORM FOR TEMPORARY AND EXISTING PLANT REMOVED

TOWN Hartford				FORM NO. CON 41 REV. 10/06 STATE OF CONNECTICUT DEPARTMENT OF TRANSPORTATION BUREAU OF HIGHWAYS TEMPORARY MATERIAL INSTALLED TEMPORARY AND EXISTING PLANT REMOVED				UTILITY ABC WATER CO.			PERCENTAGE COMPLETE		
FEDERAL PROJ. NO. IXAM-93(111)								UTILITY W.O.1234					
STATE PROJ. NO. 63-001								PUBLIC UTILITY					
STATE CONTRACTOR													
LABOR EMPLOYED				EQUIPMENT USED			MATERIALS AND SUPPLIES USED			REMARKS			
DATES	CLASSIFICATION	No.	Total Hours	KIND (SIZE OR CAPACITY)	No.	Total Hours	ITEM	Quant.	Unit	DESCRIPTION AND LOCATION			
							HYDRANT	1		REMOVED HYDRANT AT STATION 15+20 ON MAIN STREET			
							HYDRANT	1		REMOVED HYDRANT AT STATION 24 +60 ON MAIN STREET			
							16" DUCTILE IRON PIPE	590'		REMOVED 590' OF TEMPORARY PIPE FROM STATION 15 +20 TO STATION 24+60 ON MAIN STREET			

I CERTIFY, TO THE BEST OF MY KNOWLEDGE AND BELIEF, THAT THE ACCOUNT HEREIN SHOWN IS AN ACCURATE STATEMENT OF THE LABOR AND EQUIPMENT EMPLOYED AND MATERIALS USED IN THE CONSTRUCTION WORK IDENTIFIED BY THE HEADING ON THIS SHEET.

SIGNED: _____
 FOR UTILITY TITLE DATE FOR DEPARTMENT OF TRANSPORTATION TITLE DATE

ORIGINAL TO PROJECT RECORDS. COPIES TO CONTRACTOR AND DISTRICT FILE.

APPENDIX G: CON 41 FORM FOR RECONCILIATION OF TEMPORARY MATERIAL

TOWN HARTFORD				FORM NO. CON 41 REV. 10/06 STATE OF CONNECTICUT DEPARTMENT OF TRANSPORTATION BUREAU OF HIGHWAYS				UTILITY ABC WATER CO.				
FEDERAL PROJ. NO. (XAM-93(111))				TEMPORARY MATERIAL INSTALLED TEMPORARY AND EXISTING PLANT REMOVED				PERCENTAGE COMPLETE				
STATE PROJ. NO. 63-001				PUBLIC UTILITY				UTILITY W.O. 1234				
STATE CONTRACTOR								UTILITY SUB-CONTRACTOR DALY				
LABOR EMPLOYED				EQUIPMENT USED				MATERIALS AND SUPPLIES USED				REMARKS
DATES	CLASSIFICATION	No.	Total Hours	KIND (SIZE OR CAPACITY)	No.	Total Hours	ITEM	Quant.	Unit	DESCRIPTION AND LOCATION		
							16" DUCTILE PVC PIPE	150'		INSTALLED 590' OF 16" PIPE FROM STATION 15+20 TO STATION 24+60 ON PINE STREET		
							16" DUCTILE PVC PIPE	230'				
							16" DUCTILE PVC PIPE	210'				

I CERTIFY, TO THE BEST OF MY KNOWLEDGE AND BELIEF, THAT THE ACCOUNT HEREIN SHOWN IS AN ACCURATE STATEMENT OF THE LABOR AND EQUIPMENT EMPLOYED AND MATERIALS USED IN THE CONSTRUCTION WORK IDENTIFIED BY THE HEADING ON THIS SHEET.

SIGNED: _____ FOR UTILITY TITLE _____ DATE _____ FOR DEPARTMENT OF TRANSPORTATION TITLE _____ DATE _____

ORIGINAL TO PROJECT RECORDS. COPIES TO CONTRACTOR AND DISTRICT FILE.

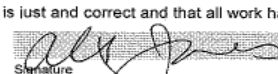
TOWN HARTFORD				FORM NO. CON 41 REV. 10/06 STATE OF CONNECTICUT DEPARTMENT OF TRANSPORTATION BUREAU OF HIGHWAYS				UTILITY ABC WATER CO.				
FEDERAL PROJ. NO. (XAM-93(111))				TEMPORARY MATERIAL INSTALLED TEMPORARY AND EXISTING PLANT REMOVED				PERCENTAGE COMPLETE				
STATE PROJ. NO. 63-001				PUBLIC UTILITY				UTILITY W.O. 1234				
STATE CONTRACTOR								UTILITY SUB-CONTRACTOR				
LABOR EMPLOYED				EQUIPMENT USED				MATERIALS AND SUPPLIES USED				REMARKS
DATES	CLASSIFICATION	No.	Total Hours	KIND (SIZE OR CAPACITY)	No.	Total Hours	ITEM	Quant.	Unit	DESCRIPTION AND LOCATION		
							HYDRANT	1		REMOVED HYDRANT AT STATION 15+20 ON MAIN STREET		
							HYDRANT	1		REMOVED HYDRANT AT STATION 24+60 ON MAIN STREET		
							16" DUCTILE IRON PIPE	590'		REMOVED 590' OF TEMPORARY PIPE FROM STATION 15+20 TO STATION 24+60 ON PINE STREET		

I CERTIFY, TO THE BEST OF MY KNOWLEDGE AND BELIEF, THAT THE ACCOUNT HEREIN SHOWN IS AN ACCURATE STATEMENT OF THE LABOR AND EQUIPMENT EMPLOYED AND MATERIALS USED IN THE CONSTRUCTION WORK IDENTIFIED BY THE HEADING ON THIS SHEET.

SIGNED: _____ FOR UTILITY TITLE _____ DATE _____ FOR DEPARTMENT OF TRANSPORTATION TITLE _____ DATE _____

ORIGINAL TO PROJECT RECORDS. COPIES TO CONTRACTOR AND DISTRICT FILE.

APPENDIX H: ISP FORM

Connecticut Department of Transportation Invoice Summary and Processing (ISP) Form <small>Please submit at least one signed original and one copy of this form with each invoice to: Department of Transportation, Division of Financial Management & Support - Room 1329 2800 Berlin Tpke., PO Box 317546, Newington, Connecticut 06131-7546</small>			
Rev 05/27/2009			
Section 1 - To be completed by Vendor. (Please see the Instruction Guide worksheet tab for assistance in completing this form.)			
Contract CORE ID:	09DOT0001AA	For A/P Use :	
Vendor Name & Remit Address:			
(Please contact the Department for all remittance address changes.)			
Payee :	ABC Water Co.		
Address :	37 Anderson Street		
Address :			
City:	Anytown	State:	CT Zip Code : 06000
Brief Contract Description :	State Project No. 1-103, Const. Federal Project No. IXAM-93(111), Town of Hartford, Major Widening of Rte 52. Partial No. 1, Agreement Date of 1/1/07		
Vendor Contacts:			
Engineering:	Scott Smith <small>Print Name</small>	860-888-8888 <small>Phone</small>	<small>Email</small>
Financial:	Alex Jones <small>Print Name</small>	860-888-8880 <small>Phone</small>	<small>Email</small>
(Up to 30 characters will appear on the reimbursement check.)			
Vendor Invoice No./Info:	1-103-1	Billed Amount:	\$ 2,000.00
(The Vendor Invoice Number must be unique for each invoice. Whatever is entered into the Invoice Number and Brief Description fields will appear on the check stub to facilitate payment.)			
Billing Period:	From: 01/01/08 To: 06/01/08	-(Billing Period must be filled in.)	
Brief Invoice Description :	Project 1-103 - Company Invoice No. 2D1PL		
(Up to 70 characters will appear on the reimbursement check.)			
I certify that the above claim for reimbursement is just and correct and that all work has been performed as indicated.			
Accountant		Date	1/1/09
<small>Title</small>	<small>Signature</small>	<small>Date</small>	
Section 2 - For DOT Office Use Only			
Certification of Commodities Received or Services Rendered:			
Project Engineer:	<small>Print Name</small>	<small>Initial</small>	<small>Date</small>
Project Manager:	<small>Print Name</small>	<small>Signature</small>	<small>Date</small>
Financial Review Completed:			
Accountant	<small>Print Name</small>	<small>Signature</small>	<small>Date</small> <small>Phone</small>
PO No. :	Project ID:		
(For Multiple PO's, please leave PO No. field blank, and attach separate listing of PO numbers.)			
Receipt ID:	Return Check :	Retainages ReceiptID:	
(Leave Receipt ID blank and attach list for multiple Receivers.)			
Amount Paid:	Separate Payment :	Retainages Held:	
Invoice Date:	Reportable (ROW):	Key No.:	
(Date to DOT)			

APPENDIX I: DOCUMENTATION OF LABOR

The supporting Con 40 form for this documentation of labor is presented in Appendix D on page 82.

<u>EMP. #</u>	<u>CLASSIFICATION</u>	<u>DATE</u>	<u>RATE</u>	<u>HOURS</u>		<u>AMOUNT</u>		<u>O.T.</u>
				<u>REG.</u>	<u>O.T.</u>	<u>REG.</u>	<u>O.T.</u>	<u>PREM.</u>
41356	Foreman	7-6-08	\$18.00	8.0		\$144.00		
15524	Equip. Oper.	7-6-08	15.00	8.0		120.00		
26631	Utility Man	7-6-08	16.00	8.0		128.00		
41356	Foreman	7-7-08	18.00	8.0	3.0	144.00	54.00	27.00
15524	Equip. Oper.	7-7-08	15.00	8.0	3.0	120.00	45.00	22.50
26631	Utility Man	7-7-08	16.00	8.0	3.0	128.00	48.00	24.00
98915	Utility Man	7-7-08	17.00	8.0	3.0	<u>136.00</u>	<u>51.00</u>	<u>25.50</u>
						920.00	198.00	99.00
						<u>198.00</u>		
	Total straight time payroll					1118.00		
	Additive rate 61.72%					<u>690.03</u>		
	Subtotal					1808.03		
	O.T. Premium					<u>99.00</u>		

TOTAL PAYROLL	\$1907.03
----------------------	------------------

APPENDIX J: DOCUMENTATION OF EQUIPMENT

The supporting Con 40 form for this documentation of labor is presented in Appendix D on page 82.

<u>EQUIP. #</u>	<u>CLASSIFICATION</u>	<u>DATE</u>	<u>RATE</u>	<u>HOURS</u>	<u>AMOUNT</u>
4885	Payloader	7-7-08	\$10.00	8.0	\$ 80.00
2663	Utility Truck	7-7-08	5.00	8.0	40.00
1552	1 Ton Dump Truck	7-7-08	15.00	8.0	120.00
4885	Payloader	7-8-08	10.00	11.0	110.00
2663	Utility Truck	7-8-08	5.00	11.0	55.00
1552	1 Ton Dump Truck	7-8-08	15.00	11.0	<u>165.00</u>
TOTAL EQUIPMENT					<u>\$570.00</u>

APPENDIX K: DOCUMENTATION OF PERMANENT MATERIAL

The supporting Con 40 form for this documentation of permanent material is presented in Appendix D on page 82.

MATERIAL:			
<u>QUANTITY</u>	<u>DESCRIPTION</u>	<u>UNIT COST</u>	<u>TOTAL AMOUNT</u>
590'	16" pipe	\$ 20.00	\$11800.00
2	16" x 6" Tees (M.J.)	450.00	900.00
2	6" Gate valve	190.00	380.00
2	5½" Hydrants	600.00	1200.00
8	6" Retainer glands	10.00	80.00
8	8" Riser pipe	7.50	60.00
20'	6" Ductile iron pipe	7.50	150.00
2	Gate boxes	125.00	<u>250.00</u>
	Subtotal		\$14820.00
	Material handling	10¢	<u>1482.00</u>
	TOTAL MATERIALS		<u>\$16302.00</u>

APPENDIX L: DOCUMENTATION OF TEMPORARY MATERIAL AND CREDIT FOR TEMPORARY MATERIAL REMOVED

In this example, the Utility Company removed and returned to stores 590' of 16" DIP pipe that was temporarily installed on Pine Street.

TEMPORARY MATERIAL INSTALLED WEEK ENDING 6-6-08:

<u>QUANTITY</u>	<u>DESCRIPTION</u>	<u>UNIT COST</u>	<u>TOTAL AMOUNT</u>
590'	16" DIP pipe	\$20.00	\$11,800.00
	Material Handling	10%	<u>1,180.00</u>
	TOTAL MATERIALS		\$12,980.00

TEMPORARY MATERIAL REMOVED 7-10-08:

Cost of material (590' of 16" DIP pipe @ \$20.00/foot)	\$11,800.00
Less depreciation (10%)	<u>1,800.00</u>
TEMPORARY MATERIAL CREDIT	\$10,620.00

APPENDIX M: DOCUMENTATION OF DEPRECIATION

The supporting Con 41 form for this documentation of labor is presented in Appendix G on page 85.

In this example, the Utility Company removed and scrapped two fire hydrants. The fire hydrants were originally installed in 1972 at a cost of \$875.00 each. The life expectancy of the fire hydrants was sixty years. They were removed in 2008.

The depreciation reserve credit is computed as follows:

Date removed (a)	2008
Less date of original installation (b)	<u>1972</u>
Years of life used (a - b)	36

To determine the percentage of the hydrant's life that was used:

Years of life used (a - b)	36
Life expectancy (c)	60
Percentage of life used [(a - b) ÷ c] x 100	60%
Original cost (2 x \$875.00)	\$1,750.00
Depreciation reserve (\$1,750.00 x 60%)	\$1,050.00

APPENDIX N: DOCUMENTATION OF BETTERMENT

BETTERMENT				
<u>QUANTITY</u>	<u>DESCRIPTION</u>	<u>UNIT PRICE</u>	<u>16" DIP PIPE</u>	<u>24" DIP PIPE</u>
560'	24" DIP pipe	\$ 31.29		\$17522.40
560'	16" DIP pipe	24.32	\$13619.20	
1	24" x 24" Tee	1875.00		1875.00
1	16" x 16" Tee	1121.00	1121.00	
2	24" x 6" Tee	1551.00		3102.00
2	16" x 6" Tee	433.22	866.44	
1	24" x 16" Tee	1325.00		1325.00
1	16" x 16" Tee	427.00	427.00	
2	24" 90° Bends	915.00		1830.00
2	16" 90° Bends	284.00	568.00	
3	24" 45° Bends	810.00		2430.00
3	16" 45° Bends	241.00	723.00	
Total material costs			\$17324.64	\$28084.40
SUMMARY:				
	24" DIP pipe			\$28084.40
	16" DIP pipe			<u>17324.64</u>
BETTERMENT CREDIT:				<u>\$10759.76</u>

APPENDIX O: DOCUMENTATION OF SCRAP CREDIT

In this example, the Utility Company removed and scrapped two fire hydrants in 1988. The total weight of the fire hydrants was five hundred pounds of cast iron. The Utility Company received \$45.00 per ton for scrap cast iron in 1988, equaling \$0.0225 per pound. The scrap credit due to the Department of Transportation is computed as follows:

$$1000 \text{ pounds} \times \$0.0225/\text{pound} = \$22.50$$

APPENDIX P: DOCUMENTTION OF SUBCONTRACTOR WORK BASED ON LUMP SUM

INVOICE

JAMES COMPANY

100 Hartford Road · Hartford, Connecticut 06119
Tel. (203) 555-1800 · FAX (203) 555-8128

BILL TO:		SHIP TO:		
ABC Water 37 Elizabeth Street Hartford, Connecticut 06107		ABC Water 37 Elizabeth Street Hartford, Connecticut 06107		
CUSTOMER P.O. NUMBER	TERMS	INVOICE NUMBER	DATE INSTALLED	DATE
940-f	due on receipt	98642	7-6-88	7-15-88
ITEM	QTY.	DESCRIPTION	UNIT PRICE	EXTENDED PRICE
		Furnish and install 2 - 20" X 16" Butterfly valves (lump sum bid)		\$11000 00
		TOTAL DUE		\$11000 00

APPENDIX Q: DOCUMENTATION OF SUBCONTRACTOR WORK BASED ON QUANTITY

INVOICE

DALY CORPORATION

370 Jameston Road • West Hartford, Connecticut 06119
Tel. (203) 555-1800 • FAX (203) 555-8128

BILL TO:		SHIP TO:					
ABC Water 37 Elizabeth Street Hartford, Connecticut 06107		ABC Water 37 Elizabeth Street Hartford, Connecticut 06107					
CUSTOMER P.O. NUMBER	TERMS	INVOICE NUMBER	DATE INSTALLED	DATE			
082891-01	due on receipt	5194	6-29 TO 7-5	7-31-88			
ITEM	QTY.	DESCRIPTION		UNIT PRICE		EXTENDED PRICE	
01	01	Installed 560' of 24" DIP pipe on Main Street		\$ 34	60	\$19376	00
		TOTAL DUE				\$19376	00

