**Engineering Agreement / Amendment Guidelines**

The following information is required when writing a USDA – Rural Development funded project Agreement and/or Amendment between Owners and Engineers. Any deviation from the requirements listed below will require a letter from the Engineer stating the reason(s) for the change and justification. USDA – Rural Development will review the request and respond as to whether or not the modification is acceptable.

**Agreement**

1. The Preliminary Engineering Report (PER) and Environmental Report (ER) shall be reviewed and approved by USDA – Rural Development (RD).
2. The Engineering Agreement shall be EJCDC E-500, Agreement Between Owner and Engineer for Professional Services (2014).
3. The following exhibits are mandatory – A, B, C, D, E, G, and K. Exhibits F, H, and J are optional. Exhibit I must be deleted. The Agreement shall also include RUS Bulletin 1780-26 (4/11/14) Exhibits B and C (see below).
4. If there are no Resident Project Representative (RPR) services being provided, Exhibit D can be omitted.
5. Exhibit K should be left blank. It is to be used later in the project if an amendment is needed.
6. RUS Bulletin 1780-26 (4/11/14) Exhibit A explains the use of the EJCDC E-500 (2014) and how to modify the agreement for use on RD funded water and waste water projects. Exhibit B of 1780-26 contains the revisions that must be made to the E-500 agreement; these revisions may be incorporated either by attaching the list of “Revisions to the EJCDC-500” (1780-26 Exhibit B) to the agreement or making the specific changes listed using **bold** type additions and single line ~~strike-out~~ deletions. Exhibit C of 1780-26 is to be inserted prior to EJCDC Exhibit D.
7. Other than the RD mandated changes, only MINOR word changes are allowed; all such changes shall be clearly marked in the Agreement by using **bold** type additions and single line ~~strike-outs~~ for deletions.
8. All blank, bracketed, and highlighted areas in the Agreement shall be filled in with the corresponding information or “N/A”.
9. The breakdown of services shown in the Agreement shall correspond with the breakdown of services on the Engineer’s invoices and shall be shown the same way on the Form E.
10. It is recommended that the Owner’s attorney review the Agreement and insurance limits.
11. If a previous Agreement exists between the Owner and the Engineer, the EJCDC E-500 Agreement is still required. The original Agreement may be listed in Exhibit J and referenced in the Agreement.
12. It is recommended that a draft Agreement be submitted to the State Engineer for review (e-mail is acceptable) prior to finalizing the Agreement and obtaining signatures.
13. Both the Agreement and 1780-26 Exhibit C shall be signed by the Owner and the Engineer.
14. Four copies with original signatures are required (2 for RD, 1 for the Engineer, and 1 for the Owner). All final Agreements shall be sent directly to the Area Specialist; the appropriate State Engineer shall be copied on the transmittal. A draft Form E shall be submitted with the Agreement.

**Amendment**

1. All amendments shall comprise EJCDC E-500 Exhibit K (2014) and the RD Engineering Amendment Cover Sheet. Exhibit K shall include a detailed justification for all changes, including an explanation of what caused the change, an explanation of why the change wasn’t included in the original agreement, and a breakdown of how increases were derived.
2. The Engineering Amendment Cover Sheet shall be completely filled out and attached to each copy of Exhibit K.
3. The breakdown of services shown in the Engineering Amendment shall correspond with the breakdown of services in both the original Agreement and the Form E; line headings may be changed to meet this requirement.
4. Engineering services shall not be reimbursed and shall not be shown on the Form E until the Amendment has been concurred on by RD.
5. It is recommended a draft Amendment be submitted to the State Engineer for review (e-mail is acceptable) prior to finalizing the Amendment and obtaining signatures.
6. Four copies with original signatures are required (2 for RD, 1 for Engineer, and 1 for Owner). All Amendments shall be sent directly to the State Engineer; the appropriate Area Specialist shall be copied on the transmittal. A draft Form E shall be submitted with each Amendment.
7. A final over/under Amendment shall be submitted to zero out all engineering fees at the end of the project.