



Are you e-filing your right of way paperwork?

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Imagine filing documents electronically, automating your project workflow and e-collaborating with government agencies...

Managing a right of way (ROW) project that spans across multiple states, and estimating the associated cost and schedule, has long been a complex problem. Enormous effort is generally spent in collecting and researching information, negotiating and finally ensuring compliance with laws to record the transaction.

Standardizing and maintaining common practices across the entire organization, especially the ones operating in multiple states and supporting varied internal processes pose additional challenges. What may be even more mind-boggling is integrating a ROW management system with the company's financial accounts payable, imaging and asset management systems.

As knowledgeable ROW staff retire or move away, more and more companies are now realizing the steep cost of retaining the knowledge base and transitioning it to the new work force, especially in the light of ever changing internal and external processes. This is a rapidly growing concern given the impending retirement of baby boomers from the work force.

Today, with the advent of many e-Government initiatives and electronic filing, some of these pains are expected to disappear. This article looks at a rather standard way of obtaining rights of way and the significant savings that come with electronic document management, workflow automation, and e-collaboration with government agencies. Using an electric power utility as an example, this article shows how one might manage an end-to-end ROW acquisition process.

Problems or a Way of Life?

Traditionally, the very first activity with a ROW project is to develop a budget and schedule estimate. This estimate has multiple components and its accuracy varies with the level of experience of ROW staff and the quality information available to them. The cost of property, labor, documentation and legal fees are certainly key factors in the minds of project managers. Large projects are more vulnerable to budget overruns due to the size and complexity involved.

On large projects, a project manager leads a team of agents who coordinate various activities, such as surveying, negotiating with the property owners and, perhaps, the painful condemnation or appropriation process. This team of agents is responsible for completing easement documents that comply with local and state laws. To add to the complexity, each local and state government has specific dictated formats depending on the particular type of property owner (corporation, individual), notary clauses, etc. Additionally, the team must select among various alternative routes and easements and then file the documents with the state and multiple recipients, and distribute reports.

A Plethora of Paperwork

These legal recordable documents are complex, and vary significantly based on the state and property owner type. Added to this is another set of internal forms and various letters to be sent to property owners and other interfacing bodies. This process takes an immense amount of effort and experience for an agent to understand and complete the necessary paperwork inside the utility company, not to mention all the permutations of state and local government formats. Despite expensive training, or recruitment of specialized skill sets, document generation is error prone and extremely time-consuming.

If documents are filed incorrectly, late, or are themselves inapplicable, the cost and potential liability of these errors may be significant. Although the agent negotiates with the property owner to define proper legal documents, the project manager must deal with any resulting liabilities. At the very least, the waste of time slows down an already cumbersome process, and delays project completion. Missing approvals and other document errors can be catastrophic to the project.

Some documents may be generated in bulk, for dozens of recipients, especially if multi-state access is required. ROW information must be collected on the specific property owners, post-acquisition, maintenance, and release. Project tracking information must also be gathered. Items such as agent activity, project and easement progress, and estimation reports, are just a few requirements.

In addition to the complexity of the individual documents, the sheer numbers required can be staggering. For the utility industry, there are no uniform document standards across multiple state, county and local governments, resulting in hundreds of possible legally recordable documents, letters, and forms. When the project is closed, most of this information must be maintained in a central database to assist Project Managers with subsequent projects.

There are scenarios where over a thousand documents have been required for a single project. Complex legal tussles, especially around condemnation processes, can take a long time, sometimes years. Incorrect or late filings may result in penalties and further delays.

As Project Managers may coordinate multiple projects at the same time, each with multiple agents in different geographic areas under diverse state and local requirements, it is evident that Right of Way workflow is a problem screaming to be streamlined.

Relief in Sight

Today, management of remote teams of either contractors or employees, can be improved with the advent of secure web technologies. Also, many e-Government legislative guidelines such as the Electronic Signature in Global and National Commerce Act (E-SIGN ACT), the Government Paperwork Elimination Act (GPEA) and the Uniform Electronic Transaction Act (UETA) all have validated the equivalence of wet signature with digital signature. Recently, the state of Utah allowed the use of electronic signatures (signature pad etc.) as an acceptable notarization process thereby making the process even easier to implement. However, the key challenge will be to have more counties become e-recording capable with a reliable and interoperable digital process. As of this date approximately 82 counties are e-recording capable.

In much the same way that taxpayers may electronically file their returns, the ROW industry can file the necessary paperwork to assure their easements and rights of way, shaving days or perhaps weeks from the project schedule.

Electronic signature filing also paves the way for automating the intricate processes of managing multiple projects, agents and all documents. Coordinating tasks can be organized centrally to enable agents to perform their work in the field for on-site delivery of signature documents. The default rules for formatting or generating the many and diverse legal documents can be invoked by an agent with a laptop computer on site, ensuring fewer errors and keeping control of the document's legal wording with the ROW company. Standardized documents that are legally compliant result in fewer liability issues and less wasted time and money.

American Electric Power (AEP) uses a process and web-based document management solution called Flairdocs™ built to manage the documents, agents, and ROW projects. Flairdocs™ estimates the project costs and schedules from historical (previous project) data, and streamlines the ROW process. AEP estimates this solution saves them over \$545,000 per year. Reduced training costs account for \$360,000 of that, with \$113,000 saved by reducing time delays and increasing accuracy (see Table 1).

Estimated Savings for Automating Right of Way Process

ROI Description	Projected Savings
Reduction in training needed as key employees retire (6 employees; 5-year period; 6 months training/employee; investment for new/current staff @ \$30/hr)	\$360,000
Reduction in contract services expenses by minimizing training cost to contractors (3 contractors, 2 months each, @\$40/hour)	\$ 60,000
Elimination of paper document scanning; digital documents stored; digital signature capability (Scanning/storage for 1,000 docs annually)	\$ 2,000
Time savings for ROW agents and other users (45 min/easement saving annually)	\$ 56,250
Reduction in legal costs and limiting exposure/risks by eliminating errors from unapproved documents/omissions (1% of total annual easement cost)	\$ 67,000
Better project management reporting; shorter project schedule	strategic goal
Move work around easier and less training time to come up to speed.	strategic goal
Standardization of processes and forms	strategic goal
Total Estimated Annual Savings	\$545,250

Scenario of Your Future?

Imagine that you are a manager assigned to secure a right of way from Indianapolis to New York. The string of easements connects across more than one state, multiple municipalities, and with multiple possible routes. You enter a few data fields characteristic of the route into your computer and immediately have the pre-survey project estimate. You then assign the job of obtaining the easements to a group of agents, one for each geographical area.

Your agent visits a property owner, surveys the land, negotiates the price and enters the relevant data into her laptop or PDA. The laptop tool calculates the proper format and generates letters and legal documents that comply with the rules of the recording state or the rules of your company. While at the property owner's location, she prints out a negotiated and acceptable easement documents for signature, formatted specifically according to the laws of that state, the type of owner, and the notary signature requirements. The property owner can sign off immediately on documents using a signature pad, and this consent form can immediately be sent to your company's financial systems to allow a check to be issued. Additionally, for the counties that support electronic easement filing, the entire filing process can be triggered instantaneously. During negotiation, your agent also gets to record all of her notes that can be easily retrieved anytime in the future on a single mouse click. Notes can be taken while being offline and later uploaded to the server once your agent is connected on the internet.

You can calculate the total cost of all the routes back at home base after all agents have entered their easements costs. You, as the ROW Manager, can choose the least expensive route and record the proper documents at the state recording office with an authorized electronic signature. Project closed. ■