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A Survey of Capital Projects Management Among New York City Government Agencies

Prepared for New Yorkers for Parks by Public Works Partners

June 4, 2014

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Introduction

New York City's parks are essential public resources. In every neighborhood, in all five boroughs, parks bring together New Yorkers of all ages and backgrounds and provide much-needed peaceful respite and healthy recreational opportunities amidst a dense urban environment.

Like all essential public resources, New York City's parks require significant investments to keep up with ever-increasing demand and constant usage. Existing parks need renovation, repairs, and new amenities. Growing and underserved neighborhoods need new parks. The New York City Department of Parks and Recreation (DPR) brings these investments to parks through capital projects. Separate from the day-to-day maintenance and operation of parks, capital projects are major initiatives that bring significant funds and resources to bear to renovate, expand, and create parks. In the past 12 years, DPR's capital program has invested $4.4 billion in parks capital projects and have completed parks improvement projects in all five boroughs.

The New York City Council is one of the primary funders of DPR's capital projects. Most council members are well aware of the importance of parks in their districts. They see their funding of parks capital projects as critical investments in their constituents' neighborhoods, and they are particularly concerned when these projects run behind schedule or over budget.

In response to these concerns, several City Council members commissioned New Yorkers for Parks, which in turn engaged Public Works Partners, to survey capital project management practices of DPR and other City agencies that conduct capital work. New Yorkers for Parks is an independent advocacy and research organization that champions quality parks and open spaces in New York City. Public Works Partners is a management consulting firm that helps government agencies and nonprofit organizations design, launch, and improve programs.

The goal of this study is to identify the best practices for capital projects among City agencies and translate them into recommendations to help DPR increase the efficiency, timeliness, and cost-effectiveness of its capital projects.

Agency Summaries

New Yorkers for Parks and Public Works Partners spoke to four mayoral City agencies and two non-mayoral City government entities about their capital programs and project management practices. We also received perspectives from the Mayor's Office of Contract Services (MOCS), the Office of Management and Budget (OMB), City Council members who fund parks capital projects, and external stakeholders, including the General Contractors Association.

The capital agencies interviewed oversee a wide diversity of project sizes and types, but among them they accomplish almost all of the City's infrastructure work. A summary of the agencies and scope of their capital activities follows.

NYC Department of Parks and Recreation

The NYC Department of Parks and Recreation (DPR) operates the City's public parks and recreational facilities. Its portfolio of capital projects ranges from landscaping and renovations within parks and playgrounds to building entirely new parks. DPR has a four-year capital budget of $2.6 billion; the current projection for FY 2015 is $438 million[1]. The capital budget is funded mostly by the Mayor, City Council members, and Borough Presidents. Funding also comes from non-City sources, including the state and federal governments and private giving. Almost all of DPR's capital budget is allocated for specific projects by the funder.

DPR's Capital Division manages the agency's portfolio of capital projects and has a staff of approximately 400. This team manages a total portfolio of about 425 projects in active design, procurement, or construction. Some of DPR's capital projects are outsourced to the Department of Design and Construction and the NYC Economic Development Corporation.

NYC Department of Design and Construction

The NYC Department of Design and Construction (DDC) was founded in 1996 to act as the City's primary construction project manager. It is dedicated solely to managing capital projects on behalf of other agencies. Its staff of approximately 1,200 manages between 350-400 projects at a given time on behalf of other agencies. It has no budget for capital projects of its own; projects must be fully funded by the sponsoring agency when DDC takes them on.

NYC Department of Environmental Protection

The NYC Department of Environmental Protection (DEP) manages and conserves the city's water supply. Its portfolio of capital projects includes water tunnels, treatment plants, and sewers. DEP has an annual capital budget of approximately $1 - $1.5 billion for about 120 projects at a time, which are managed by the 425 staff of its capital division.

NYC Department of Transportation

The NYC Department of Transportation (DOT) manages the city's bridges, tunnels, streets, sidewalks, and highways. The bulk of its capital projects portfolio comprises bridge and street rehabilitation projects; the remainder of the portfolio comprises smaller projects such as streetlights, ferries, and road resurfacing. DOT has a four-year capital budget of $3.4 billion; the budget for FY 2014 is $2.9 billion. About three-fifths of this budget comes from the Mayor; the rest comes from federal and state funding and a small amount of Borough President funding. Projects not overseen by DOT's own capital division are outsourced to DDC and the NYC Economic Development Corporation.

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[1] As of February, 2014. The current capital budget year, FY 2014, was not used here because of non-representative Superstorm Sandy-related expenditures. The FY2015 projected budget for DPR does not incorporate discretionary allocations that will be made as the budget is finalized.

NYC Economic Development Corporation

The NYC Economic Development Corporation (EDC) is a quasi-governmental agency that promotes New York City's economic growth. Its portfolio of capital projects ranges from large infrastructure and building projects to smaller streetscape improvement projects. EDC's annual capital budget is approximately $400 million and is managed by a capital staff of 31 managers and supervisors (EDC maintains a small staff and outsources project roles such as architects, designers, and construction managers). EDC collaborates closely with other parts of City government, including the Mayor's Office, NYC Health and Hospitals Corporation, NYC Department of Buildings, NYC Department of City Planning, NYC Department of Cultural Affairs, NYC Department of Housing Preservation and Development, Police, Fire, DPR, DDC, and others. Although EDC is not a City agency, work done through its master contract with the City is required to be in compliance with many of the City's procurement, budgeting, and financial requirements as set forth by MOCS and OMB.

NYC School Construction Authority

The NYC School Construction Authority (SCA) functions as the capital division of the NYC Department of Education and is responsible for the maintenance and repair of the City's public schools, as well as building new schools. Its project portfolio includes schools, playgrounds, and athletic fields. The inflexible nature of the academic year poses strict deadlines on SCA to complete its school building projects on time. SCA is mandated by legislation to develop and operate under five-year capital plans. SCA's proposed FY 2015-2019 capital budget calls for $12 billion, or approximately $2.4 billion per year, and is primarily funded by the City. SCA's staff of 715 manages its capital projects. As an authority, SCA adheres to a different set of procurement, contracting, and finance rules than those that City agencies must follow.

How Capital Projects are Managed

The process for executing a capital project varies from agency to agency, but the general steps are as follows:

Determine a pipeline. Agencies work with their stakeholders to identify capital projects that are of the highest priority for funding and execution. Each project is given a preliminary budget and scope for planning purposes.

Secure funding. Funding for capital projects can come from City, State, and Federal government sources, as well as from private funders. For City agencies, most funding takes the form of either Mayoral funding or City Council/Borough President allocations. As agents of the Mayor, agencies allocate their Mayoral funding based on internally-determined project pipelines and collaboration with the Mayor's Office and OMB. City Council and Borough President allocations must be spent on the projects specified by the elected officials who fund them. Typically, capital projects – including design work – cannot be started until 100% of the funding for the project has been secured. In some cases, full funding is allocated in one year, but in others,

it takes a number of years to accrue all necessary funds. The effort to accrue funds increases project timelines and total expenses.

Design. Based on the approved budget and scope of a project, agencies develop specific designs for each project. This is done by in-house designers or outsourced to external designers. If outsourced, the agency selects a design vendor through a procurement process that precedes the construction procurement. Beyond the agency itself, multiple project stakeholders provide input into designs, including the general public, community groups, and local elected officials, when relevant. Designs must also take into account many regulatory provisions ranging from environmental to historic preservation laws. The final design is then used to develop construction specifications, set the budget, obtain final approvals to move forward with construction, and procure vendors for construction contracts.

Procure construction vendors. All construction work on capital projects is outsourced to external contractors. In most instances, agencies issue requests for bids that specify the work to be completed, and vendors respond with a price that they deem to be appropriate for the scope of work and competitive against other bidders. Typically, the award must go to the lowest qualified bidder.

Construction. The selected construction vendors then execute the procured scope of construction work for City capital projects. Agencies' own project managers may oversee day-to-day construction, or some agencies contract this function out to construction management firms. Construction proceeds according to the project's design unless the agency approves changes to scope or budget through a formal change order.

Recommendations for Parks

The following recommendations are meant to provide DPR and other stakeholders in the capital process with clear, actionable steps to improve the on-time and on-budget performance of DPR capital projects. In each instance, we describe best practices from other agencies that inform the recommendation, the aspects of DPR's current operations that the recommendation speaks to, and additional guidance for DPR as it considers how to implement the recommendation.

Accountability

Empower project managers to make decisions quickly and independently within a project's scope. Limit the number of people and the timeframe for giving input into each decision. Make decision-making expedient and transparent to all stakeholders.

A number of the capital agencies empower their individual project managers to make most key decisions, involving the organization's broader decision-making hierarchy only in exceptional cases. EDC, DEP, and SCA all stressed the importance of giving the project manager wide decision-making authority and accountability within the project's approved scope. DEP reinforces this concept by calling its project managers "Accountable Managers." In exceptional cases when it is necessary to elevate an issue beyond the project manager, EDC and DEP cited flat

organizational structures within their capital divisions, with few layers between on-the-ground project managers and agency executives, as key to expediting those decisions. Project Managers at these agencies are also solely dedicated to managing the process.

DPR capital projects are overseen by a project manager from the agency's Capital Division. However, DPR project managers are also designers and responsible for the in-house design work on their projects. Capital Division project managers are often required to seek input from up and across the agency's hierarchy rather than making decisions independently. DPR's executive and borough office leaders are more likely to interact with the general public and external stakeholders on the "front lines" of a project, as compared to Capital Division staff. These practices diffuse accountability across different parts of the agency, complicate decision-making, and ultimately contribute to cost overruns and delays. Project stakeholders, particularly external ones, find DPR's decision-making process and accountability hierarchy opaque and confusing.

DPR can streamline decision-making on projects by giving the Capital Division's project managers greater decision-making autonomy over their projects. To accomplish this, DPR should ensure that Capital Division Project Managers directly engage with the full spectrum of project stakeholders and clearly designate appropriate points in the process for executive and borough office leadership to provide input on a project – most likely during the design phase – and clarify these roles, processes and timelines to all stakeholders, both inside and outside of DPR. DPR should also move toward greater specialization among designers and project managers, to enable team members to focus primarily on one or the other.

Hold project managers, the Capital Division, and the agency accountable for the on-time, on-budget completion of capital projects. Create a proactive continuous improvement plan for the Capital Division.

A number of capital agencies have developed strong cultures of accountability in which they hold themselves and their staff accountable for completing current projects on-time and on-budget, and for continuously improving the on-time and on-budget performance of projects throughout the agency. EDC, DEP, and DDC hold regular meetings for project managers to update their supervisors, and for those supervisors to update agency executives, on capital project performance. DEP uses Key Performance Indicators (KPIs) to measure the performance of all capital projects based on safety, quality, schedule, budget, and contract management metrics; agency-wide progress is periodically analyzed and shared among all employees.

DPR utilizes some of these best practices in capital project performance management, but they have not yet created a robust culture of accountability and continuous improvement as seen in other agencies. DPR uses regular meetings and management reports to monitor the progress of capital projects. The agency also tracks the number of projects completed on time and on budget as a KPI for the Mayor's Management Report (MMR). However, DPR lacks a coherent performance improvement strategy for capital projects that sets a proactive, comprehensive agenda for reducing cost overruns and delays and makes units accountable for achieving intermediary goals that contribute to an ambitious, long-term goal. Absent such a plan, DPR is more likely to attribute cost overruns and delays to external factors beyond their control, such as

weather, contractor failures, and funder restrictions, rather than examining internal factors that can be addressed through continuous improvement.

DPR's Capital Division should initiate a planning process to create a culture of accountability and proactive continuous improvement. Doing so will likely require a long-term, organization-wide management effort, but in the short term, DPR can take steps towards this goal by establishing baselines for current project performance that can eventually inform updated KPIs for capital projects and performance improvement targets. DPR has recently created a new position, Chief of Quality Assurance and Metrics, which can be an important first step in this direction if this individual's work is placed within the context of a division-wide continuous improvement effort.

Another important element of continuous improvement would be to implement a post-construction review of completed project in use. Operations and Capital staff should visit projects in use to observe what worked and what did not, for learning to be applied to future projects.

Project Management

Use standardized project management tools to increase DPR's ability to track individual projects and manage its entire portfolio of projects.

Project managers need reliable project management tools to capture and synthesize information on tasks, expenditures, and timelines. These tools include software and computer systems that track progress and project data, and standard procedures and controls throughout the capital process. DOT, DEP, DDC, and SCA require project managers to use comprehensive information systems to track detailed task, expenditure, and timeline information for projects. Examples include MS Project Web Access and Primavera. Agencies use these systems to enforce accountability on individual projects with project managers, as well as to aggregate data on a portfolio of projects to enforce accountability on performance across the entire capital division and agency as a whole. DEP also institutionalizes and enforces standardized project management practices through its expansive library of Standard Operating Procedures (SOPs). Project managers are expected to approach projects in a uniform way as guided by these SOPs.

DPR lacks such standards for project management tools and practices. Although DPR's Capital Division uses the "Unifier" system to track project information and workflows at a high level, it leaves the decision to use—or not use—more detailed project task and budget tracking tools such as MS Project to individual project managers. DPR also lacks a comprehensive knowledge base of approved project practices and SOPs. This increases the likelihood that project managers will repeatedly come up with customized approaches to project management tasks.

Standardizing project management tools and practices will help enable DPR to shift to an agency-wide and individual culture of performance accountability as described in the above recommendation. These changes should be considered within the broader division-wide improvement strategy as well. Individual project managers will be less likely to resist changes to their routine or perceive the increased standardization of tools and practices as an imposition and a loss of flexibility rather than a performance aid if they are provided with the broader context of an agency-wide drive to improve capital project management and performance.

Increase the capacity of Capital Division staff through professional development opportunities that enhance their project management skills and increase their buy-in on organization-wide change management efforts.

DEP recently underwent a multi-year transformation from a chronically underperforming capital agency to one that consistently completes projects on-time and on-budget. Comprehensive training for staff was a critical part of this transformation. A series of initial trainings introduced new concepts and objectives on project management practices such as risk management and quality assurance. The capital division invests $450,000 annually for its ongoing professional development program that includes both mandatory and optional components. This training program not only increases technical and managerial skills for staff; it also sustains cultural values of accountability and continuous improvement beyond the initial transition period.

DPR offers its Capital Division staff professional development opportunities and is authorized to offer classes that meet continuing staff education requirements. DPR should consider revising and expanding these training offerings so that they become a coherent training strategy that provides critical support for change initiatives on capital project management practices.

In addition to Capital staff, Operations staff that regularly review capital projects need training in plan reading and overall project review. This will enhance their ability to identify potential operational problems that may occur with a given design and contribute to a project's success.

Budget

Give DPR a well-funded, flexible capital budget to plan a long-term pipeline that prioritizes and targets parks most in need.

In order to maximize the effectiveness of limited capital funds, most agencies prioritize projects by their programmatic need and seek to fund those projects first. For example, SCA uses a clearly defined, data-driven process for prioritizing capital projects: new building construction is prioritized based on needs for additional classroom space in different communities, and existing building rehabilitation is prioritized based on an annual survey of building conditions. DOT uses similar condition surveys to set a 10-year plan for bridges.

DPR has little ability to develop its capital program proactively due to the nature of the funding for most of its projects. For the majority of its projects, DPR is reliant on discretionary allocations from City Council members and Borough Presidents, whose priorities may not align with each other or with the on-the-ground assessment of needs within the Department. Cobbling together allocations over multiple fiscal years from different elected officials is inefficient, leads to inequitable results, and often means the nuts-and-bolts needs of neighborhood parks across the city are not met. The Bloomberg Administration provided consistent capital funding for parks, but those funds were largely targeted to a limited number of large-scale projects.

Without increasing the Mayoral budget for parks beyond the current level, giving DPR a discretionary capital budget to target and prioritize spending across the park system based on the agency's assessment of need would do more than any other single action to address disparate

conditions among parks citywide. And park capital projects would get done in a timelier, more cost effective manner than today.

In addition to allowing for longer term planning and more equitable funding allocation citywide, a robust discretionary capital budget would allow DPR to package multiple projects into a single contract and a single bid. This would expedite the administrative and approvals process, allow for more efficient contract management, and create a scale that would attract a larger pool of qualified contractors. SCA bundles multiple playground renovations into a single contract, and DEP combines all sewer projects in a borough into a single contract.

Move City Council and Borough President funding to a more efficient model that maximizes and targets the impact of their dollars.

If Mayoral capital funding were to be made more flexible so that DPR could allocate it by need, elected officials could still play an important role in the funding of parks capital projects, but they would not necessarily be responsible for funding entire projects. Elected official allocations could be added as "last-in" money to fully fund or enhance projects. Alternatively, discretionary funds could be pooled together to fund fewer projects in full each year, but ultimately funding the same number over time. This approach could work if DPR and the Council work together to develop a multi-year pipeline based on greatest need and geographic equity. Both of these approaches would avoid the slow accrual of sufficient funds over multiple years before a project can begin, allowing all funding to be allocated in a single budget cycle.

Agencies such as DOT and EDC that receive capital funding from elected officials often add that funding as last-in to complete the funding for prioritized projects. This approach has the added benefit of being put to use quickly so that elected officials see immediate results rather than waiting years for a project to commence.

DPR, the Mayor's office, the City Council, and Borough Presidents should explore ways of piloting these alternative funding mechanisms to test these ideas.

Design

Create a clearly defined process and deadline for finalizing a project's design, communicate these to all stakeholders, and consistently adhere to them.

When describing the design phase of projects, capital agencies stressed the importance of reaching a clearly defined end to the design process, commonly referred to as the "pencils down" moment. At this milestone, all stakeholders have agreed to the project's design, scope, and budget, and no further changes can be made without a change order. SCA stressed the importance of having a clear schedule for each project's design process that includes weekly reviews to monitor progress and a hard deadline for completion. DEP requires project stakeholders, including relevant operations staff, to formally sign off on a design to memorialize their approval and buy-in. DDC uses a standardized 100-item questionnaire called the "design metric" to gauge project stakeholders' satisfaction with a design and ultimately bring everyone to consensus *before* the conclusion of the design process.

DPR capital projects typically involve a large number of internal and external stakeholders (DPR capital, operations, and borough offices, as well as elected officials and community groups and residents), which greatly increases the need to achieve consensus while at the same time making it more challenging and time consuming to do so. Agencies that work with DPR described a high degree of back-and-forth both internally and with external stakeholders that starts in the design process and bleeds into construction. There is no clearly defined process for achieving consensus on design and reaching the "pencils down" moment, nor serious ramifications for not sticking to scope, budget, or timeline.

DPR has already begun taking steps toward a more concrete framework by increasing the involvement of the operations division earlier in the design process, but it can still do more to establish a true "pencils down" moment for all projects. The first step is agreeing to and documenting a process within DPR; the second, and perhaps more important step, is communicating that process to external DPR stakeholders and ensuring ample opportunities for their input prior to the "pencils down" moment. DPR will need to manage the expectations of elected officials and community groups that are used to weighing in on park designs throughout the project lifecycle so that the design process ends with *fully informed* agreement on the design.

Increase and improve the use of templates and standardized designs for common parks elements. Maintain a discrete menu of choices that enable community members and project sponsors to influence the design's aesthetics with predictable impact on costs and timelines.

Capital agencies have found that using standardized design templates can greatly increase project efficiency and contain costs. Reusing approved designs and materials allows agencies to avoid designing a new project as well as expediting approval from the Public Design Commission (PDC). DOT has successfully used standard designs for street plazas and their components (e.g. benches, bike racks). Once a design is approved by the PDC, it can be used repeatedly. Even for small buildings such as comfort stations that require Department of Buildings (DOB) permits (which in turn require PDC design approval), DPR could explore a negotiated approach with DOB in which a PDC-approved template could be fast-tracked for DOB permitting without a new design review each time.

DPR uses standardized specifications for individual park features such as benches, fencing, fountains, utility work, and playground equipment. However, due to the high degree of community involvement in the design process and space constraints unique to individual parks, DPR designs for entire park components such as playgrounds and comfort stations tend to be more customized, even for similar components from project to project.

DPR could move to more standardized design templates that cut down on the need to re-design similar projects while still giving external stakeholders the opportunity to weigh in on the design. By offering them a discrete menu of options that enable them to influence the design's aesthetic, their input can be channeled into areas that are substantive but have predictable and manageable costs and timelines. A possible example would be a set of playground layouts that fit within a standard-sized space and have similarly priced, durable equipment, which would allow

community members to choose features that meet their needs, but do not require new cost estimates or approvals.

Retain as much design work as possible in-house.

Several capital agencies expressed their preference for designing projects in-house rather than outsourcing the work. DEP believes that designing projects in-house is in keeping with the agency's sense of ownership of a project. The agency gives its in-house design team "first right of refusal" before sending projects to outside design firms and is looking to increase the portion of projects designed in-house to 40%. SCA also prefers to keep as much design work in-house as possible, citing shorter timelines.

DPR currently outsources approximately 30% of its design work for landscape projects and approximately 40% for architecture projects. DPR reports that outsourcing design work has a negative impact on both project timelines and budgets. Procuring a design consultant can take up to four months, whereas in-house designers can begin work on a project as soon as they are available. Design consultants' costs must be covered by the project's budget, which uses funds that could otherwise be put towards construction. In-house design staff is paid through Inter-Fund Agreement (IFA) lines and does not count against project-specific budgets.

Procurement

Cultivate a strong pool of qualified vendors for capital projects. Orient DPR towards strategic vendor relationship management, starting with improving the timeliness of vendor payments.

To varying degrees, all capital agencies rely on contracted vendors for design and construction services for their capital projects. Most capital agencies hold themselves responsible for maintaining positive relationships with the vendors with which they most want to work. Chief among the factors contributing to positive relationships with vendors is timely payment. EDC places a high priority on paying contractors as quickly as possible; they emphasized that late payments to contractors severely limit those contractors' ability to secure performance bonds and win new business, and can ultimately dissuade qualified contractors from doing business with EDC. SCA touts its ability to issue checks within 30 days of receipt of invoice as a major reason why it is able to maintain a strong pool of contractors, even for smaller-scale projects like playgrounds. (Note: SCA, as an authority, controls its own payment process and does not rely on the City to issue checks). DEP has also made timely change order and payment turn-around a priority and a key data point for measuring effectiveness of vendor relationship management.

DPR was described by multiple stakeholders as having a highly adversarial relationship with contractors, especially over payment amounts, timeliness of payments, and frequency of change orders. DPR has cited contractors' inexperience with following appropriate procedures as a major source of these issues. In particular, some of DPR's capital procurements are less than $1 million, which is below the City's required bonding threshold. This enables smaller firms that are not bonded to bid, but also removes an important measure of firm capacity. DPR has recognized the need to build capacity among the smaller, more inexperienced firms that it tends to work with

and to provide them with technical assistance, but DPR must do more to counteract the perception of being a difficult agency to do business with. DPR must make clear to its vendors that it sees them as valuable partners and demonstrate this through concrete actions such as improving timeliness of payments. Key to this is standardizing and simplifying internal invoice review and approval processes. As part of a broader performance management initiative, DPR could include timeliness of vendor payments as a KPI and establish goals for improving payment turn-around and reducing the number of change orders gradually over time.

It should also be noted that bundling more projects into fewer contracts would likely help expedite payment.

Expand the use of Pre-Qualified Lists to ensure efficient procurements and capable contractors.

The selection of qualified vendors is critical to completing capital projects on time and on budget. To select these vendors, SCA, DEP, and EDC use Pre-Qualified Lists (PQLs) and other pre-bid qualification tools to the greatest extent possible to limit bidding on projects to vendors who are most likely to have the capacity and ability to successfully complete the project. This reduces the chances that an agency awards a contract to an insufficiently qualified low bidder who ultimately proves unable to accomplish the work.

DPR has recently established a PQL and has found it to be a useful tool for improving the quality of contractors and streamlining the procurement process. However, its usage is limited to city-funded projects under $3 million without a building component. The PQL is used as a vehicle for promoting the Minority & Women-Owned Business Enterprises rather than as a broader vendor management tool. DPR should explore expanding its PQL or establishing a separate list for larger projects. If DPR is successful at re-orienting its approach to vendor relationship management, it should be able to get capable contractors with successful track records on the list, who are most likely to become valuable partners in DPR's work over time.

Build an internal database of historic vendor performance that goes beyond VENDEX.

All City agencies are required to comply with the MOCS system for reporting on vendor performance known as VENDEX. VENDEX captures only select information about vendors that might disqualify a vendor from receiving future contracts. As a result, EDC, DDC, and SCA have created their own detailed databases of past vendor performance to help inform their procurement processes. DPR submits reports on vendor performance to comply with VENDEX but lacks a systematic, robust method of tracking additional information on vendor performance beyond VENDEX.

As part of improving vendor relationships, DPR should establish a simple database of contractors that can quickly summarize each contractor's project history with the agency and performance with regards to quality, timeliness, and cost effectiveness. In this way, poor-performing vendors can be weeded out. (A broader PQL, as discussed above, would assist in improving the bidding pool as well.)

Increase use of standardized documents in procurement.

DPR's bid documents are reported to be often outdated and inconsistent from one project to the next. MOCS highly recommended that DPR create new standard specs for its bid documents, as do other agencies such as DEP. This practice promotes consistency and enables potential contractors to predict and understand bid requirements more easily, leading to better proposals.

Cross-Agency Collaboration

Formalize cross-agency agreements on capital projects to take full advantage of the expertise of different city agencies.

In 1996, the City created DDC to concentrate expertise in architecture and building construction in one agency, rather than spreading it across multiple agencies. DPR currently transfers some, but not all, building projects to DDC. We recommend that the two agencies continue and consider expanding their successful collaboration.

DOT has expressed a desire to work more with DPR to capitalize on its expertise in landscaping projects. Similarly, we recommend that DOT and DPR explore an agreement for DPR to handle some or all of DOT's work in this area.

For these and other potential cross-agency collaborations, all agencies stressed that open, standardized communications and management practices are critical for the success of projects. As mentioned in prior recommendations, DPR has made progress in standardizing such practices but will need to fully integrate them for successful cross-agency collaboration.

Consolidate redundant vendor and bid management practices in multiple agencies into a single shared platform.

The capital agencies included in this study do business with many of the same design and construction firms. Each agency has its own internal process and approach to creating bids and managing its vendors, rather than sharing systems or leveraging each other's experience. The City should consider how it can best facilitate relationships with the common pool of design and construction firms that work across capital agencies. The City's Health and Human Service agencies have recently transitioned to a consolidated procurement platform called HHS Accelerator, which simplifies and standardizes the procurement process for both vendors and agencies. A similar solution for capital agencies could yield efficiencies in capital project management for all agencies involved, while also improving contractors' relationships with the City agencies that they work with.

Investigate the benefits of Project Labor Agreements for site work.

The City currently uses Project Labor Agreements (PLAs) to streamline contracting and labor relations for certain new construction and building renovation projects. Among the benefits of PLAs are increased ability to bid projects as single contracts with multiple subcontracts (as opposed to multiple contracts) and increased flexibility in work rules.

DPR is among several agencies that participate in the PLAs for both new construction and building renovation. However, the City does not have a PLA that covers site work, meaning that DPR's many capital projects that do not involve buildings miss out the benefits of a PLA. In 2009, MOCS had determined not to proceed with a PLA for site work, but given the ongoing challenges with these projects, DPR and other relevant City agencies should work with MOCS to reassess the benefits of a PLA for site work.

Conclusion

The recommendations in this study range from small tactical improvements to major strategic shifts for DPR. Taken as a whole, they call for significant changes to the culture of capital project management within the agency. Making changes of this magnitude in any City agency is never easy, but neither is it impossible, as has been shown by the massive overhaul of DEP's capital process in recent years. The starting point for a major change initiative must be a compelling, visionary plan that lays out a detailed, realistic path from the current state to a transformative future state. We hope that these recommendations will provide the beginning of such a plan for DPR.

DPR must take the first step toward such a plan, but its partners in City government can also play an important part in helping DPR realize this change, particularly now, during the Mayoral transition. As the Mayor's Office lays out its plan for the next four years, it should recognize how important DPR's capital projects are to the well-being of all of New York's neighborhoods and give the agency the support it needs to bring about this transformation in its capital projects process. Likewise, the City Council and Borough Presidents should consider how changes to the way they invest in DPR's capital projects could bring about significant improvements in the impact their investments have on their neighborhoods and constituents' quality of life.

By working together, DPR and its allies in City government can deliver increased improvements and expansions to our public park system and, in turn, strengthen neighborhoods across the city.