DEVELOPING STRATEGIES FOR COST SHARING OF
UTILITY WORKS IN RIGHT OF WAY IN SRI LANKAN
ROAD PROJECTS

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(179163 L)

Dissertation submitted in partial fulfillment of the requirements for
the degree of Master of Science in Construction Law &
Dispute Resolution

Department of Building Economics

University of Moratuwa
Sri Lanka

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DECLARATION

I declare that this is my own work and this dissertation does not incorporate without acknowledgement any material previously submitted for a Degree or Diploma in any other University or institute of higher learning and to the best of my knowledge and belief it does not contain any material previously published or written by another person except where the acknowledgement is made in the text.

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Mohamed Ismail Jahfar
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Date

The above candidate has carried out research for the Masters Degree in Construction Law & Dispute Resolution under my supervision.

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Professor M. Lalith De Silva
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Date
ACKNOWLEDGEMENT

The accomplishment of this study is an event tied with indebtedness towards numerous parties with admiration and gratefulness on their collaboration. Although it is hard to name such praiseworthy figures individually, I am privileged to offer my words of gratitude on their behalf.

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Eng. M. I. Jahfar
Chartered Engineer, CEng, FIE
ABSTRACT

Roads Authorities in Sri Lanka are obliged to pay all costs associated with relocation and betterment works required/requested by utility service providers through the funds allocated for their initiated projects. As a result, substantial portion from the allocated funds for road works are transferred to unforeseen utility related works. There is no sound legislation exists defining the powers, rights and obligations of Roads and Utility authorities. Moreover, Road Authority is experiencing huge delays in getting utility services relocated while implementing Road projects. Substantial amounts of extra claim have to be paid to the contractors for extension of time due to such delays, which is a real burden to the country, irrespective of whichever agency make the payment. In some instances, when the Contract of Utility services were awarded road works were nearing completion or even completed, which will cause damages to the newly constructed road or road structures or vice versa, causing unnecessary expenditure out of public funds.

Since there were no documented cost sharing agreements in place between the Roads Authority and the local utility service providers, in response, this research is initiated for Developing Strategies for Cost Sharing of Utility Works in Right of Ways (ROW) between Roads Authorities and the respective Utility owners.

The research works includes conducting a desktop study of international cost sharing practice. Qualitative research method was adapted through inductive process by selecting purposive samples of experts for semi structured in-depth interviews and more data were collected through documents review from sources both International and Sri Lanka. Finally, the data collected from multiple sources were analyzed by creating themes, coding and thereafter combining codes into categories and summarizing the findings.

Therefore, this study will fulfill the knowledge gap in the sector to analyze the procedures and to identify the areas to develop to remedy for the issues prevail in Sri Lanka and formulate cost sharing strategies for utility relocation and the provision of new utility infrastructure between Roads Authority and the respective Utility owners.

Keywords: Betterment works, Relocation, Right of Way(ROW), Utility Corridor, Utility Cost Share, Asset Life, Salvage Value
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<table>
<thead>
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<th>Description</th>
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<tbody>
<tr>
<td>ROW</td>
<td>Right of Way</td>
</tr>
<tr>
<td>OHL</td>
<td>Overhead Lines</td>
</tr>
<tr>
<td>RA</td>
<td>Road Authority</td>
</tr>
<tr>
<td>UA</td>
<td>Utility Authority</td>
</tr>
<tr>
<td>BOQ</td>
<td>Bill of Quantities</td>
</tr>
<tr>
<td>NURCE</td>
<td>National Utility &amp; Road Co-ordination Entity</td>
</tr>
<tr>
<td>PRDA</td>
<td>Provincial Road Development Authority</td>
</tr>
<tr>
<td>RDA</td>
<td>Road Development Authority</td>
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<tr>
<td>MOU</td>
<td>Memorandum of Understanding</td>
</tr>
<tr>
<td>WB</td>
<td>World Bank</td>
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<tr>
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<td>International Monetary Fund</td>
</tr>
<tr>
<td>ADB</td>
<td>Asian Development Bank</td>
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<td>Japan International Corporation Agency</td>
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<td>Asbestos Cement</td>
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<td>GRP</td>
<td>Glass Reinforced Plastic</td>
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<tr>
<td>DI</td>
<td>Ductile Iron</td>
</tr>
<tr>
<td>NOC</td>
<td>No Objection Certificate</td>
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