

Park Roads and Parkways (PRP) PROJECT AGREEMENT GUIDELINES

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I. PURPOSE AND SCOPE OF THE PROJECT AGREEMENT GUIDELINES

Project Agreements are an essential tool in the delivery of projects. The project agreement (PA) is defined and functions as:

The parties involved in the project, both the client and providers of the product, must define and agree from the beginning on the scope, roles and responsibilities, budget, and schedule for the project. Mechanisms for modifications of the agreement must be explicitly outlined. Clear definitions set the stage for timeliness, cost, and quality; they align expectations, ensure mutual understanding, and provide for a successful project.

Sample agreement formats to cover the minimum requirements for PA's is provided later in this guideline. Questions related to the differences among planning, design, or special projects may be addressed through the use of the optional headings, thus tailoring the project agreement to the project needs. A project agreement can deviate from the provided outlines but should be as succinct as possible.

Basic Needs for Every Project Agreement

Every project agreement should concisely describe the major problems or issues that will be addressed by the project. This will establish why the project is needed and the client's expectations of the outcomes of the process. While long, detailed lists of park issues do not normally have to be included in a project agreement, initial identification of the types of major issues to be addressed by the project is important for estimating the skills, personnel, and data needed as well as costs and scheduling. The PA should address only what is known about a project and its issues at that point in the development of a project.

A project agreement must be a brief and concise statement and should answer six basic questions:

- *Why* is the project needed? - problems and issues to be solved, needs to be addressed, and desired outcomes
- *What* the project will include? - roles and services
- *Who* will do what? - roles and responsibilities
- *When* will services and products be produced? – project schedule/milestones
- *How much* will the project planning, design and construction cost? – cost estimates
- *How will* project issues, disputes and changes be resolved – escalation matrix and PA amendment procedures

What Should Generally Not Be in a Project Agreement

Any of these could be included in a specific situation, but only if the project manager(s) or the client feels that they would add significant value to the project agreement:

- park purpose or significance statements, visions, or desired futures for the park from
- lengthy descriptions of the project area
- overly prescriptive or premature design solutions

- previous planning documents
- detailed descriptions of public involvement plans
- copies of the park legislation
- copies of PMIS Statements
- long lists of people that have only a minor role in the project

Appropriate Length

Project agreements should be kept as brief as possible and should be just long enough to sufficiently describe the agreement and ensure that the minimum requirements are covered. The intended audience normally consists of NPS & FHWA personnel familiar with the project setting and situation, so park location, agency organization, or other aspects commonly known by the principal parties do not have to be described. Only those elements of the project that require clarity among informed readers should be included.

II. TYPES OF PROJECT AGREEMENTS

During the life of a PRP project there typically will be three PA's and if warranted, additional amendments prepared:

- **Preliminary PA** – This initial PA is prepared during or immediately after the initial scoping trip to the park and the project site. The scope of a Preliminary PA is limited to confirming the project purpose and need, the issues known at the time of scoping, and only documents the steps required to start the project design (typically data collection). The Preliminary PA should not make schedule or resource commitments for the portions of the project development process that is not known at the time of scoping. The Preliminary PA is intended to be signed by the Project Team (typically project managers and Regional FLHP Coordinator) and the Park Superintendent, a lower level of authority management than the later Comprehensive PA. The PRP business practices require that this level of PA be prepared, signed and uploaded to the PTATS website in order to allow the approval of preliminary design (PE) funds. Preliminary PA's are not amended, as they should be promptly replaced by the Comprehensive PA described below.
- **Comprehensive PA** – This PA typically is prepared approximately 1- to 6-months after the scoping trip (varies depending upon the complexity and the schedule of the project development process) at the first time the project manager(s) can determine who will be doing what (roles), what will be produced (products and services), when these will occur (project schedule) and how much project planning, design and construction will cost (project budget). The project scope should reflect issues that are fully developed, with problems and initial solutions identified. The information from the initial project development phases (Reconnaissance report, Environmental work plan) will be used to improve the scope information when compared to the preliminary PA. The emphasis of the agreement also focuses on filling out the schedule and committing resources that will allow full development of the project. This commitment requires a higher level of signature authority than the preliminary PA as this step requires a commitment of human and financial resources. After the Comprehensive PA is prepared, signed and uploaded to the PTATS website, all project funds (PE, CN, and CE) may be approved for the project. The Comprehensive PA likely will be amended during the project's design life, as issues, team composition, or schedules are nearly always subject to change.

There is also a **Short PA** for work to make limited repairs or for pavement preservation work to extend the life of the road, parking lot, or other facility. This PA is similar to the Preliminary PA in

terms of detail and signatory levels. However, products and services are more limited and many of the milestones of the Comprehensive PA are applicable or should be considered and addressed.

- **Construction Amendment to the Comprehensive PA** – A Comprehensive PA prepared early in the design life of a project is generally less accurate about final project requirements as well as personnel and contractors who will be involved in the construction, an amendment to accurately document the construction phase of a project should be prepared. The main focus of this amendment will be to identify the new roles and responsibilities that will be in place during the construction process. In particular, lines of communication and points of contact for various issues (see below) will be documented. The escalation matrix will be updated to reflect the new roles identified. The scope will reconfirm the project scope that will be constructed, as represented by the contract documents and schedule, and how issues and problems that will arise during construction will be addressed and resolved.

An initial meeting (“pre-precon”) between FHWA and the NPS just prior to construction will be held in order to develop a consistent Federal position regarding construction issues such as traffic management, environmental mitigation requirements, safety issues, etc. During this meeting, the main development of the construction PA amendment should occur. This should be conducted immediately before the preconstruction meeting with the construction contractor.

III. PROJECT AGREEMENT PREPARATION

The project manager or managers are responsible for preparation of the project agreement. This does not necessarily mean that the project manager is always the primary author of the agreement. Portions of an agreement may be prepared by technical specialists (such as natural and cultural resource specialists who could describe compliance requirements).

Once the project agreement is drafted, it is advisable that the people listed in the roles and responsibilities section have an opportunity to review the agreement. They should understand what is expected of them, and if they cannot meet fulfill the commitment, alternate means of accomplishing the tasks must be developed. As a minimum, core team members (those persons who have decision-making responsibilities for their office) must concur with the agreement before it is signed by the principal parties. The project manager should facilitate key players’ input into the draft project agreement to ensure that all commitments being made can indeed be met.

When to Amend a PA?

An amendment should include only those parts of a project agreement that are no longer accurate or need to be changed. It is not the intent of an amendment to alter the primary scope of the project. It should not be a stand alone document. It must refer to the original agreement or agreements. The project managers are responsible for determining if an agreement should be amended. What purpose does an amendment serve?

- An amendment can serve as a formal means to reestablish a project schedule.
- A formal means to modify the project scope.
- A formal means to increase or decrease a projects agreed cost.
- A formal means to reestablish communication and responsibility among the project team members when a project team member has changed.

What kinds of amendments are there? The project manager should determine if the amendment is a minor or major amendment.

- **Minor Amendments** - These include small changes in schedule, scope, agreed cost, personnel. These require project team and other interested stake holders to be notified of the changes. Agreement is required, but it does not need to be a formal written amendment that is signed by all the offices to the original project agreement. Typically an email message among the project team and all signatories of the original PA will suffice. The project managers should document and archive the minor amendment in the project file.
- **Major Amendments** - These include larger changes in schedule, scope, agreed cost, method of project execution. These generally require a formal written amendment that is signed by all the signatories to the original project agreement (or their successors).

What actions or changes should prompt an amendment? In short, any changes to the meaning, intent, magnitude, or responsible parties of the project. Common reasons for amendments are listed below:

- Changes of project intent (purpose and need, or project scope), level of change will determine if minor or major
- Changes of level of environmental compliance (e.g. change from a Categorical Exclusion to an Environmental Assessment). These typically are major amendments, as they also affect schedule and costs.
- Changes of project schedule:
 - Changes of less than six months in the project schedule typically would require a minor amendment.
 - Changes of more than six months or delay of either fund obligation or construction by a fiscal year typically would require a major amendment.
- Changes of agreed project cost
 - Changes of less than 15% in the estimated project cost at major plan development stages typically would require a minor amendment.
 - Changes of greater than 15% in the estimated project cost at major plan development stages typically would require a major amendment.
- Changes of Project Core Team Members
 - Changes of Project Team Members require project team notification in writing. However, a major amendment is not required.