Title: Administrative Policy Utility Relocation/Replacement Cost Sharing Program	**Policy No.** Part 8, Streets and Roads Chapter 1, Programs Section 5
	Effective Date May 10, 2016
Policy Custodian Transportation and Engineering Division	**Adoption/Revision Date** May 10, 2016/May 29, 2018

Adopting Resolution(s): CC16-178

References (Statutes/Resos/Policies): CC94-478, CC06-548

Purpose: To serve as a reasonable compromise on cost sharing of utility work necessitated by county road projects and to serve as a guide for continued cooperation and planning to avoid unnecessary costs to both the county and the Utility Owners in the future.

Policy: Utility Relocation/Replacement Cost Sharing Program

A. Definitions

1. Ancillary Costs: Ancillary Costs shall include all costs that support the Relocation/Replacement Costs, including but not limited to engineering design and plan review, mobilization, traffic controls, erosion controls and associated permitting, construction surveying, potholing, material testing and inspection as reasonably determined by the County's engineer.

2. Betterment: Betterment is generally defined to be improvements to the existing pipeline. For example, these improvements could include, but are not limited to, replacing an old and antiquated Utility, increasing the operating capacity, or installing appurtenances not on the existing Utility such as additional fire hydrants, valves, air-vacuum valves, pressure reducing valves, and manholes. Any special treatment required to protect the Utility which is necessitated by the roadway improvements is not considered a Betterment. These special considerations may include, but are not limited to, encasing the Utility, or providing structural support for the Utility with minimal ground cover.

3. Relocation/Replacement Costs: Relocation/Replacement Costs shall include all direct costs for designing and constructing the replaced Utility line, including but not limited to other Ancillary Costs.

4. Utilities: Water, sewer, and irrigation lines and ditches.

5. Utility Owners: Water and sewer special districts, non-profit water and sewer companies, and municipalities operating Utilities.

B. Planning & Coordination

1. The Transportation and Engineering Division will involve Utility Owners in the consideration and subsequent design of road improvements as early in the process as possible. Specifically, the Transportation and Engineering Division will provide an annual long-range assessment of priorities in reference to road, bridge, and drainage improvements, so potential utility impacts can be noted and discussed with appropriate utility representatives. The Utility Owners will copy the Transportation and Engineering Division on any plans for Utility construction and/or rehabilitation construction and involve the Division in the review process.

2. Staff from the Transportation and Engineering Division shall meet with and discuss potential Utility conflicts as early as possible in the concept/preliminary design phase of a road, bridge, or drainage project. In addition to the meetings held during the conceptual design phase of a project, the Transportation and Engineering Division will schedule a meeting between the county's design staff and/or consultants and all Utility Owners potentially impacted by a county project. This will assist in identifying, and, to the extent possible, avoid conflicts with existing and proposed Utilities.

3. The Transportation and Engineering Division will work with its design consultants and Utility Owners to avoid or minimize the impact to existing Utilities.

C. Cost Allocation & Sharing Guidelines

1. When the Utilities are in easements or right-of-way senior to the county right-of-way, the county will pay 100% of Relocation/Replacement Costs.

2. When the county owns right-of-way and no senior utility easements exist, the county and the Utility Owner will share the cost of relocating existing water and sanitary sewer facilities in accordance with the following funding category guidelines:

   a. Funding Category No. 1: Projects where construction is partially or totally funded with State or Federal funds, (excluding right-of-way).

      The Utility Owners shall share in the Utility Relocation/Replacement Costs at a ratio equal to the ratio of local matching funds between the county and State or Federal Governments. For example, if the county receives 80 percent funding from the Federal Government, the county shall apply federal funds up to 80 percent of Utility Relocation/Replacement Costs. The Utility Owner's share in this case would be the 20% match for these costs. The percentage shall be derived from the initial application and grant. Any costs for inspection or design review incurred by the Utility Owners would be borne by the Utility Owners. The county will pay for all costs associated with the acquisition of additional right-of-way and easements needed for roadway projects, including right-of-way and easements for any Utility Relocations/Replacements.

   b. Funding Category No. 2: Projects funded by future special roadway improvement districts/co-ops formed after the date of this policy.

The county/special roadway improvements district shall pay all costs for relocation/replacement water and sewer mains with the exception of the costs for Betterments requested by the Utility Owners, regardless of availability of federal funds or other funding sources.

c. Funding Category No. 3: Projects totally funded by county funds.

(1) The county and Utility Owners will share the Utility Relocation/Replacement Costs corresponding to the age of the pipeline, as shown below:

Cost Sharing Formula		
Age of Pipeline (Years)	Utility Owner's Percentage	Jeffco's Percentage
0-4	0%	100%
5-9	25%	75%
10-14	30%	70%
15-50	50%	50%
50 & Older	100%	0

(2) The Utility Owners will furnish evidence of the month and year that the existing pipeline was installed.

(3) The county's existing One-Half Cent Sales Tax District for arterial roadway improvements in southeast Jefferson County shall have a cost sharing basis in accordance with the above "Cost Sharing Formula." If future projects are added to the Utility Owner's service plan, the guidelines outlined in "Funding Category No. 2" shall apply to the added projects.

3. In all cases, the Utility Owners shall pay for Betterments.

4. When Ancillary Costs cannot be itemized from the contractor’s bid schedule, then the Ancillary Costs shall be proportioned with the Relocation/Replacement Costs to the overall bid total for the roadway project. For example, if a Utility Relocation/Replacement labor and material costs totaled $50,000 and the bid for the roadway project which included the water line items totaled $5,000,000, then the lump sum Ancillary Costs would be prorated to be 1.0% of the mobilization bid cost.

5. When the project requires that asbestos cement pipe be removed, then the respective Utility Owner shall be the signer on the hazardous material waste manifest as the owner. Neither the county nor the contractor may sign the hazardous material waste manifest.

6. If cost sharing between the Utility Owner and the county is deemed appropriate, then the construction items shall be included in the county’s roadway bid schedule and the Utility Relocation/Replacement work shall be done by the

county’s roadway contractor, or its sub-contractor. The county, at its discretion, may require an intergovernmental agreement.

D. Payment

Payment is considered due within twelve (12) months of billing by the county or Utility Owner. If the payment required of a Utility Owner creates a hardship, the county will consider payment options for the Utility Owner's share of the costs over a longer time period.