

Illinois State Toll Highway Authority

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Relocation of Utility Facilities and Reimbursement of Associated Costs

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INTRODUCTION

The Engineering and Finance Departments of the Tollway have the primary responsibility of monitoring and approving the costs submitted by the utility company for reimbursement.

This manual documents the Illinois State Toll Highway Authority's (Tollway) procedures for the relocation of the utility facilities and reimbursement of the associated costs incurred during the construction of Tollway improvement projects.

Within the Engineering Department, the Utility Permit Section administers the process to review reimbursable work and associated costs. The Engineering Services Section specifically performs the detailed review of the invoices submitted for the costs associated with the utility facility relocations. The Permit Utility section is responsible for maintaining contact with the section engineers and coordinating the day to day activities for the utility relocations with the Tollway construction in addition to reviewing invoices. Additionally, the Engineering Services Section provides projections of expected cash disbursements to the Finance Department to enable that department to coordinate the timing of cash available for disbursement. The Finance Department performs a final review of the invoice billing and processes the check for reimbursement.

Included within this document are descriptions of the documents used in the process for identifying interferences, initiating and completing construction of the facilities, accounting for changes in the work and requesting reimbursement for costs incurred as well as examples of those documents where appropriate. A description of the overall structure of the Tollway's departments change from time to time and it is the intention of this document to describe the utility invoicing process and staff responsibilities in general as they relate to planning, approvals, execution, documentation and payment.

The process and procedures of identifying interferences, commencing construction, monitoring progress of the construction and submitting invoice billings to the Tollway are defined and a step by step narrative serves to add further detail as to the procedures and processes to be utilized. Summaries of the allowed reimbursable costs based are on typical master agreements with utility companies. Specific questions relating to allowable reimbursable costs not detailed in the following narrative should be referred to the appropriate agreement between the utility company and the Tollway.

TOLLWAY PERSONNEL INCLUDED IN UTILITY BILLINGS PROCEDURES

The following Tollway personnel will be involved in the utility billings procedures. Included is a description of each individual's responsibilities as regards the utility billings.

Section Engineers – Section Engineers consist of the Design Section Engineers (D.S.E.) and the Construction Managers (C.M.). Design Section Engineers are involved only in the planning stages of the Tollway project, while Construction Managers become involved when construction commences after the plans have been approved by the Tollway. The Construction Manager is the firm hired by the Tollway to act as their representative during the construction. Their responsibilities relating to utility Construction within their sections include the following:

- Verifying the type and quantity of materials used in each job meets the currently accepted engineering standards and are in compliance with the cost estimate approved by the Tollway unless a properly approved Utility Field Change Authorization has been filed for the job.
- Verifying the number of man hours by labor classification used by utility or railroad for each job.
- Verifying the above for subcontractors of the utility or railroad.
- Verifying the type, number of units of and related number of hours utility or Railroad equipment is used for each project.
- Overseeing the progress of the construction and verifying that construction is performed as per the Tollway's approved plans, after considering authorized field changes.
- Maintaining contact with the Tollway concerning progress of construction within their assigned section.

To accomplish the above, the C.M.'s are required to keep files for each job number. These files contain copies of the Notification of Utility Interference, Order for Utility Work, Notice to Proceed, Utility Field Change Authorizations and Inspector's Daily Reports. Additionally, the C.M. completes an Inspector's Daily Report (Tollway Form A-7) to account for number of personnel, total hours worked and overtime hours worked by classification of utility/Railroad personnel on each job. This form is also used to record utility equipment on the job site for that day, the materials present for use on the job site and any special items which the section engineer believes should be noted. Job files are sent to the Tollway's Utility

Billing Clerk as needed to review man hours and equipment usage by the utility. The C.S.E. also recommends field changes on the Utility Field Change Authorization for when additional work or procedures are deemed necessary to complete the job.

Utility Billing Audit Clerk – The Utility Billing Audit Clerk is the person assigned to review the utility invoice and supporting documentation using the procedures detailed in the checklist.

Utility Technician – The Utility Technician is primarily responsible for:

- Maintaining contact on a daily basis between the Tollway and the Design and Construction Managers.
- Updating information (database) for utility projects currently in progress within the Engineering Department.
- Preparing the Notice to Proceed upon approval of the utility plan and costs by the Tollway.

Technical Manager for Utilities – The Technical Manager for Utilities is responsible for performing the following:

- Review of the plans and cost estimate to adjust, relocate or remove utility facilities and recommending approval of plans when they conform with the Tollway approved plans and costs are reasonable.
- Review of the summary of contractor's bids submitted by the utility for projects to be contracted and reviewing detail of costs for contractor which is approved by the Tollway.
- Recommending approval of contractor to the Chief Engineer of the Tollway.
- Notification of the Tollway Property Department to identify additional Right-of-Way needed to facilitate construction of a utility relocation.
- Recommending approval of the Order for Utility Work, Utility Field Change Authorizations (up to \$7,500) and Utility Relocation Payment – Payment /Authorization.
- Review of the utility invoice to verify materials installed, labor expended, completion of the work, confirm that the work is

reimbursable or non-reimbursable and performed in accordance with the agreements.

Invoice Control Clerk – The Invoice Control Clerk is responsible for performing the following procedures:

- Inputting the utility invoice into the invoice file.
- Monitoring the invoice throughout the reimbursement approval procedures performed by the Tollway.
- Performing initial review of invoice and supporting documentation to ascertain that appropriate documentation has been received from the utility.
- Notifying the proper Tollway personnel if it appears the invoice will not be approved in time to avoid the interest or late charges as per the individual agreements.

Director of Engineering Support Services – The Director of Engineering Support Services is responsible for approving the invoice along with the Chief Engineer of the Tollway.

Chief Engineer – The Chief Engineer performs the following procedures:

- Review of the Cost Estimate to Move/Remove Facility and Plans and approving plans when they conform with the Tollway approved plans and costs are reasonable.
- Approval of the Notification of Interference, Order for Utility Work, Notice to Proceed and Utility Relocation Payment.
- Approval of Utility Field Change Authorization's in excess of \$7,500.
- Approval of utility invoice.

Construction Clerk – The Construction Clerk performs the following procedures within the Finance Department in relation to the reimbursement of utility expenditures:

- Preparing Requisition Exhibits and Invoice Vouchers.

- Preparing check when proper authorization has been received within the Finance Department and cancellation of the invoice and attached documentation.

Controller – The Controller reviews all invoices and requisitions for approval and is an authorized signer of checks for the Tollway.

Assistant Secretary – The Assistant Secretary review all invoices and requisitions for payment approval and is an authorized signer of checks for the Tollway.

Chairman – The Chairman reviews all invoices and requisitions for payment approval and is an authorized signed of checks for the Tollway.

UTILITY BILLING PROCESS

The following narrative describes the procedures and processes to be used by the Tollway for the approval and payment of the utility and railroad invoice billings in connection with construction on the Tollway. The Design Section Engineers and Construction Section Engineers are selected for each section of the Tollway project.

1. The Design Section Engineers and Construction Managers are selected for each section of a Tollway project.
2. The Design Section Engineers identify each of the utility interferences during the design phase, and then prepare the Notification of Utility Interference at which time a job number is assigned to the interference. These forms are then reviewed and approved by the Chief Engineer of the Tollway.
 - 2a. The original of the form is sent to the utility.
 - 2b. The second copy is sent to the Construction Manager.
 - 2c. The third copy is sent to the Engineering Department of the Tollway and a file is created by the Assistant Utility Coordinator and is used to update a database.
 - 2d. The fourth page of the form is kept by the Design Section Engineer.

3. Upon receipt of the Notification of Interference, the utility prepares a Cost Estimate to Move/Remove Facility using the format agreed to with the Tollway. The utility then also prepares the Order for Utility Work using the job number assigned to the project by the Tollway.

3a. The Cost Estimate to Move/Remove facility is sent to the Design Section Engineer for review.

3b. The Order for Utility Work is sent to the Design Section Engineer.

4. The plan received from the utility is reviewed by the Design Section Engineer for compliance with the specifications of the approved plans for the Tollway project, and costs of the plan are reviewed for reasonableness.

4a. The plans, cost estimate to move/remove facility and Order for Utility Work are sent to the Utility Coordinator of the Tollway along with the Design Section Engineers recommendation as to approval or disapproval of the plan.

5. The plan and cost estimate to move/remove facility are reviewed by the Utility Coordinator and Chief Engineer for reasonableness. Upon approval, the procedures in step 6 are performed.

5a. If the utility plan is rejected due to unreasonable costs or noncompliance with the plans approved by the Tollway, the utility is notified and the utility plans and cost estimate to move/remove facility are modified as necessary by the utility and the plans and cost estimate are resubmitted to the Tollway for approval (see step 5).

6. Upon approval of the cost estimate to move/remove facility and the plan specifications, the Order for Utility Work is approved by the Utility Coordinator and Chief Engineer. Copies of the documents are sent as follows:

6a. The original is sent to the utility.

6b. The second copy is sent to the Construction Managers.

- 6c. The third copy is placed in the appropriate job file maintained by the Assistant Utility Coordinator and is used to update the Engineering Departments utility database.
- 6d. The fourth copy is sent to the Design Section Engineer.

7. Upon receipt of the approved Order for Utility Work, the utility decides whether to perform the project using its own personnel, retained contractors or subcontractors. If the construction is to be performed by subcontractors, the receipt of the Order for Utility Work gives the utility the authority to accept bids for the project.

- 7a. If the utility decides to use retained contractors, the utility prepares a Summary of Costs for the project and submits the summary to the Utility Coordinator of the Tollway for approval of the contractor and costs as per step 8.
- 7b. If the utility decides to use independent contractors, the utility accepts bids for the project and prepares a Summary of Bids which are submitted to the Utility Coordinator for approval as in step 9. The Summary of Bids indicates the choice of subcontractor by the utility (this is usually the lowest bid).
- 7c. If the utility decides to utilize its own personnel for the project, the Tollway is notified of the fact and procedures are performed as per step 11.

8. Upon receipt of the Summary of Costs the Utility Coordinator reviews the bid submitted by the retained contractor to the utility for the project. If the costs and subcontractor are acceptable to the Tollway, the procedures outlined in step 11 are performed. If the costs or the subcontractor are not acceptable to the Tollway, the procedures in step 8a are performed.

- 8a. If the subcontractor are bid costs of the project are not acceptable to the Tollway, the Tollway will require competitive bids to be submitted from other subcontractors.

The utility then follows the procedures outlined above in step 7b.

9. Summary of Contractors Bids to Move/Remove the Facility are prepared by the utility from bids accepted for the project. The summary is submitted to the Utility Coordinator for review of the contractor and costs. The utility will indicate on the summary which bid they believe should be accepted (this is usually the lowest bid). The summary is kept in the appropriate job number file maintained by the Assistant Utility Coordinator.

10. The Utility Coordinator reviews the detail cost estimate of the contractor chosen by the utility to perform the construction of the project for reasonableness. If the contractor and bid cost are acceptable to the Tollway, the procedures in step 11 are performed. If the contractor or the bid cost is not acceptable to the Tollway, the procedures in step 10a are performed.

10a. Another bidder is selected from the Summary of Contractors Bids to Move/Remove Facility and the detail of costs for this bid are reviewed by the Utility Coordinator for reasonableness. The utility is then notified of the acceptance of another bidder on the project and the procedures in step 11 are performed.

11. The Tollway ascertains that the proper right of way for the utility project has been obtained and interim payments for the project may be authorized by the Tollway as per the individual utility/railroad agreements. When the property right of way has been obtained, the Notice to Proceed is prepared by the Assistant Utility Coordinator and approved by the Chief Engineer of the Tollway. Copies of this form are issued as follows:

- 11a. The original is sent to the utility.
- 11b. The second copy is sent to the Construction Manager.
- 11c. The third copy is placed in the appropriate job file maintained by the Assistant Utility Coordinator and is used by the Assistant Utility Coordinator to update the Engineering Departments utility database.

11d. The fourth copy is sent to the Design Section Engineer.

12. Upon receipt of the approved Notice to Proceed, the utility awards the contract for the project to the subcontractor (if applicable) and construction on the project commences.

13. The Construction Manager prepares Inspector's Daily Reports on each of the utility jobs within their section for which utility materials, personnel or equipment are present. This form details the number of man hours used by labor classification, the materials present on the job site and the utility equipment present for completion of the project. Additionally, consideration should be given to having these Inspector's Daily Reports completed for each of the utilities/railroads subcontractors present within their section. Such thought should include the following in determining whether to maintain files for these subcontractors:

- Length of time for the subcontract.
- Prior experience with the subcontractor.
- Degree of risk involved in the project.
- Size of the crew involved in the construction of the project.
- Type and number of pieces of equipment involved in the project.
- Delays experienced during the project and the cause of the delays.
- The occurrence of any shutdowns during the project.
- Complexity of the construction project.
- Absolute dollar size of the subcontractor's portion of the project.

14. Unanticipated situations may occur which require a change in the engineering procedures or materials required to complete the project. If this occurs, the utility will prepare a Utility Field Change Authorization and discuss the situation with the Resident Engineer of the section. If no changes are necessary for the project, the procedures outlined in step 18 are performed. If a change is required, the procedures in step 14a are completed.

14a. The Construction Manager will review the situation and sign the Utility Field Change Authorization. The Construction Manager will also note any comments about the new

procedures or materials he deems necessary for the Tollway to make an informed decision as to the necessity of the changes. The Utility Field Change Authorization is then sent to the Technical Manager for Utilities or Chief Engineer of the Tollway for approval.

15. Upon receipt of the Utility Field Change Authorization, the Technical Manager for Utilities and/or Chief Engineer will review the proposed change for propriety. If the change is acceptable, the procedures in step 17 are performed. If the change is not acceptable to the Tollway, the procedures in step 16 are performed.

16. If the change is rejected by the Tollway, the utility/railroad may either go ahead and make the change or proceed with the project as per the approved plans. If the change is implemented by the utility/railroad, they may later attempt to collect reimbursement of their costs through arbitration if included in their respective agreement or other court proceedings.

17. If the change is approved by the Tollway, the Technical Manager for Utilities and/or Chief Engineer will approve the Utility Field Change Authorization and copies will be sent as follows:

- 17a. The Original will go to the utility.
- 17b. The second copy will go to the Construction Manager.
- 17c. The third copy will be used to update the project costs in the Engineering Department database by the Assistant Utility Coordinator. The copy will then be placed within the job numbers file maintained by the Assistant Utility Coordinator.

18. Interim billings are to be submitted only with prior approval of the Tollway.

The Tollway requires a minimum of \$50,000 in total job costs to authorize interim billings on any utility job number. If interim payments are authorized, the procedures in step 19 are performed. If no interim payments have been authorized by the utility, the procedures in step 21 are performed.

19. If interim payments have been authorized and the invoice is a final billing the procedures in step 21 are performed. If the invoice is an interim billing, step 20 is performed.

20. The utility/railroad prepares an interim billing as per terms of the agreement.

20a. Invoice billing is submitted to the Tollway for payment as per step 25.

21. Construction on the project is completed.

22. Construction Manager inspects the project, and when satisfied that the project has been completed as per the approved plans, issues a Certificate of Completion (A-23 form) – Utility Work Order. This form is signed on behalf of the Construction Management firm and also by the Construction Manager and copies are issued as follows:

22a. The original is sent to the Tollway's Utility Coordinator.

22b. The second copy is placed in the Construction Manager's file for the appropriate job number.

22c. The third copy is sent to the Tollway's Assistant Utility Coordinator and the procedures indicated in step 24 are performed.

23. The utility prepares the final invoice for the job number.

23a. The final invoice is sent to the Tollway and procedures are performed as outlined in step 25.

24. The Assistant Utility Coordinator updates the Engineering Department's utility database upon receipt of the Certificate of Completion – Utility Work Order. The form is then placed in the appropriate file kept by the Assistant Utility Coordinator.

25. Upon receipt of the utility/railroad invoice, the Utility Billing Audit Clerk of the Tollway inputs the utility name, job number, invoice date and amount billed into the invoice log. This will enable the Utility Audit Billing Clerk to track the invoices progress through the Tollway's payment approval system and flag any invoices for which it appears a check will not be issued prior to the expiration of the payment requirements as per the individual agreements.

26. The invoice received from the utility which will either use its standard format or a format agreed to by the Tollway in the agreement with the utility/Railroad. This invoice must be presented in the agreed format and have adequate documentation to support the billing. The support should include such items as time report copies, equipment logs, and detail of the

materials used to complete the project. The Utility Billing Audit Clerk will perform a preliminary assessment of the invoice to determine the appropriate review and approval process. The Utility Billing Audit Clerk will use the Assistant Utility Coordinator's file which should contain all necessary information to make this evaluation. The following points must be addressed at this time:

- If an interim invoice, is provision for same made in the agreement?
- If a final invoice, has the Certificate of Completion been executed and approved?

27. The Construction Manager reviews the utility invoice by comparing it against his field office records.

- Labor, material, and equipment charges should be compared for reasonableness against the Inspectors Daily Reports and other related records.
- Work done by contractors based on a Lump Sum amount by agreement need only be verified as having been satisfactorily performed.
- Work done by contractors based on Unit Prices must have the Pay Item Number and Description and Quantities completed and verified.

In the event that the Construction Manager cannot reconcile his records to the invoice, he will contact the Tollway's Utility Coordinator and, if requested, will provide a written description of the discrepancy to the Utility Coordinator. The Utility Coordinator will provide the necessary assistance to resolve the discrepancy.

Upon completion of the invoice review, the Construction Manager will recommend approval on the Utility Relocation Payment Approval Form, indicating whether or not any corrections or changes should be made to the invoice. In the event that corrections or changes are necessary, a memo detailing those must be attached to the Utility Relocation Payment Approval Form. The Construction Manager will then transmit the Payment Approval Form together with the invoice and supporting documentation to the Utility Billing Audit Clerk.

28. The Utility Billing Audit Clerk inputs the date of approval by the Construction Manager into the Utility Invoice Log.

28a. The Utility Billing Audit Clerk will then forward the packet to the Utility Coordinator.

29. The Utility Coordinator will review the invoice and the recommendation of the Construction Manager primarily to determine whether or not he agrees with the Construction Manager's recommendation. When the Utility Coordinator is satisfied with the Construction Manager's recommendation he will return the packet to the Utility Billing Audit Clerk.

30. The Utility Billing Audit Clerk is responsible for performing the following procedures with the invoice:

- Reviewing the file documentation for completeness.
- Reviewing the listing of authorized reimbursable costs for the utility/railroad to determine the propriety of the costs submitted in the billing.
- Ascertaining that the Construction Manager has approved all labor, material, equipment, and contract changes.
- Reviewing accepted bids/estimates for the job number and ascertaining the reasonableness of the billable costs based upon that review. NOTE: Units of materials or labor in excess of 110% of the amount authorized in the approved plans for Northern Illinois Gas Co. billings must be approved separately by the Tollway (i.e. Units of materials and labor within 110% of the approved cost estimate are approved for in the agreement). For all other utility billings, the Tollway is responsible only for costs up to the amount indicated in the approved plan and cost estimate unless a Utility Field Change has been approved by the Tollway. The authorized Field Change's should be included in the calculation of the 110% billable costs.
- Recalculating the extension and footing of costs in the invoice billing, taking into consideration any modifications or corrections made by the Construction Manager.

- Vouching cost figures from the summary billing to the applicable support.
- Initialing the Utility Relocation Payment Checklist and the Payment Approval Form to indicate that the above procedures have been performed without exception, and updating the Utility Invoice Log.

31. The invoice packet is sent to the Utility Coordinator for approval. The Utility Coordinator signs the Unit Relocation Payment Approval form.

31a. The utility invoice, supporting documentation and Utility Relocation Payment Approval (invoice packet) are returned to the Utility Billing Audit Clerk who updates the utility invoice log.

The Utility Relocation Payment Checklist is completed and signed by the Utility Billing Clerk when the review above has been completed.

32. The invoice packet is sent to the Chief Engineer or the Director of Engineering Support Services for review and signing of the Utility Relocation Payment Approval form.

33. The invoice packet is returned to the Utility Billing Audit Clerk who updates the utility invoice log.

33a. The invoice packet containing the Payment Approval form, the invoice, and supporting documentation is then sent to the Construction Clerk in the Finance Department.

34. The Utility Coordinator forwards the informational copy of the Utility Relocation Payment Approval form to the Assistant Utility Coordinator who updates the cost data in the Utility Database and retains a copy in the files.

35. The Construction Clerk then extracts the pertinent information from the invoice to complete the Requisition Exhibit which is input to the Finance Departments data processing system.

35a. The original of this document is attached to the invoice packet.

35b. The second copy is batched and later sent to the bank.

36. Data from the Requisition Exhibit is processed overnight, and an order number is assigned to the invoice by the computer processing system and an Invoice Voucher and Requisition are generated.

36a. The original Requisition Exhibit and a copy of the Invoice Voucher is attached to the invoice packet.

36b. Copies of the Requisition Exhibit and the original Invoice Voucher are maintained in a separate file within the Finance Department.

37. A check is written and included with the invoice packet. Checks are written daily by the Tollway. Two signatures are required for the check. The following Tollway personnel are authorized to sign the checks.

Chairman

Director of the Tollway

Finance Manager

Controller

Assistant Secretary

38. The invoice packet is reviewed by the Controller who signs the Invoice Voucher and the check, initials the Requisition, and then forwards the invoice packet to the Assistant Secretary. The Assistant Secretary reviews the invoice packet, signs the check and the Requisition. The check is held in the Finance Department and the invoice packet is forwarded to the Chairman for his review and approval. The Chairman signs the Requisition and returns the invoice packet to the Finance Department.

39. The invoice packet (Invoice Requisition, Requisition Exhibit, utility invoice billing and supporting documentation) is then cancelled after the packet has been reviewed for completeness by the Construction Clerk.

39a. The Utility Relocation Payment – Payment Approval Form is forwarded with the check to the Engineering Department’s Utility Billing Audit Clerk.

40. The Utility Billing Audit Clerk checks Engineering Department records to determine whether or not there are any impediments (such as final waivers) to releasing the check. When

any impediments are removed, the check is forwarded to the Utility, the invoice log is updated. The invoice copy which was returned by the Construction Manager is attached to the Payment Approval Form and is forwarded to the Assistant Utility Coordinator.

- 40a. The Assistant Utility Coordinator updates the utility database, places the Utility Relocation Payment Approval Form in the file, and closes the specific job number file.

FINANCE DEPARTMENT PROCEDURES

The Finance Department performs the following procedures in relation to the Construction Fund Account from which the utility invoice checks are paid.

1. Reconciliation of number of checks and amount of checks written during the month between the ledger entries and the Requisitions and Invoice Vouchers.
2. Reconciliation of the book balance of the Construction Fund account to the bank balance of the account on a monthly basis.

The properly stated accounts payable for the month end reports, a listing of open payables which have been received by the Engineering Department but are still in the various stages of approval should be submitted to the Finance Department. A listing of open invoices from the Support Services invoice file should be generated. This document should contain the vendor name, invoice number, due date and invoice amount. Listing should be submitted to the Finance Department at the end of the month in time for inclusion in the monthly reports. The entry should then be reversed in the following month when the invoice is approved and the cash disbursed for payment.

Also, the Tollway has the right per the individual agreements to audit the utility/railroad records after receipt of the final billing.

SUMMARY OF REIMBURSABLE AUTHORIZED COSTS

The costs include handling, insurance, labor payroll taxes and other fringe benefits which are generally expressed as a percentage of other costs in the invoice. Per hour labor costs include general overhead, pension, social security, insurance, accidents, damages and other expenses. Materials will be billed at cost as will charges for equipment usage. The utility is only authorized to submit billing invoices upon completion of the project. If it appears the

projected actual costs of the project will exceed the estimate approved by the Tollway, the utility is to provide written notice to the Chief Engineer. As communication companies are regulated by the FCC, the Tollway will pay the actual costs for construction as long as they are reasonable and comply with the Federally established guidelines.

Rates for labor, construction additives and labor additives should be reasonable in comparison to the approved cost estimates, and total costs for the project should not exceed the approved cost estimate unless written notice has been received from the utility (using the Utility Field Change Authorization Form). The Tollway is only obligated to reimburse the utility for project costs up to the approved estimate costs unless additional costs or work has been approved in writing by the Chief Engineer of the Tollway. Invoice billings are to be submitted only upon completion of each job unless interim payments are agreed to beforehand by the Tollway. A minimum of \$50,000 in costs is required to obtain approval by the Tollway to make interim billings. All billings are to be at actual costs. The utility company is not entitled to a profit.

TYPICAL REIMBURSABLE COSTS

The following types of costs are allowable for reimbursement per the agreement with the above utility for each project:

1. Direct costs
 - a. Costs of contractor chargers for materials as per approved bid.
 - b. Costs of temporary facilities required by the utility during the construction.
 - c. Costs of utility labor including:
 - i. Wages
 - ii. Payroll taxes
 - iii. Pension
 - iv. Other fringe benefits
 - d. Costs of utility transportation and equipment

- e. Costs of replacement right-of-way acquired by the utility, including:
 - i. Temporary easements
 - ii. New rights of way including land costs, and expenses of acquisition (such as appraisals, title costs and attorney's fees)
 - f. Costs of transfer of service
 - g. Costs of material provided by the utility, including:
 - i. Inventory per unit cost
 - ii. Handling charges
2. Indirect costs
- a. Costs of utility engineering
 - b. Costs of utility payroll taxes, pensions and other benefits.
 - c. Costs of State of Illinois Use Tax
 - d. Costs of utility administrative and general expenses
3. Credits to the Tollway for betterments. No betterment credit is required for additions or improvements which are:
- a. Necessary due to the construction
 - b. Replacement devices or materials that are of equivalent standard, although not identical
 - c. Replacement of devices or materials no longer regularly manufactured with next highest grade or size
 - d. Required by law or under governmental or appropriate regulatory commission code
 - e. Required by current design practices regularly followed by the utility in its own work
4. Costs of removal of facilities

5. Costs to abandon facilities
6. No credit shall be allowed to the Tollway for the value of any depreciation of the facilities.
7. The utility company is not entitled to a profit.

The utility is required to provide written notice to the Tollway if it appears that the actual projects costs will exceed those in the approved estimate. These extra costs will be indicated on the Utility Field Change Authorization Form. Invoice billings are only to be submitted by the utility after the completion of each job unless prior approval has been given by the Tollway for interim billings.

UTILITY BILLING DOCUMENTS

The following documents and relevant support should be contained in each Engineering Department utility job file:

- Notification of Utility Interference
- Order for Utility Work
- Cost estimate to move/remove facility and plans submitted by Utility
- Detail of costs for accepted bid
- Notice to Proceed
- Certificate of Completion – Utility Work Order
- Utility Relocation Payment Approval Form

Additionally, the following documents and relevant support should be included in each utility job file where applicable:

- Utility Field Change Authorization
- Summary of Contractor's Bids to move/remove facility submitted by utilities and approval of the contractor by the Tollway
- Notification of the necessity to acquire additional right-of-way (R.O.W.) for the utility.

The following documents will appear in the Finance Department files under the appropriate voucher invoice number:

- Requisition Exhibit Construction Account
- Requisition
- Invoice-Voucher
- Utility Voucher

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The files for the railroad construction projects associated with the Tollway should include the following documents and support:

- Complete set of plans prepared by the Tollway and submitted for approval by appropriate Railroad personnel
- Approval of plans by the Chief Engineer of the Tollway and appropriate Railroad personnel
- Estimate of any reimbursable costs under the agreement submitted by the Railroad
- Approval by the Chief Engineer of the Tollway of the Railroad's estimate of reimbursable costs
- Grant of Permanent Easement for the Tollway by the Railroad

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The Inspector's Daily Report-Force Account Work (Tollway Form A-7) forms completed by the Resident Engineer are maintained at the Construction Manager's office until construction has been completed and the utility/railroad billing has been received.

The following is a brief description of certain significant documents contained in the Engineering Department Utility files.

Notification of Utility Interference – Prepared by the Design Section Engineer (D.S.E.). This document is issued to the utility company when 'interference' with Tollway construction is identified after the final plans for the road has been approved. The form notifies the utility of the situation and initiates the utility's procedures for planning for the abandonment, removal, relocation of or justification for the facility at the current site. There may be more than one Notification for each file as the D.S.E.'s identified each location where a utility line crossed the proposed Tollway, and the same utility line may have crossed the proposed Tollway more than

once. Also, some individual projects are ultimately consolidated into one job number. The Notification should be approved by the Utility Coordinator and the Chief Engineer.

Order for Utility Work – Prepared by the utility, this form is approved and resubmitted to the utility company when its preliminary plans are approved by the Tollway. This occurs after the cost estimate has been received from the utility, the design/engineering specifications have been approved by the Design Section Engineer, and the plans have been reviewed and approved by the Utility Coordinator and the Chief Engineer. Receipt of this form by the utility authorizes it to accept bids for the project if an independent contractor is to be used.

Cost Estimate to Move Remove Facility and Plans – Prepared by the utility, these documents provide the plans for construction, removal or relocation of utility facilities identified in the Notification of utility Interference, and provide detailed cost estimates for the project in a format agreed to by the utility and the Tollway. Any work to be subcontracted is included as an estimate only and total job costs will be updated later when the bid for the project is approved by the Tollway using the Detail of Costs for Accepted Bid.

Summary of the Contractors Bids – These are received by the Utility Coordinator of the Tollway from the utility company when bids are obtained from the contractors, prior to the awarding of the contract by the utility. Contractors' bids are subject to the approval of Tollway before being awarded by the utility and are reviewed for reasonableness and approved by the Utility Coordinator. Additionally, detailed plans are received and reviewed by the Tollway for the accepted bid.

Detail of Costs for Accepted Bid – This document is prepared by the approved contractor and submitted to the utility when the firm's bid for the project is placed. A copy of the initial bid accepted by the utility (usually the lowest bid) is forwarded to the Tollway along with the Summary of the Contractors Bids. If this contractor is not accepted, a copy of the cost detail for the subcontractor to be approved by the Tollway is forwarded to the Tollway. The accepted subcontractor's cost detail is placed in the job file maintained by the Assistant Utility Coordinator.

Notification of Necessity to Acquire Additional Right-of-Way (R.O.W.) – This document is usually prepared by the utility when the necessary right-of-way has not been obtained to complete the project. This letter notifies the Tollway of the need to obtain the needed R.O.W. as construction usually cannot be completed until it has been obtained.

Notice to Proceed – Prepared by the Assistant Utility Coordinator of the Tollway, this document is issued to the utility company after the project bid has been approved by the Tollway and awarded to the contractor, and adequate right of way has been obtained for construction. This form may be issued simultaneously with the Order for Utility Work if the utility is to perform the construction itself and adequate right of way for the construction has already been obtained. This Notice should be approved by the Chief Engineer of the Tollway.

Utility Field Change Authorization – This form is issued when a change in the construction plans/costs is indicated. The authorization should be approved by the Resident Engineer and the Tollway.

Certificate of Completion – This document is prepared by the Construction Manager of the appropriate section of the Tollway and issued for each job number when construction has been completed by the utility. The certificate should be approved by the Construction Manager (Firm name) and the Construction Manager.

Utility Relocation Payment Approval Form – Prepared by Utility Billing Audit Clerk of the Authority, this form is issued when the invoice billing has been received from the utility, which may be six months or more after completion of the project. The request and invoice should be reviewed and approved by the Construction Manager, Utility coordinator, Chief Engineer, and Manager of the Financial Department prior to the issuance of the check.

The following is a brief description of certain significant documents contained in the Finance Department Invoice Voucher files.

Requisition Exhibit – this document is prepared by the Construction Clerk of the Finance Department upon receipt of the approved utility/railroad invoice packet from the Engineering Department. The information from this document is input into the Tollway's data system where they are processed daily, with the processing system assigning each invoice an order number.

Requisition – This document is generated by the Tollway's data processing system on the next business day after the corresponding Requisition Exhibit has been input. The form and invoice packet should be reviewed and approved by the Controller, Manager of Risk Insurance and Chairman of the Illinois State Toll Highway Authority.

Invoice Voucher – This form is prepared by the Construction Clerk of the finance Department upon receipt of the approved Requisition and triggers the writing of the check to the utility/railroad for reimbursement of the submitted costs.