



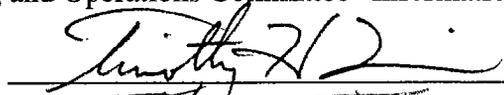
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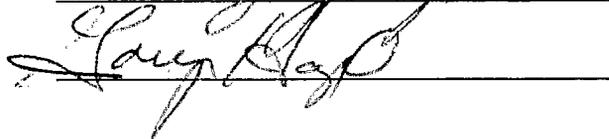
METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

7-10

June 12, 1997

To: Board of Directors (Committee on Legislation--Action)
(Engineering and Operations Committee--Information)

From: *for* General Manager 
General Counsel 

Submitted by:  Chief Engineer 

Subject: Express Support for Inclusion of Public Utility Protection and Relocation
Funding in the Intermodal Surface Transportation Efficiency Act
Reauthorization

RECOMMENDATION

It is recommended that the Board support the inclusion of language in the reauthorizing legislation for the Intermodal Surface Transportation Efficiency Act to provide funding for the Protection and/or Relocation of Public Utilities.

EXECUTIVE SUMMARY

Efforts are currently underway in the 105th Congress to reauthorize the massive Intermodal Surface Transportation Efficiency Act. The new bill will consist of approximately \$120 billion over the next six years to be divided between the 50 states, the District of Columbia, and Puerto Rico. The money is used to build and maintain the nation's roads and transit systems, as well as bike paths, railroads, and other projects designed to reduce congestion.

Of particular concern to Metropolitan is the impact of new transit construction on pipelines and utilities buried underground. It is recommended that a coalition of cities, public utilities, and agencies, including Metropolitan's Member Agencies, participate in the preparation and sign off of a letter proposing specific language to be included in the new legislation that will provide funding for the protection or relocation of public utilities.

DETAILED REPORT

Efforts are currently underway in the 105th Congress to reauthorize the massive Intermodal Surface Transportation Efficiency Act (ISTEA). The new bill includes the allocation of approximately \$120 billion over the next six years to be divided between the 50 states, the District of Columbia, and Puerto Rico. Four major proposals have been drafted which offer differing funding allocation scenarios. The money will be used to build and maintain the nation's roads and transit systems, as well as bike paths, railroads, and other projects designed to reduce congestion. California, and in particular Southern California, expects to receive a sizable portion of the new funds. These funds are crucial in order to implement needed improvements so that Southern California can continue to support the increased transport of goods from its ports and airports, and across its highways and railroads.

Metropolitan's 775-mile-long distribution system is located within public streets, highways, and private rights-of-way. To accommodate road and transit improvement projects, Metropolitan frequently must relocate and/or provide protection for its pipelines and facilities. Due to the size and importance of these major water arteries, the costs and scheduling concerns associated with their relocation or protection are significant. Responsibility for funding for these costly relocation and protection projects is often determined by which party, the project proponent or Metropolitan, has superior rights.

Due to the potential financial impacts, it would be greatly beneficial to Metropolitan if provisions were incorporated in any new legislation for reimbursements to public utility agencies for required relocation or protection of facilities impacted by transportation projects. ISTEA could be a means of providing for funding for such public utility relocation/protection projects. Utility coordination and relocation costs typically run about five percent of total construction costs for any major infrastructure project. The Alameda Corridor Project currently underway, for example, may eventually require close to \$20 million worth of design, protection, and relocation work on Metropolitan's facilities alone.

It is therefore recommended that language be included in the new ISTEA legislation that specifically allows for funding of utility relocations, particularly for public agencies such as Metropolitan. This language would be drafted and submitted in conjunction with a coalition of cities, public utilities, and agencies, including Metropolitan's Member Agencies. Given the unique and critical status of Southern California's water supply and distribution system, it is essential that provisions be included as early and as explicitly as possible in the new legislation to protect this region's investment in its infrastructure.

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