



STATE OF NORTH CAROLINA  
DEPARTMENT OF TRANSPORTATION

BEVERLY EAVES PERDUE  
GOVERNOR

EUGENE A. CONTI, JR.  
SECRETARY

December 22, 2011

MEMORANDUM TO: Utilities Unit and Division Engineers

FROM: Dewayne L. Sykes, PE  
State Utility Manager

SUBJECT: Revised Process for Developing Water & Sewer Relocation Plans

After undertaking a comprehensive review of the current guidelines for utility engineering performed by the Department at the request of another local governmental agency or utility company, the Department will suspend its practice of providing engineering services at no cost for the development of water and/or sewer relocation plans. This policy change is due to current fiscal climate, equitable treatment of utility owners and a strict interpretation of the NC Administrative Code. According to the code, the utility owner is responsible for all costs associated with relocation of their facilities with an exception to those entities covered under General Statute 136-27.1 or where the utility owner can validate a compensable interest in their facilities in question.

Over the past twenty five years, we have provided engineering services at no cost for all governmental agencies and utility companies including entities that were not covered under General Statute 136-27.1 or could not justify a compensable interest for their water and sewer facilities located within the highway rights of way. As part of that program, the utility owner would request in writing for the Department to develop the water and sewer relocation plans and the relocation of the utility lines be made part of the highway contract and for their facilities to be relocated by the highway contractor during the construction phase of the project.

The department will continue its program allowing water and sewer relocations to be made part of the highway contract but all engineering cost will be borne by the owner if the utility owner is not able to substantiate a compensable interest for their facilities. A compensable interest is identified as follows:

- (1) Existing or prior easement rights within the limits of the project, either by recorded right of way or adverse possession (Utility occupying the same location for twenty (20) plus years outside the existing highway rights of way).
- (2) Entities covered under General Statutes 136-27.1. Statute requires the NCDOT to pay the non-betterment cost for certain water and sewer relocations.

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**LOCATION:**  
CENTURY CENTER COMPLEX  
BUILDING B  
1020 BIRCH RIDGE DRIVE  
RALEIGH NC 27610

**Revised Process:**

- (1) Utility Owner Provides Engineered Plans and Utility Owner Relocates Utilities**  
(By Utility Owner or PEF/contractor)
  - a. Utility owner provides preliminary plans (electronic) to NCDOT one (1) month after submittals of the Project Right of Way Plans.
  - b. Utility owner provides final plans (electronic) to NCDOT for review three (3) months after Right of Way plan submittals.
  - c. Utility owner to provide cost agreement, estimate and right of way status four (4) months after Right of Way plan submittal if NCDOT is participating in relocation cost.
  - d. Utility owner provides encroachment package four (4) months after Right of Way plan submittal if all relocation cost to be borne by the utility owner.
  - e. Utility owner relocates prior to project let date unless otherwise approved by the Utilities Coordination Section.
  
- (2) Utility Owner Provides Engineered Plans and NCDOT includes in Highway Contract**  
(Betterment requires secured agreement)
  - a. Utility owner provides preliminary plans (electronic) to NCDOT one (1) month after Right of Way Plan submittals.
  - b. Utility owner provides final plans, specifications and estimate (electronic) to NCDOT for review three (3) months after Right of Way plan submittals.
  - c. Utilities Engineering Section turns in plans, specifications and estimate to Roadway and provides a Utility Agreement Package for further handling by the Utilities Unit Coordination Section four (4) months after right of way plan submittals.
  
- (3) NCDOT Provides Private Engineered Plans (PEF) and NCDOT includes in Highway Contract**
  - a. NCDOT selects PEF and hosts scoping meeting (utility owner invited to meeting) nineteen (19) months prior to right of way plan submittals or ten (10) months for bridge projects.
  - b. NCDOT and Utility Owner negotiate man-hours and costs with PEF. Negotiated cost is included in Utility Engineering Agreement between NCDOT and Utility Owner.
  - c. Utility Engineering Agreement must be approved and signed by utility owner, then, Notice to Proceed to PEF issued fifteen (15) months prior to right of way plan submittals or six (6) months for bridge projects.
  - d. Preliminary plans (electronic) provided to NCDOT and Utility Owner one (1) month after right of way plan submittals.
  - e. The final plans, specifications and estimate provided by PEF to NCDOT three (3) months after right of way plan submittals.
  - f. Utilities Engineering Section turns in plans, specifications and estimate to Roadway and provides a Utility Agreement Package for further handling by the Utilities Coordination Section four (4) months after right of way plan submittals.
  - g. NCDOT will invoice Utility Owner based on the NCDOT payment process procedures as approved on January 26, 2009.

The above procedure changes will simplify the process and gives adequate time for a local government to budget and anticipate payment for upcoming NCDOT projects. It also gives the owner more control over the design and installation of their facilities. It is strongly encouraged that the utility owner prepares their relocation plans and relocates the conflicting facilities prior to project let date.

This issue will be discussed at the 25% plan stage meeting for each project. This new process will be administered to all projects currently scheduled for March 2013 Let and beyond. Thank you for your attention to this matter. Please let me or Robert Memory know if you have any questions.

JRM:jrm

cc: Sandy Nance  
Jimmy Travis, PE  
Debbie Barbour, PE  
Virgil Pridemore