



Oversight Procedure 39 – Review of Third-Party Agreements for Major Capital Projects

1.0 PURPOSE

The purpose of this Federal Transit Administration (FTA) Oversight Procedure (OP) is to assist the Project Management Oversight Contractor (PMOC) in identifying third-party agreements and determining which third-party agreements should be considered “critical” as a project advances through the project development process. This OP applies to Major Capital Projects and other projects as designated by FTA. Further, this OP describes the role of the project sponsor, the PMOC, and FTA in the review process, and offers risk-mitigating strategies throughout the project life cycle based on best practices and lessons learned.

While this OP focuses on Capital Investment Grant (CIG) projects, which have specific requirements by law, it also applies to all capital projects. FTA will issue Implementation Plans (IPs) to clarify the specific reviews and expected deliverables based on the project types.

2.0 BACKGROUND

Failure to timely execute critical third-party agreements is likely to adversely affect the project’s baseline scope, budget, and schedule. This lack of executed agreements may slow the progress of design, impede project construction, delay start-up, or interrupt operations. Whether a third-party agreement is considered “critical” depends on a variety of factors, including the type of project, the legal authority of the project sponsor, the intended project delivery method, the project schedule and where the project is in the project development process, and the decision(s) to be made by FTA and the project sponsor. Many agreements are considered critical before grant/loan award and must generally be executed prior to receiving a grant/loan. Other agreements may not be considered critical at the grant/loan approval phase and may be executed later, such as prior to the start of service operations.

Verifying the execution of critical third-party agreements is an important part of the readiness review and is included in the PMOC’s report that becomes part of FTA’s decision-making process for project advancement.

3.0 OBJECTIVES

The main objectives of the OP are:

1. Define third-party agreements.
2. Provide a summary of historical risks due to third-party agreements.
3. Describe the governing rules and guidance.
4. Define the review process.
5. Describe the review methodology during the project life cycle.
6. Define the PMOC’s role.
7. Define FTA’s role.
8. Define the project sponsor’s role.

9. Describe criteria for identifying critical third-party agreements.
10. Address third-party agreements regarding project delivery methods.

This OP is intended for use by PMOCs and their FTA counterparts in identifying those third-party agreements that are necessary for a project's development and operation, and which of those agreements will be considered "critical" at a specified time in the project development process. This document is not intended as a substitute for FTA circulars, other related OPs, or other guidance addressing third-party agreements such as [FTA's Construction Project Management Handbook](#) and [Project and Construction Management Guidelines](#). This procedure is intended to complement other relevant FTA publications and provide additional explanation, clarity, lessons learned, and best practices.

This OP provides guidance to the PMOC related to their review of third-party agreements, primarily in the context of various readiness reviews, or in response to other FTA requests. The body of the OP is supplemented by the following appendices: Appendix A and Appendix B to this document, respectively, list the expected Acceptable Quality Level and a typical table of contents for the PMOC report. Appendix C summarizes key steps in the methodology for review of third-party agreements during the project life cycle. Appendix D offers additional methodology for determining what constitutes a critical agreement. Appendix E lists typical third-party risks by mode and category. However, the appendix is not a comprehensive representation of all potential risks and not all third-party agreements are seen as risky. Each project is, of course, unique and will experience risks unique to its environment. The purpose of these appendices is to provide references that may help readers to identify potential third-party risks on their projects

Clarification or information on this or other FTA guidance and OPs should be requested from the local FTA regional office and/or headquarters.

4.0 REFERENCES

The PMOC shall become familiar with the following references to Federal legislation, regulation, and guidance before reviewing the project sponsor's work. These are the principal references, but this list is not exhaustive:

4.1 Legislative

- [49 U.S.C. Section 5327](#), Project Management Oversight

4.2 Regulations

- [23 CFR Part 450](#), Planning Assistance and Standards (Joint FTA/FHWA regulations)
- [23 CFR Part 771](#), Environmental Impact and Related Procedures (Joint FTA/FHWA regulations)
- [49 CFR Part 24](#), Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally Assisted Programs
- [49 CFR Part 611](#), Major Capital Investment Projects
- [49 CFR Part 633](#), Project Management Oversight
- Other Federal requirements

4.3 [FTA Master Agreement](#)

4.4 FTA Circulars

- [C 4220.1F](#), Third Party Contracting Guidance
- [C 4710.1](#), Americans with Disabilities Act: Guidance
- [C 5010.1E](#), Award Management Requirements (or most recent version)

4.5 Guidance

- Reporting Instructions for the Section 5309 New Starts, Small Starts, and Core Capacity Criteria
 - [New Starts](#)
 - [Small Starts](#)
 - [Core Capacity](#)
- [FTA Project and Construction Management Guidelines](#) (2016)
- [Construction Project Management Handbook](#) (2016)
- [Capital Investment Grants Program Policy Guidance](#) (2023)
- [Mitigating Problem of Third-Party Coordination](#) (2011)
- [Utility Relocations – Challenges and Proposed Solutions](#) (2022)
- [FTA Guidance on the Application of 49 U.S.C. 5324\(c\) – Railroad Right-of-Way Acquisition](#) (2009)

5.0 PROJECT SPONSOR SUBMITTALS

Before performing the review, the PMOC should obtain and study the following project documents, which depend on the stage of the development for each project:

1. Draft and final environmental documents and third-party comments and resolutions
2. The Record of Decision (ROD) or Finding of No Significant Impact (FONSI) and required mitigations
3. Scope, budget, and schedule
4. Project Management Plan (PMP)
5. Plans and basis of design
6. Value engineering and constructability review reports
7. Risk and Contingency Management Plan (RCMP)
8. List of required third-party agreements, including a description of the subject matter of each agreement, the timing for its execution, and the consequences of the failure to have it executed by the time needed
9. Third-party and utility agreements tracking matrices
10. List of required permits
11. Memorandum of Understanding with third parties
12. Letters of commitment from third parties

- 13. Third-party agreement documents in draft
- 14. Project Delivery Plan

More comprehensive detail on required documents is available in FTA's OP 20, OP 51, OP 52, OP 53, and OP 54.

The PMOC reviews the status, progress, and risks related to third-party agreements relative to the oversight framework for the type of grant.

5.1 Scope/Project Definition

- Final environmental documents and National Environmental Policy Act (NEPA) determination and required mitigations
- Basis of design reports and design criteria reports
- Engineering project plans, drawings, design criteria, standards, and specifications
- Value Engineering and Constructability Review Report
- Master Permitting Plan and schedule
- Geotechnical Baseline Report
- Passenger level boarding design documents
- Vehicle design documentation

5.2 PMP and Subplans Completed, Including, but Not Limited To:

- Signed agreements, memoranda, or letters of commitment with railroads, utilities, and other third parties
- Risk assessment and register and RCMP
- Project delivery plan, contract packaging plan, procurement policies and procedures
- Project sponsor Management Capacity and Capability (MCC) Evaluation
- Project Delivery Plan
- List of required permits
- Update of Real Estate Acquisition Management Plan (RAMP) as needed

5.3 Schedule

- Project schedule in original and Standard Cost Category (SCC) format; schedule narrative describing critical path, expected durations, and logic
- Cost
- Summary of operations and maintenance (O&M) cost assumptions/productivities
- Capital Cost Estimate in original and SCC format
- Before-and-After Study documentation regarding project cost and schedule (if study is required)

5.4 Full Funding Grant Agreement (FFGA)/ Small Starts Grant Agreement (SSGA)/Single Year Grant Agreement (SYGA)

5.5 Base documents and attachments on Scope of Project, Project Description, Baseline Cost Estimate, Project Budget, Baseline Project Schedule

6.0 SCOPE OF WORK

Except for the FFGA/SSGA/SYGA attachments, all of the project sponsor submittals noted in Section 6.0 should have been reviewed by the PMOC prior to final preparation of the grant/loan, and any deficiencies found as a result of those reviews should have been reconciled with and corrected by the project sponsor. The scope of this procedure is to confirm that all the documentation and analysis regarding third-party agreements remain satisfactory and that there is consistency between the project documents and the third-party agreements and the project scope, budget, and schedule. It is the responsibility of the PMOC to notify FTA of any deficiencies prior to the preparation of this OP report.

Appendix A lists the expected Acceptable Quality Level and Appendix B provides a sample table of contents for the PMOC report.

6.1 Review Effort Consisting of the Following:

Referring to the most current versions of the project sponsor submittals, the PMOC shall update previous reviews of third-party agreements, if applicable. Note that FTA ultimately determines which third-party agreements will be designated as critical.

The deficiencies found as a result of those reviews should be reconciled and discussed with the project sponsor prior to preparation of the report.

Prior to the project sponsor's formal request to FTA for grant/loan agreement, the PMOC should complete their review and submit to FTA a report stating whether the project sponsor meets the requirements. The statement of compliance should be included in the executive summary as described below.

The PMOC report shall do the following (see Appendix B for sample table of contents):

- Integrate the findings and recommendations of the reviews above.
- Tabulate all identified third-party agreements required in a separate appendix.
- Include an executive summary in three pages or fewer that includes the following:
 - PMP review findings.
 - MCC review findings.
 - Methodology for designation of third-party agreements as "critical."
 - Synthesis of findings on each significant third-party agreement with discussion on:
 - Scope
 - Schedule
 - Cost estimate
 - Satisfactory continuing control (may require coordination with FTA legal office)
 - Safety and security
 - Project Risk and Contingency Review

- Professional opinion regarding the sufficiency of the third-party agreements and the ability of the project sponsor to manage them.
- Conclusion with statement (if warranted) that the project meets the OP requirements based on the PMOC’s determination that scope, budget, schedule, and safety and security impacts due to third-party agreements have been generally accounted for in the project sponsor’s proposed baseline cost estimate and baseline schedule; and that the level of cost/schedule contingency accounts for the risk exposure.

6.2 Third-Party Agreements Review

The following sections address the key elements to be considered in reviewing third-party agreements.

6.2.1 Definitions

The term *third-party agreement* refers to those agreements entered into by the project sponsor with a party other than FTA and that are necessary to facilitate the financing, design, permitting, construction, and operation and maintenance of a federally funded capital transit project. This definition does not generally apply to agreements made between the project sponsor and primary service providers such as consultants or contractors performing project work directly for the project sponsor. Statutory and regulatory requirements and permits are not generally called third-party agreements; however, in many cases, permitting for construction and operations requires prior agreement with the permitting third parties.

A *critical third-party agreement* is one that has been identified by FTA in collaboration with the project sponsor and any other project participant, as required before construction — including a Letter of No Prejudice (LONP) — or operations can begin. Its absence may significantly change the cost, scope, and schedule.

A *non-critical third-party agreement* is one that would not result in a scope increase, cost overrun, and/or schedule delay beyond the magnitude already contemplated by the PMP and subplans.

Executed means completing all necessary steps for the agreement to legally be in effect.

Final determination as to whether an agreement is critical or non-critical is made by FTA in consultation with the PMOC and the project sponsor.

6.2.2 Governing Rules

Title 49 U.S.C. [Section 5327](#), as amended by the Bipartisan Infrastructure Law, as enacted in the Infrastructure Investment and Jobs Act, provides the statutory basis for Federal assistance to public transportation projects, including provisions to improve the development and delivery of capital projects.

To receive Federal financial assistance for a major capital project for public transportation under [Title 49 U.S.C.](#) or any other provision of Federal law, a recipient must prepare a PMP that in turn is approved by FTA, and then carry out the project in accordance with the PMP. The PMP is designed to guide and enhance the recipient’s planning and implementation efforts and to assist FTA’s review of the grant/loan application efforts. The organization section of the PMP addresses the structure for leadership and support of third-party agreements; the schedule and costs related to the agreements are treated in corresponding sections.

The Project Management Oversight (PMO) Rule ([49 CFR 633](#)) applies to recipients of Federal financial assistance who are undertaking a major capital project. A major capital project is one that:

- Involves the construction of a new fixed guideway or extension of an existing fixed guideway;
- Involves the rehabilitation or modernization of an existing fixed guideway with a total project cost of \$300 million or more and with a Federal investment of \$100 million or more;
- The Administrator determines is a major capital project because the PMO program will benefit specifically the agency or the recipient.

The rule describes a two-part program for major capital projects receiving assistance from the agency. First, the rule discusses project management oversight, designed primarily to aid FTA in its role of ensuring successful implementation of federally funded projects. Second, the rule discusses the PMP.

FTA provides OPs to guide its PMOCs in performing oversight of major capital projects. While task orders provide specific direction to the PMOCs on the products and services required from them, the OPs provide general guidance and ensure consistency in performing oversight. There are OPs that provide instructions on reviewing the PMP, on performing readiness reviews, and on reviewing LONP requests, among others, which provide guidance associated with third-party agreements.

Several publications provided by FTA's Office of Capital Project Management augment FTA's OPs and contain guidance and/or best practices for managing major capital projects. These include the *Project and Construction Management Guidelines*, the *Construction Project Management Handbook*, the PMO Lessons Learned Program, papers, and presentations from FTA-sponsored workshops.

The *Project and Construction Management Guidelines* (2016) discuss "Negotiation of Third-Party Agreements" in section 4.6. The Guidelines document also provides among its appendices a checklist, as well as an appendix on utility relocation agreements.

The *Construction Project Management Handbook* (2016) states that the project manager, with technical support as necessary, will play a significant role in communication and negotiation with utilities and impacted third parties. Utility relocation and third-party coordination are critical parts of the construction of a project. Early and continuing coordination with the affected utilities and third parties is critical to keeping a project on schedule and budget. Utilities and third parties often need extensive lead time to reasonably schedule their work and obtain materials necessary for relocation of their facilities. Sections 5 and 6 of the Handbook provide guidance during design and construction, respectively, and Section 9 includes discussion on developing third-party agreements.

There are also two additional Lessons Learned publications on the FTA website entitled "[Mitigating Problems of Third-Party Coordination](#)" (2011) and "[Utility Relocations – Challenges and Proposed Solutions](#)." The latter publication is specific to third-party utility coordination.

Moreover, a number of FTA-sponsored workshops address lessons learned and provide information regarding third-party agreements. These include Capital Project Management and CIG workshops.

6.2.3 Third-Party Agreement Considerations during the Project Life Cycle

The main purpose of this OP is to address what constitutes a critical third-party agreement that must be executed prior to FTA or the project sponsor taking a particular action, such as execution of the Federal grant/loan agreement or at other critical project phases before the start of beginning revenue service. To this end, there is a need to proactively identify the critical agreements and to minimize or eliminate the impact of these agreements early in the project life cycle. In this section, lessons from the experiences of project sponsors and case studies are used to present methodologies for proactive identification, review, or minimization of third-party impacts during each project cycle. Appendix C summarizes key review methodology steps during the project life cycle.

- Planning/Locally Preferred Alternative (LPA) Phase: This phase is the most critical phase of the project life cycle for identifying and efficiently mitigating the impacts of third-party agreements. Many requirements are imposed on the project without thorough evaluation of impacts on cost and schedule during the planning and environmental phase. Specifically, alternative designs are evaluated before an LPA is selected. It is important for the project sponsor to establish a clear screening process to identify, eliminate, or reduce conflicts between the design alternatives and railroads, major utilities or utility corridors, university property (specifically sensitive research labs), historic bridges, or airports, and also alternatives that require use of public Right-of-Way (ROW) or private real estate not owned by the project sponsor. Once the LPA is selected, the opportunities for minimizing these conflicts or impacts will be more limited. The project sponsor should conduct active outreach to identify all potentially affected utility providers. With respect to utilities, the project sponsor should:
 - Determine those utilities having authority to be in the ROW with a franchise agreement. In many such cases, utilities are required to relocate at their own cost when required by the ROW owner. The careful review of the franchise agreement will reveal important information regarding responsibilities of the parties.
 - Evaluate likely construction-related impacts to the public and private overhead and underground utility plants. Consider alternatives to locations where major high voltage lines or pipelines are present.
 - Consider the cost and schedule-related impacts and risks of utility relocation, including design work, in preliminary cost and schedule calculations.
 - Consider alternatives that avoid significant utility impacts when selecting the LPA.
 - Meet with public and private utility providers to identify any overhead and underground utility plants located in or adjacent to the corridor or station and facility areas, including those that cross the corridor. Discuss alternatives that are being considered. Identify major or significant manholes, duct banks, switching stations,

substations, and major utility customers who may have unique or critical service requirements.

- Be aware of the possibility of highly sensitive underground utility lines serving government installations, such as police and fire stations, Federal courthouses, and other law enforcement agencies. These lines may not be publicly documented.
- Continue the assembly of utility information with system maps.
- Determine the nature of property rights held by each utility.
- Develop preliminary ROW acquisition plans for affected utilities.
- Look for opportunities to avoid utility impacts by careful selection of alignments, facilities, and station locations.
- Develop initial parametric cost estimates for utility-related work including utility investigations, utility design, and utility relocation. Consider impacts to parallel and crossing utilities.
- Following selection of the LPA, increase attention to utilities in the selected corridor.
- Develop a detailed plan for utility identification and utility design coordination in the following design phase.
- Develop Master Utility Agreements and tracking matrices and continue discussions with utility providers.
- Initiate project sponsor risk workshops to develop initial risk register.

For design alternatives that require occupying an operating railroad corridor, crossing railroads, and/or interconnecting with operating railroads, the project sponsor should, in general, use approaches equivalent to those listed above for utilities, in particular once an LPA has been chosen. Additional important considerations should include:

- Determine the need for railroad-provided access and protection for design consultants and construction contractors working for the project sponsor, and account for all railroad force account costs and project scheduling impacts, including required track outages and track foul time.
- Develop a memorandum/agreement with the railroad that includes the scope of railroad-performed construction work and the scope of work performed by the project sponsor's contractor for all facilities under the railroad's jurisdiction.
- Include in the memorandum/agreement with the railroad the scope, schedule, and cost of the railroad's review and approval of designs, construction staging plans, and the project sponsor's contractor submittals for all work under their jurisdiction.
- Identify the need for special railroad-required insurance.
- Identify appropriate resources for appraising and acquiring railroad-owned real estate. Because railroads are often not subject to eminent domain, acquiring railroad-owned real estate can be troublesome. Moreover, the appraisal of railroad-owned real estate is a specialized practice and should only be undertaken by those with appropriate experience.

- Project Design/Environmental Phase: This phase includes early design work and the completion of the environmental review. To complete this phase, the project sponsor must complete the environmental process and reach at least 30 percent design level of completion. The project sponsor must identify all anticipated third-party agreements and designate those considered to be critical third-party agreements based on the criteria described later in this OP. With this level of design development, the third-party and utility impacts should be identified and conceptual relocation plans developed. Project sponsor staff with appropriate experience and adequate capacity and capability must be assigned for management of and liaison with third parties. Through discussions with third parties, design alternatives should be developed to minimize cost and schedule impacts. The outcome of these discussions should be adequately documented through meeting minutes and/or memoranda of understanding. Tracking or action item lists should be used to advance agreements between parties. This type of documentation will pave the way for execution of agreements and avoid last-minute negotiations. The extent of work for or by third parties should be carefully evaluated as to the impacts on the cost and the critical path of the schedule. The agreements should be identified and tracked on the schedule and in the risk register with specific ownership, timing, and mitigation measures for reaching final agreement or specific road maps for receiving required permits. The project sponsor should continue with internal risk management and refreshing the risk register, and must develop an RCMP.
- Project Design Phase (From 30 percent to 60 percent): This step provides the project sponsor with an opportunity to bring agreements to closure and perform additional engineering work if necessary. For Core Capacity and New Starts projects in the CIG program, this is called the engineering phase of the process. FTA may require that a risk workshop be conducted in the early stages of this phase. The project sponsor's third-party liaisons and their counterparts should be invited to the risk workshop to weigh in on the cost and schedule impacts and potential mitigation strategies, and to take ownership in resolving the issues. The assigned risk owners must carry out the mitigation strategies. FTA may also require a specific workshop dedicated to third-party issues when the project has a significant number of third parties with complex issues. The outcome of the third-party workshop should be presented in the general risk workshop and incorporated in the overall RCMP by the project sponsor. The project sponsor must identify the critical third-party agreements based on the criteria described later in this guideline. The project sponsor should meet with FTA and the PMOC early to review and reach consensus on those agreements that will be considered "critical" and the timing of their execution.
- Prior to Grant Agreement: All critical third-party agreements that were deemed necessary prior to award of a grant/loan agreement must be executed at this stage. The review at this level should focus on the details of each agreement, an evaluation of satisfactory continuing control, and the commitments made with respect to the proposed scope, cost,

and schedule. Prior to grant/loan execution, FTA, or as directed the PMOC, will need to review the critical third-party agreements and verify that the agreed-upon provisions do not introduce additional scope, cost, or schedule impacts and can be accommodated within the submitted grant/loan budget and schedule. The project sponsor should continue to update the list of third-party agreements and the RCMP, as necessary.

- Prior to Construction: Certain agreements are required before construction (including construction performed in advance of a grant award under a LONP) or before the issuance of encroachment permits. Successful implementation of the agreements yields timely issuance of the required permits. The project sponsor should continue to update the list of third-party agreements and the RCMP, as necessary.
- Prior to Revenue Service: Once construction is completed, the start of operation requires occupancy permits and/or safety certifications. The maintenance of the system may require agreements with partner agencies and/or owners of the ROW, such as railroads, in which the system is operating. These agreements may be deemed critical, and FTA may require them to be executed prior to the execution of a grant/loan agreement; For such agreements, there may be a later need to update the agreements based on changes during construction. The project sponsor should continue to update their list of third-party agreements and the RCMP, as necessary.

6.2.4 Types of Third-Party Agreements that May Be Critical

Critical agreements are those that, if not executed at the appropriate time, could cause scope increases, cost overruns, and schedule delays not contemplated in the project baseline budget and schedule, slow the progress of design, impede the start or progress of project construction, prevent the start of operations, or interrupt operations once the service has begun. Appendix D offers a methodology for determining what constitutes a critical third-party agreement. Such agreements typically relate to funding and financing, permitting, regulatory compliance, utilities, real estate, railroads, safety and security, other agencies and/or jurisdictions, and the O&M of the project as follows:

1. Funding and Financing

For CIG projects, FTA requires the project sponsor to have a fiscally sound budget that is approved in the Metropolitan Planning Organization's (MPO) Transportation Improvement Program (TIP) at time of Entry into Project Development and to have all non-FTA funding identified prior to Entry into Engineering, through authorization or agreement prior to execution of Federal grant agreement. For example, funding from local partners is documented in inter-local agreements. This criterion also applies to funding of O&M, which should be documented in the project sponsor's finance plan.

For CIG projects, the PMOC is not to opine specifically on funding and financing matters as that is the role of Financial Management Oversight Contractors hired by FTA. Rather, the PMOC should discuss and track with FTA and the project sponsor the status of major third-party funding/financing agreements to determine what impact delays on reaching those agreements might have on the overall project cost, schedule, and risk.

2. Permitting

For a major transit project, there are numerous permits that are required prior to either the start of construction or commencement of operations. The project sponsor or the construction contractor needs to obtain these permits before start of construction. Any delays due to third-party permits not being issued can have a significant impact on the project schedule and cost due to extended overhead and other related claims by the contractor if the requirements for obtaining the permits are out of the contractor's control. Third-party agreements that assign responsibility for obtaining permits may be deemed critical and required to be in place prior to a specific Federal action, such as execution of the Federal grant/loan agreement. With respect to construction contracts, particularly the use of alternate delivery methods such as Design-Build (DB) and responsibility/timing for obtaining permits and approvals must be clearly described in the Request for Proposal documents and incorporated in the final construction contract.

3. Agreement for Work to Be Done by Others

Work by others includes utility relocations and other work that will need to be done by another entity to enable construction and operations to continue unimpeded. This could include owner-furnished facilities to be supplied or erected by another entity for use by the construction contractor, or equipment procured by third parties. Third-party agreements for work by others may be deemed critical and required to be in place prior to a specific Federal action such as execution of the Federal grant/loan agreement.

4. ROW and Railroads

Construction contractors require a right of entry to perform work on property or ROW not owned by the project sponsor. Third-party agreements for ROW may be deemed critical and required to be in place prior to a specific Federal action such as execution of the Federal grant/loan agreement. Agreements with freight railroads where transit construction will take place in or adjacent to the railroad's operating corridor are particularly critical, both from the standpoint of timing and for the safety of workers.

It is important to highlight that railroad properties are a prime example of ROW deemed critical since there is no eminent domain over railroads and negotiations can be lengthy and costly.

5. Regulatory Compliance

Once construction begins, regulatory compliance measures are typically required by both the project sponsor and construction contractors. Compliance measures include adherence to environmental mitigation measures and civil rights requirements, some of which may require prior agreements with third parties. These agreements can involve mitigation measures dictated in environmental clearance documents, and permits from environmental, resource, regulatory, and safety oversight agencies. Third-party agreements regarding regulatory compliance may be deemed critical and required to be in place prior to a specific Federal action such as execution of the Federal grant/loan agreement.

6. Safety and Security

Federal and state oversight agency rules and regulations govern construction and operations of many transportation projects. Preliminary agreements with these agencies on safety and security requirements may be critical to uninterrupted construction and operations. Third-party agreements related to safety and security may be deemed critical and required to be in place prior to a specific Federal action such as execution of the Federal grant/loan agreement.

7. O&M

Once construction is completed, the start of operation requires occupancy permits and/or safety certifications. The maintenance of the system may require agreements with partner agencies and/or owners of the ROW, such as railroads, in which the system is operating. Third-party agreements related to O&M may be deemed critical and required to be in place prior to a specific Federal action such as execution of the Federal grant/loan agreement.

8. Interlocal/Interagency Agreements

These types of agreements may provide funding for the project and describe easements or other access agreements. Examples include: agreements with institutions that are affected by the construction of the project and need to allow construction on their ROW; agreements between the entity constructing the project versus a separate entity that might be operating the project; agreements to provide in-kind contributions such as a station at an airport or a land donation; or agreements on other multi-modal arrangements. Third-party agreements related to interlocal/interagency entities may be deemed critical and required to be in place prior to a specific Federal action such as execution of the Federal grant/loan agreement.

9. Governance

Agreements regarding governance, which describe ownership and the way the team will be organized, the management of the project and operation, especially when multiple entities need to come together to form a consortium to build a project, are critical. FTA may typically require that the governance agreements be signed very early in the project development process. These agreements may be deemed critical and required to be in place prior to a specific Federal action such as execution of the Federal grant/loan agreement.

6.2.5 Third-Party Agreements and Project Delivery

Key considerations regarding the selection and implementation of project delivery methods include whether a third-party risk is transferrable to the contractor, and the potential impact of the risk to scope, budget, and schedule. Generally, third-party risks are not transferrable to the contractor, and the less time allowed in the early phases for completing the required third-party agreements prior to solicitation and award of the project delivery contracts, the greater the risk to the project's scope, cost, and schedule due to an agreement not being executed in time for award of a contract or for the contract to proceed unimpeded as specified in a contract document.

The significance of third-party agreements with respect to a project sponsor's selected project delivery method is related to the care with which the project sponsor describes the implications of each agreement on the individual contracts and how risk is allocated and managed between the project sponsor and the contractors with respect to each relevant agreement.

1. Design-Bid-Build (DBB)

The typical DBB project provides the project sponsor and their design team significant time during the design phase to identify and negotiate all required agreements with third parties. The implications of each agreement with respect to the construction contract(s) to be awarded can then be incorporated by the design team or procurement specialist into the contract documents.

2. Design-Build (DB)

The risk related to third-party agreements for projects using the DB delivery method is higher than for comparable projects delivered using either the DBB or the Construction Manager/General Contractor (CM/GC) method. This is a result of two factors: first, a DB contract is typically advertised at a much earlier point in the project life cycle when project definition is less well developed and fewer agreements have been executed; second, the DB proposers will rely on the project sponsor's description of the obligations that have been or are likely to be imposed by third-parties in developing the approach, schedule, and price for the work. Any inaccuracies in the characterization of the third-party agreements that affect the DB scope, schedule, or cost are likely to result in a change order. To the extent that the project sponsor attempts to shift the risk associated with third-party agreements to the DB contractor, a substantial risk premium is likely to be included in pricing.

3. CM/GC

Of all delivery methods currently in use on transit projects, the CM/GC delivery method, because of its somewhat longer design phase, may provide the greatest opportunity to complete third-party agreements prior to the start of construction. The method also offers the greatest flexibility because of the collaboration between the project sponsor, designer, and the CM/GC contractor, in dealing equitably with the implications of incomplete agreements.

4. Other Delivery Methods

There are a number of delivery methods such as Progressive Design Build (PDB), Design-Build-Operate and Maintain (DBOM), Design-Build-Finance (DBF), and Public Private Partnerships (P3) that involve a private sector contractor or consortium providing financing, funding, and/or O&M. The criticality of agreements with third parties depends on what rights and responsibilities are being delegated to the contractor and those that are being retained by the project sponsor. The critical agreements are those that would not allow the project, as planned, to be constructed or operated as intended.

7.0 REPORTS, PAPERS, PRESENTATIONS

The PMOC shall provide the COR/ACOR with a written report, formatted in compliance with OP 01, of their findings, analyses, recommendations, professional opinions, and description of the review activities undertaken, as well as other supporting information.

After the COR/ACOR has transmitted formal acceptance of the report, the PMOC should share the report with the project sponsor. If there are differences of opinion between the PMOC and the project sponsor regarding the PMOC's findings, the COR/ACOR may direct the PMOC to

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reconcile their findings with the project sponsor and provide the COR/ACOR with a report addendum covering the modifications agreed upon by the project sponsor and PMOC.

When directed by the COR/ACOR, the PMOC shall perform data analysis and develop data models that meet FTA requirements using Microsoft Office products, such as Excel and Word, and use FTA templates when provided.

Upon approval by the COR/ACOR, the PMOC may add other software as required, but they should provide the COR/ACOR with documentation and report data when complete.



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APPENDIX A: ACCEPTABLE QUALITY LEVEL

	Desired Outcome	Performance Requirement	Checklist	Performance Measure	Acceptable Quality Level	Monitoring Method
1	The Project Management Oversight Contractor (PMOC) shall review and analyze effects of third-party agreements on scope, budget, and schedule, and shall assess the adequacy of the Project Management Plan (PMP), Risk and Contingency Management Plan (RCMP), and project sponsor's capacity and capability with regard to management of the third-party agreements.	R1a. The PMOC shall develop and document a process for review and analysis of the required project documents to determine the project sponsor's readiness to enter into the next phase of the project.	<input type="checkbox"/>	M1a. Review of the process documentation.	Q1a. The PMOC provides documentation of the process.	MM1a. Periodic review by the Federal Transit Administration (FTA) or its agent.
		R1b. The PMOC shall use their process and project management judgment to review and analyze project documents to determine the readiness of the project sponsor to enter into the next phase of the project.	<input type="checkbox"/>	M1b. Documented review and analysis of project documents to determine the project sponsor's readiness to enter into the next phase of the project.	Q1b. Review must be made and the PMOC provides internal verification that the process as documented has been followed.	MM1b. Periodic review by FTA or its agent and the PMOC's internal verification.
2	The PMOC shall form a professional opinion of the project sponsor's readiness to enter into the next phase of project, receive a	R2a. The PMOC shall perform a review and analysis of the project sponsor's submitted list of third-party agreements to be executed and those that	<input type="checkbox"/>	M2a. PMOC's review and opinion as to the preparation and implementation of required analysis and documentation of third-party	Q2a. professional opinion of the preparation and implementation of required analysis and documentation submitted by the	MM2a. Periodic review by FTA or its agent.

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	Desired Outcome	Performance Requirement	Checklist	Performance Measure	Acceptable Quality Level	Monitoring Method
	grant/loan, or enter revenue service.	have been executed to assure that all required agreements are in place to enter into the next phase of the project.		agreements demonstrates sound management and engineering practices and professional experience.	project sponsor for third-party agreements.	
		R2b. The PMOC shall, after review and analysis of the project sponsor's submitted list of third-party agreements to be executed and those that have been executed, determine whether all technical aspects of the third-party agreements are complete and accurate, and that there is consistency between the project documentation and the proposed third-party agreements.	<input type="checkbox"/>	M2b. PMOC's review and opinion as to accuracy, completeness, and consistency between documentation and proposed third-party agreements demonstrates sound management and engineering practices and professional experience.	Q2b. Professional opinion of the accuracy, completeness, and consistency between documentation and proposed third-party agreements. Q2c. Determination that the project sponsor's PMP, RCMP, and Management Capacity and Capability (MCC) are adequate for management of third-party agreements.	MM2b. Periodic review by FTA or its agent.
3	The PMOC shall provide FTA with a written report of their findings, analysis,	R3. The PMOC shall present their findings, analysis, recommendations, and	<input type="checkbox"/>	M3. Review of the PMOC's presentation of findings, analysis, recommendations,	Q3. Reports and presentations are professional, clear, concise, and well written. The	MM3. Periodic review by FTA or its agent.

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	Desired Outcome	Performance Requirement	Checklist	Performance Measure	Acceptable Quality Level	Monitoring Method
	recommendations, and professional opinions.	professional opinions to FTA in a written report.		and professional opinions by FTA.	findings and conclusions have been reconciled with other PMOC reports and have been reconciled with the project sponsor to the extent possible.	



APPENDIX B: SAMPLE TABLE OF CONTENTS FOR PMOC OP 39 REPORT

1.0 EXECUTIVE SUMMARY

1.1. Introduction

1.2. PMOC Review

1.3. Findings Regarding Third-Party Agreements

1.3.1. Project Management Plan (PMP) Review

1.3.2. Management Capacity and Capability Review

1.3.3. Methodology for Designation of Third-Party Agreements as “Critical”

1.3.4. List of Critical Third-Party Agreements and Review with Respect to Impacts on:

Scope Schedule Cost Estimate

Satisfactory Continuing Control Safety and Security

Project Risk and Contingency Review

1.4. Conclusion

1.5. Recommendations

2.0 INTRODUCTION

2.1. Project Sponsor

2.2. Project Description

2.3. Project Status

2.4. Project Budget

2.5. Project Schedule

2.6. Project Management Oversight Contractor (PMOC)

2.7. Status of the Project Sponsor in Meeting Previously Identified FTA Requirements

2.8. PMOC Evaluation Team

2.9. Documents Reviewed

3.0 PROJECT MANAGEMENT PLAN REVIEW

3.1. Project Management Plan

3.1.1. PMOC Assessment of Plans for Third-Party Agreements

3.1.2. Conclusion

3.1.3. Recommendations

3.2. Risk and Contingency Management Plan

3.2.1. PMOC Assessment of Inclusion of Third-Party Agreements

3.2.2. Conclusion

3.2.3. Recommendations

4.0 MANAGEMENT CAPACITY AND CAPABILITY

4.1. PMOC Assessment of the Project Sponsor Staff Assigned to Manage Third-Party Agreements

4.2. Conclusion

4.3. Recommendations

5.0 SCOPE

5.1. Assessment and Effect of Third-Party Agreements on Scope

5.2. Conclusions

5.3. Recommendations

6.0 PROJECT DELIVERY

6.1. Assessment and Effect of Third-Party Agreements and Risk Sharing on Contracts

6.2. Conclusions

6.3. Recommendations

7.0 PROJECT SCHEDULE

7.1. Assessment and Effect of Third-Party Agreements on Schedule

7.2. Conclusion

7.3. Recommendations

8.0 PROJECT COST

8.1. Assessment and Effect of Third-Party Agreements on Cost

8.2. Conclusions

8.3. Recommendations

9.0 PROJECT RISK AND CONTINGENCY REVIEW

9.1. Assessment of Inclusion of Third-Party Risks and Mitigations

9.2. Conclusion

9.3. Recommendations

10.0 SATISFACTORY CONTINUING CONTROL

10.1. Assessment

10.2. Conclusion

10.3. Recommendations

11.0 CONCLUSION/RECOMMENDATIONS

11.1. Conclusions

11.2. Recommendations

12.0 APPENDICES (as necessary to keep report concise)

List of Third-Party Agreements



APPENDIX C: REVIEW METHODOLOGY DURING PROJECT LIFE CYCLE

Planning (LPA Selection)	Project Design up to 30% (Complete NEPA)	Project Design from Approx. 30% to 60%	Prior to Grant Agreement/Construction	Prior to Revenue Service
<p>1. The project sponsor should establish a clear screening process to identify, eliminate, or reduce impacts of design alternatives on railroads, major utilities, or utility corridors, university property, sensitive research labs, historic bridges, or airports; and alternatives that require use of public Right-of-Way (ROW) or private real estate not owned by the project sponsor.</p>	<p>1. Assign project sponsor staff with appropriate experience and adequate capacity and capability for management of and liaison with the third parties to develop design alternatives to minimize cost and schedule impacts. Include appropriate screening requirements in the scope for design/environmental consultants working to complete the National Environmental Policy Act (NEPA) process.</p>	<p>1. The Federal Transit Administration (FTA) may require a risk workshop. Invite third-party liaisons along with their third-party counterparts to the risk workshop to weigh in on cost and schedule impacts and potential mitigation strategies, and to take ownership in resolving the issues. The assigned risk owners must lead or carry out the mitigation strategies.</p>	<p>1. The review at this level should focus on the detail of each agreement, an evaluation of satisfactory continuing control, and the commitments made with respect to the proposed scope, cost, and schedule.</p>	<p>1. Once construction is completed, the start of operation requires occupancy permits and/or safety certifications. The maintenance of the system may require an update of the agreements with partner agencies and/or owners of ROW, such as railroads, in which the system is operating.</p>
<p>2. The project sponsor should conduct active outreach to identify all potentially affected utility providers and identify utilities having authority to be in the ROW with franchise agreement and those</p>	<p>2. Through completion of the environmental review and 30% design, further identify and detail third-party and utility requirements, develop conceptual plans, determine cost and schedule impacts, and</p>	<p>2. FTA may conduct a workshop specifically dedicated to third parties when the project has a significant number of third parties with complex issues. Incorporate the outcome of the third-</p>	<p>2. Prior to grant/loan execution, FTA, or as directed the Project Management Oversight Contractor (PMOC), will need to review the critical third-party agreements and</p>	<p>2. Prior to Revenue Service the PMOC will need to review the critical third-party agreements and verify that construction events have not altered agreed-upon provisions and that any additional scope, cost, or</p>

Planning (LPA Selection)	Project Design up to 30% (Complete NEPA)	Project Design from Approx. 30% to 60%	Prior to Grant Agreement/Construction	Prior to Revenue Service
<p>that will need to relocate at cost to the project sponsor. Evaluate impacts to the project of all potentially affected utilities. Develop master utility agreement template.</p>	<p>incorporate costs and durations in project estimates and schedules. Consider holding an internal risk workshop.</p>	<p>party workshop in the risk register and present it in the general risk workshop. Incorporate it in the overall Risk and Contingency Management Plan (RCMP).</p>	<p>verify that the agreed-upon provisions do not introduce additional scope, cost, or schedule impacts and can be accommodated with the submitted grant/loan budget and schedule.</p>	<p>schedule impacts can be accommodated within the submitted grant/loan budget and schedule.</p>
<p>3. Once the Locally Preferred Alternative (LPA) is selected, develop a list of third-party agreements and ensure inclusion of their risk and timelines in both the schedule and the risk register.</p>	<p>3. Document status of third-party agreements through meeting minutes and/or memoranda of understanding. Prepare tracking or action item lists to monitor and advance agreements between parties. Update the schedule and risk register for the execution of critical third-party agreements. Develop and advance agreement term sheets, framework documents, or actual agreements.</p>	<p>3. Identify the critical third-party agreements based on the criteria described in this guidance. Project sponsor and FTA to meet early to review and reach consensus on those agreements that will be considered “critical” for purposes of grant execution or loan agreement. Update the schedule, risk register, and RCMP.</p>	<p>3. All critical third-party agreements deemed critical for the construction stage must be executed prior to a grant/loan agreement. The PMOC will review adherence based on the readiness review.</p>	<p>3. Verification that the necessary permits and agreements are in place is included in §6.4.2 of the Readiness for Revenue Operations Review performed under OP 54. As part of OP 54, the readiness for operations review determines whether the project sponsor has all third-party agreements updated, signed, and accepted.</p>



APPENDIX D: CRITICALITY DETERMINATION METHODOLOGY

Criticality is a matter of the circumstances that surround each project's identified third-party interfaces, as expressed in the itemized third-party agreement, as well as that agreement's potential impacts to primary project goals. The process for developing an opinion regarding the critical nature of these agreements requires the involvement of the project sponsor, the Project Management Oversight Contractor (PMOC), and the Federal Transit Administration (FTA).

Third-Party Agreement Characteristics

Third-party agreement characteristics must be defined to evaluate the critical nature of a particular third-party agreement. As indicated in this guidance, the project sponsor is expected to provide a well-defined listing of third-party agreements necessary for completion of the project or resulting operations. To evaluate criticality, this listing should include the following information in addition to the required third-party information noted in Section 4.6 of this guidance:

- Third-party name(s) and relationship(s) to the project sponsor;
- Signature authority or authorities required to finalize the agreement;
- Important assumed terms in the agreement contemplated in current scope, cost, schedule, or operations, or in pending or existing contracts;
- Any current disagreement by the parties among important base terms;
- Current status of the agreement and assumed date of finalization; and
- Project activity or activities and start date(s) that require third-party agreement to proceed.

Determination of Criticality

To determine criticality, the PMOC should evaluate the degree to which deviation from assumed agreement terms or failure to execute the agreement may affect various project goals. The potential factors with hazardous effects to the project include:

- Capital project development impacts:
 - Scope increase
 - Cost overrun
 - Schedule delays
 - Impedance of construction start or progress
- Operations impacts:
 - Operations cost increase
 - Operational commencement delay or service interruption

For each third-party agreement, the PMOC should rank the impact on the above factors of criticality should the assumed agreement terms not be met. Such ranking may be expressed on a scale of 1–5, where 1=little impact on each goal above and 5=very high impact on the goal. If any goals are not impacted, this should also be noted. The result of this evaluation should be

used to provide a basis of PMOC opinion for the designation of a third-party agreement as “critical.” Note that any single goal that is significantly threatened by deviation from the assumed agreement terms may be sufficient to designate the third-party agreement as “critical.”

The PMOC should also identify any strategies proposed or initiated by the project sponsor to mitigate the delay or failure to timely execute any of the identified third-party agreements.

The above analysis should be presented in the OP 39 report, along with an explanation of the basis for the criticality ranking.

FTA Criticality Concurrence

The OP 39 report should be transmitted to FTA for review and concurrence and state whether any amendments should be made to the PMOC designations of third-party agreements as “critical.” Where appropriate, report adjustments should be made to reflect final approval of such designations by FTA.

Recognizing Critical Third-Party Agreements as Risks

Where any third-party agreements have been designated as critical, the PMOC shall also render an opinion of the likelihood of the reported potential deviation (of substance or timing) from the assumed agreement expectations. Where there is a reasonable likelihood that such deviations may occur, the PMOC shall inform the project sponsor of the need to add the third-party agreements to the project sponsor’s risk register, including development of mitigations to resolve the risk.



**APPENDIX E: TYPICAL RISKS RELATED TO THIRD-PARTY AGREEMENTS,
 FROM SELECTED TRANSIT PROJECTS NATIONWIDE**

RISK BY CATEGORY	
City and County	
	City requires unexpected amount of landscape improvements along guideway
	Impending lease agreement faces legal challenge
	City unfamiliar with process for transit approval
	Local community changes city agreement over alignment
	Events such as parades and races conflict with contractor schedule.
	City may insist on removal of unused asbestos-containing underground utilities
	City requests additional bikeway beyond expectation in environmental assessment
	City delays agreement due to potential agreement with developers along alignment
State	
	Agreement with Coast Guard delayed due to private interests
	State Department of Transportation (DOT) withholding permit for changing bus highway turn lanes to accommodate transit
	State DOT delays process of agreeing on utility company construction easement requests
	State DOT may require updated signalization along state highway alignment
	State Board of Water Supply may not grant waiver to abandon utilities in place
	State DOT has not agreed to final design on state highway, delaying project
Public Utility	
	Public utility reluctance to provide design-phase input until project has full FTA funding
	Inability to comply with Buy America
Private Utility	
	Private utility will not commit to Buy America requirements
	Utility failure to meet schedule causes construction delays and claims
	If utility company does relocation, risk increases of delay
	Utility cost is time & materials; cost estimate may be inaccurate
	Assumed power connection may not be available

RISK BY CATEGORY	
	Agreements not complete at late design; unexpected costs and delays may occur
	Utility easement agreements taking longer than expected
	Utility not proving power on schedule needed by project
	Utility demanding betterments that threaten the budget
	Utility potentially unable to meet demand; agreement needed to allow third-party utility installation
	Natural gas line requires complex permit from Federal government and state Fire Marshal
	Access agreements for utility work must be established before utility Third-Party Agreement finalized
	Inability to comply with Buy America
Academic Institutions	
	University delays station design approval
	University access path delayed
	Disagreement on track alignment through or near university property
Railroads (RR)	
	Freight Railroad and Federal Railroad Administration (FRA) must agree regarding shared at-grade crossing
	Timing of freight track switching yard changes uncertain
	Freight/transit crash wall disagreement delaying RR agreement
	Settlement costs for RR agreement may exceed expectations
	Multiple RRs imposing competing requirements
	Joint RR/transit bridge use causing delays in finalizing bridge design
	Insufficient railroad force account resources to support schedule for construction work claimed by the railroad union(s)
	Insufficient railroad force account resources to provide access and protection to third-party construction contractors
	Required track outages/track fouling time not available, cancelled, or terminated early
Airports	
	Airport may not have legal title to agreed alignment
	Airport concerned about impingement on runway protection zone

RISK BY CATEGORY	
Special Districts	
	Stadium authority continues to renegotiate property adjustments
Partner Agencies	
	Multiple agencies' competing interests causes conflicting project requirements
Other Private Sector	
	State DOT agreement delayed due to adjacent developers' requests
	Developer promise to pay for improvements may not hold
	Adjacent development increasing, causing potential impact to design of alignment and stations



APPENDIX F: ACRONYMS

Acronym	Term
ACOR	Alternate Contracting Officer's Representative
ADA	The Americans with Disabilities Act
AGC	Associated General Contractors of America
ATC	Alternative Technical Concepts
AVS	Associate Value Specialist
BEA	Bureau of Economic Analysis
BLS	Bureau of Labor and Statistics
BRF	Beta Range Factor
BY	Base Year
CATEX or CE or CX or Exclusion	Categorical Exclusion
CCIP	Contractor Controlled Insurance Program
CE	Categorical Exclusion
CER	Cost Estimating Relationship
CFR	Code of Federal Regulations
CIG	Capital Investment Grant
CLIN	Contract Line Item Number
CM	Construction Manager

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Acronym	Term
CM/GC	Construction Manager/General Contractor
CMAR	Construction Manager at Risk
COR	Contracting Officer's Representative
CPM	Critical Path Method
CPTED	Crime Prevention Through Environmental Design
CR	Constructability Review
CVS	Certified Value Specialists
DB	Design-Build
DBB	Design-Bid-Build
DBE	Disadvantaged Business Enterprise
DBF	Design-Build-Finance
DBFOM	Design-Build-Finance-Operate and Maintain
DBOM	Design-Build-Operate and Maintain
DEIS	Draft Environmental Impact Statement
DF	Designated Function
DHS	Department of Homeland Security
DTS	Department of Transportation Services
EA	Environmental Assessment
EIS	Environmental Impact Statement

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Acronym	Term
EMP	Emergency Management Plan
ENR	Engineering News-Record
EPCM	Engineering/Procurement/Construction Management
ESWA	Early Systems Work Agreement
FEIS	Final Environmental Impact Statement
FEMA	Federal Emergency Management Agency
FFGA	Full Funding Grant Agreement
FHWA	Federal Highway Administration
FLSSC	Fire/Life Safety and Security Committee
FONSI	Finding of No Significant Impact
FRA	Federal Railroad Administration
FTA	Federal Transit Administration
GAO	Government Accountability Office
GC	General Contractor
GC/CM	General Contractor/Construction Manager
GMP	Guaranteed Maximum Price
HAZMAT	Hazardous Materials
IP	Implementation Plan
LONP	Letter of No Prejudice

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Acronym	Term
LPA	Locally Preferred Alternative
MBE	Minority Business Enterprise
MCC	Management Capacity and Capability
MDBF	Mean Distance Between Failures
MPO	Metropolitan Planning Organization
NEPA	National Environmental Policy Act
NTE	Not-to-Exceed
NTP	Notice to Proceed
O&M	Operation and Maintenance
OCIP	Owner Controlled Insurance Program
ODCs	Other Direct Costs
OHA	Operational Hazard Analysis
OIG	Office of Inspector General
OMP	Operations and Management Plan
OP	Oversight Procedure
P3	Public Private Partnership
PCMG	Project and Construction Management Guidelines
PD	Project Development
PDM	Project Delivery Method

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Acronym	Term
PHA	Preliminary Hazard Analysis
PMO	Project Management Oversight
PMOC	Project Management Oversight Contractor
PMP	Project Management Plan
POP	Project Oversight Plan
PTASP	Public Transportation Agency Safety Plan
QA/QC	Quality Assurance/Quality Control
R&D	Research and Development
RAMP	Real Estate Acquisition Management Plan
RAP	Rail Activation Plan
RCMP	Risk and Contingency Management Plan
RET	Risk Evaluation Tool
RFI	Request for Information
RFP	Request for Proposal
RFQ	Request for Qualifications
ROD	Record of Decision
ROW	Right-of-Way
RSD	Revenue Service Date
S/DBE	Small/Disadvantaged Business Enterprises

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Acronym	Term
SABCE	Stripped and Adjusted Base Cost Estimate
SABS	Stripped and Adjusted Base Schedule
SAVE	Society of American Value Engineers
SCC	Standard Cost Category
SCIL	Safety Certifiable Items List
SGR	State of Good Repair
SIT	System Integration Testing
SITP	Systems Integration Test Plan
SOP	Standard Operating Procedure
SOW	Scope of Work
SSCVR	Safety Certification Verification Report
SSGA	Small Starts Grant Agreement
SSI	Sensitive Security Information
SSMP	Safety and Security Management Plan
STIP	Statewide Transportation Improvement Program
SYGA	Single Year Grant Agreement
TAR	Travel Authorization Request
TBM	Tunnel Boring Machine
TCC	FTA Office of the Chief Counsel

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Acronym	Term
TCRP	Transit Cooperative Research Program
TIFIA	Transportation Infrastructure Finance and Innovation Act
TIGER	Transportation Investment Generating Economic Recovery
TIP	Transportation Improvement Program
TOD	Transit-Oriented Development
TPE	FTA Office of Planning and Environment
TPM	FTA Office of Program Management
TRB	Transportation Research Board
TSA	Transportation Security Administration
TVA	Threat and Vulnerability Assessment
URA	Uniform Relocation Assistance and Real Property Acquisition Act
U.S.C.	United States Code
VE	Value Engineering
VECP	Value Engineering Change Proposals
WBE	Women Business Enterprise
WBS	Work Breakdown Structure
YOE	Year of Expenditure