

SECTION 01 31 33

Partnering Requirements

PART 1 - GENERAL

1.1 PARTNERING LEVEL

- A. This Project shall incorporate the required partnering elements for **Partnering Level** ____.

1.2 SUMMARY

- A. This Document specifies the requirements for establishing a collaborative partnering process. The partnering process will assist the City and Contractor to develop a collaborative environment so that communication, coordination, and cooperation are the norm, and to encourage resolution of conflicts at the lowest responsible management level.
- B. The partnering process is not intended to have any legal significance or to be construed as denoting a legal relationship of agency, partnership, or joint venture between the City and Contractor.
- C. This specification does not supersede or modify any other provisions of the Contract, nor does it reduce or change the respective rights and duties of the City and Contractor under the Contract, or supersede contractual procedures for the resolution of disputes.

1.3 DEFINITIONS

- A. **Partnering Charter ("Charter"):** The Charter is the guiding focus for the Project Team. It documents the team's vision and commitment to work openly and cooperatively together toward mutual success during the life of the project. The charter helps to maintain accountability and clarity of agreements made and allows for broader communication of the team's distinct goals and partnering process. The partnering charter includes the following elements:
 - 1. Mutual goals
 - 2. Partnering maintenance and close-out plan
 - 3. Dispute resolution plan with Escalation Resolution Ladder
 - 4. Team commitment statement and signatures
 - B. **Collaborative Partnering:** A structured and scalable process made up of elements that develop and grow a culture (value system) of trust among the parties of a construction contract. Together, the combination of elements including the Partnering Charter, Executive Sponsorship, partnering meetings, an accountability tool for the Project Team (Scorecards), and a Facilitator, if employed, create a collaborative atmosphere on each project.
 - C. **Core Team Partnering:** On Level Four or greater construction projects, a core team is identified from those Project Team members who are a part of the project for its duration, including the following (not in order of hierarchy):
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City:	Contractor:
Resident Engineer	Building Superintendent
Project Manager	Project Executive
Construction Manager	Jobsite Supervisor
Engineer, Architect	Project Engineer
Division Manager	Subcontractors
Construction Engineer	Key suppliers
Inspectors	Senior Management (e.g. Area Manager, Operations Manager, VP, President, Owner)
Client Department representative	
Critical third parties: stakeholders, other agencies, utilities, etc., or anyone who could potentially stop or delay the project.	

- D. **Executive Partnering Team:** The senior leaders of the City and Contractor who may form a project board of directors and are charged with steering the project to success.
- E. **Executive Sponsorship:** Commitment to and support of the partnering process from the senior most levels of the City and Contractor organizations.
- F. **Field-Level Decision Making:** Decisions made by those who are running the day-to-day work in the field – this is typically the inspector or resident engineer.
- G. **Internal Facilitator:** A trained employee or representative of the City who provides partnering facilitation services for Level 1, 2 or 3 projects.
- H. **Kick-off Partnering Workshop:** The initial partnering session where the team develops their initial partnering Charter and officially starts the partnering process.
- I. **Multi-Tiered Partnering** (Executive - Core Team - Stakeholder): Quarterly partnering workshops can be divided into multiple sessions including an Executive Session, Core Team Session and Stakeholder Session. For very large projects, a best practice is to use the Executive Team as a “project board of directors” who provide vision and steer the project. The Core Team is the central group of key individuals who are on the project throughout the duration.
- J. **Partnering Level:** The desired level of engagement in the partnering process may vary depending on a Contract's size or a construction project's complexity, location or other risk factor. If a project encounters any of the following risk factors, the City may consider elevating the partnering process to the next higher level.

Level	Estimated Construction Amount	Complexity	Political Significance	Relationships
5	\$200 million +	Highly technical and complex design & construction	High visibility/ oversight; significant strategic project	New project relationships; high potential for conflict (strained relationship, previous litigation, or high probability of claims)
4	\$50 - \$200 million	High complexity – schedule constraints, uncommon materials, etc.	Probable	New contractors or CM, new subs
3	\$20 - \$50 million	Increased complexity	Likely, depending on the location and other project characteristics	Established relationships; new CM, subs, or other key stakeholders
2	\$5 - \$20 million	Moderate complexity	Unlikely, unless in a place of importance	Established relationships; new subs, new stakeholders
1	\$100,000 - \$5 million	Standard complexity	Unlikely, unless in a place of importance	Established relationships; new subs, new stakeholders

- K. **Partnering Meetings:** Formalized meetings focused on developing a collaborative culture among the Project Team. Teams use these meetings to, among other tasks, set project goals, define project commitments and attend joint training sessions.
- L. **Professional Neutral Facilitator:** The mutually agreed upon experienced professional neutral facilitator whose business is providing partnering services for construction projects.
- M. **Project Scorecards:** An accountability tool that allows project teams to measure how well they are doing at following through on commitments made to one another. Typically the scorecard is a confidential survey prepared and submitted to the team by the partnering facilitator, if any. The facilitator then compiles the responses into a report which is then sent out to the Project Team for review.
- N. **Project Stakeholders:** Any person or entity that has a stake in the outcome of a construction project. Examples include the end users, neighbors, vendors, special interest groups, those who must maintain the facility, those providing funding, and those who own one or more of the systems.
- O. **Project Team:** Key members from the City and Contractor organizations responsible for the management, implementation, and execution of the Project, and will participate in the Partnering process.
- P. **Resolution Ladder:** A stepped process that formalizes the negotiation between the parties of a construction project. While actual titles may differ, the intent of this ladder is to provide a process that elevates issues up the chain of command between the parties involved in an issue. The objective is to resolve issues at the lowest practical level and to not allow individual project issues to disrupt project momentum. When an issue is escalated one level, it is expected that a special meeting focusing on the negotiated settlement for that issue will be called with the goal of settling as quickly as possible. A Sample escalation resolution ladder is shown below. A project resolution ladder will be developed during the Kick-off Partnering Workshop.

Sample Resolution Ladder	Level	Awarding City Department	Contractor	Time to Elevate
	I	Inspector or Resident Engineer	Foreman/ Superintendent	1 day
	II	Project Manager	Project Manager	1 week
	III	Program Manager	Area Manager	1 week
	IV	Division Manager	Operations Manager	2 weeks
	V	Deputy Department Director	Owner; President	2 weeks

- Q. **Self-Directed Partnering:** The Project Team leads themselves through all of the Collaborative Partnering elements.
- R. **Special Task Forces:** A subset of the Project Team that is assigned to take on a particular issue or opportunity for the good of the overall project.
- S. **Stakeholder Team** (as in Multi-tiered Partnering): Those people who have a stake in the outcome of a construction project.
- T. **Stakeholder on-boarding/off-boarding:** As a project progresses various systems and processes will be the focus. Stakeholders will participate when the systems or processes they are involved with are the focus. The stakeholders will step back when that system or process is no longer the focus. This on-boarding and off-boarding may occur throughout the duration of the Contract.
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- U. **Subcontractor on-boarding/off-boarding:** At the various stages of construction various key subcontractors (trades) as determined by City and Contractor will roll in and roll out as their work comes available and is completed.
- V. **Third-Party Facilitator Agreement:** An agreement, appended to this Specification, to which the Professional Neutral Facilitator, the City and the Contractor are parties, which establishes a budget for fees and expenses of the Facilitator and workshop site costs, if any, and the terms of the Facilitator's role for this Project consistent with the requirements of this Specification.

1.4 PURPOSE/GOALS

- A. The goals of project partnering are to:
 - 1. Use early and regular communication with involved parties;
 - 2. Establish and maintain a relationship of shared trust, equity and commitment;
 - 3. Identify, quantify, and support attainment of mutual goals;
 - 4. Develop strategies for using risk management concepts and identify potential project efficiencies;
 - 5. Implement timely communication and decision-making;
 - 6. Resolve potential problems at the lowest possible level to avoid negative impacts;
 - 7. Hold periodic partnering meetings and workshops throughout the life of the project to maintain the benefits of a partnered relationship;
 - 8. Establish periodic joint evaluations of the partnering process and attainment of mutual goals.

1.5 COSTS

- A. The fees and expenses of the Facilitator and workshop site costs, if any, shall be shared equally by the City and the Contractor as set forth in the Third Party Agreement.
 - B. The Contractor shall pay the invoices of the Facilitator and/or workshop site costs after approval by both parties. Upon receipt of satisfactory evidence of payment of the invoices of the Facilitator by the Contractor, the City will then reimburse the Contractor for 50% of such invoices from a fixed cash allowance included as a bid item in the Bid Prices. No mark-up, overhead or other fees shall be added to the partnering costs. If the total cost of the partnering differs from the allowance amount, the Contract Sum shall be adjusted by Change Order for the difference between the total actual cost and the amount included in the Bid, as an additional amount due the Contractor or a credit to the City, as appropriate. If the Contractor fails or refuses to pay the Facilitator invoices, the City may pay such invoices and deduct the Contractor's portion from any amount that is due or may become due under the Contract.
 - C. With the exception of the Facilitators fees and workshop site costs described in subparagraph A above, all costs associated with the Partnering workshops and sessions, partnering evaluation surveys, or partnering skills trainings are deemed to be included in the Bid Prices.
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PART 2 - PRODUCTS (Not Used)

PART 3 - EXECUTION

3.1 PARTNERING INITIATION

- A. The City Representative after award of Contract, but in no case longer than 30 days following Notice to Proceed, shall send Contractor a written invitation to enter into a partnering relationship. If a Professional Neutral Facilitator will be retained, the City and Contractor shall cooperatively and in good faith select a Facilitator as specified in subparagraph 3.3 below.

3.2 PARTNERING ELEMENTS

- A. The required partnering elements for all levels of partnering include:
1. **Internal or External Professional Neutral Facilitator.** City and Contractor shall retain either an Internal Facilitator or a Professional Neutral Facilitator according to the process listed in subparagraph 3.3 below for the partnering meetings or workshops. If an Internal or External Professional Neutral is employed, the Facilitator shall be mutually agreed to by the City and Contractor.
 2. **Kick-off Partnering Workshop.** The City, Contractor, and Facilitator if any, shall meet to mutually develop a strategy for a successful partnering process and to develop their initial partnering charter.
 3. **Partnering Charter and/or mission statement.** The City and Contractor shall agree to create a partnering charter that includes:
 - (a) Mutual goals, including core project goals and may also include project-specific goals and mutually-supported individual goals. The required core project goals relate to project schedule, budget, quality, and safety.
 - (b) Partnering maintenance and close-out plan, including partnering session attendees and frequency of meetings.
 - (c) Dispute resolution plan that includes an Escalation Resolution Ladder.
 - (d) Team commitment statement and signatures.
 4. **Minimum Two Partnering Workshops or Sessions** (including Kick-off Workshop). The partnering team may participate in additional workshops or sessions during the life of the project as they mutually agree is necessary and appropriate.
 5. **Executive Sponsorship.** Commitment to and support of the partnering process from the senior most levels of the City and Contractor organizations.
 6. **Resolution Ladder.** The City and Contractor shall mutually develop a project resolution ladder.
- B. For Level 2 Projects add the following elements:
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1. **Internal or External Professional Neutral Facilitator.** City and Contractor shall retain either an Internal Facilitator or a Professional Neutral Facilitator according to the process listed in subparagraph 3.3 below for the partnering meetings or workshops. If an Internal or External Professional Neutral is employed, the Facilitator shall be mutually agreed to by the City and Contractor.
 2. **Minimum Two Project Scorecards.** City and Contractor shall participate in periodic partnering evaluation surveys to measure progress on mutual goals and short-term key issues as they arise.
- C. For Level 3 Projects add the following elements:
1. **Professional Neutral Facilitator for Kick-off and Quarterly Partnering Sessions.** City and Contractor will retain a Professional Neutral Facilitator according to the process listed in subparagraph 3.3 below for the Kick-off partnering workshop and quarterly partnering meetings. Additional meetings, workshops, or sessions may be facilitated by a mutually agreed internal facilitator or may be self-directed.
 2. **Quarterly Partnering Sessions.** The partnering team shall convene partnering sessions quarterly throughout the duration of Contract.
 3. **Quarterly Project Scorecards.** City and Contractor shall participate in minimum quarterly partnering evaluation surveys (monthly recommended).
- D. For Level 4 Projects add the following elements:
1. **Professional Neutral Facilitator.** City and Contractor will retain a Professional Neutral Facilitator according to the process listed in subparagraph 3.3 below.
 2. **Multi-tiered Partnering (Executive – Core Team – Stakeholder).** Partnering team will divide into smaller groups and convene multiple sessions including an Executive Session, Core Team Session and Stakeholder Session.
 3. **Monthly Project Scorecards.** City and Contractor shall participate in monthly partnering evaluation surveys.
 4. **Stakeholder On-Boarding/Off-Boarding.** Various key stakeholder groups will be invited to participate in partnering sessions as necessary throughout the duration of the project.
 5. **Key Subcontractor On-Boarding/Off-Boarding.** Key subcontractors will be invited to participate in the partnering sessions as necessary as determined by City and Contractor as their participation in the project work becomes relevant.
- E. For Level 5 Projects add the following elements:
1. **Monthly Partnering Sessions.** The partnering team will hold professionally facilitated monthly partnering sessions throughout the duration of project.
 2. **Special Task Forces.** The partnering team may task a subset of the team to work on a particular issue or opportunity for the good of the overall project.
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3.3 SELECTION OF A PROFESSIONAL NEUTRAL FACILITATOR

- A. If a Professional Neutral Facilitator will be retained, the City and Contractor shall meet as soon as practicable after award of Contract, but in no case later than 30 days after the Notice to Proceed (NTP), to mutually select a Facilitator. The City and Contractor shall also schedule the Kick-off Workshop, determine the workshop site and duration, and agree to other administrative details.
- B. The City, the Contractor, and the selected Facilitator shall execute a Third-Party Facilitator Agreement within 30 days of NTP.
- C. The Facilitator shall lead the Kick-Off Partnering Workshop and other partnering sessions as necessary or required.

3.4 FACILITATOR QUALIFICATIONS AND REQUIREMENTS; EVALUATIONS

- A. The Facilitator shall be trained in the recognized principles of partnering.
- B. The Facilitator shall have the following professional experience and qualifications:
 - 1. At least 3 years experience in partnering facilitation with a demonstrated track record, including public sector construction for a city or other municipal agency; and,
 - 2. Skill set that may include construction management, negotiations, labor-management mediation, and/or human relations.
- C. The Facilitator shall be evaluated by the partnering team: (1) at the end of the Kick-off Partnering Workshop; and (2) at the project close-out partnering session.

END OF SECTION