

SECTION 01 31 33

PARTNERING PROCEDURES

PART 1 - GENERAL

1.1 PARTNERING LEVEL

- A. This Project shall incorporate the required partnering elements for **Partnering Level 4**.

1.2 SUMMARY

- A. This Document specifies the procedures 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, including the submittal of a timely Notice of Potential Claim or Contract Claim.
- D. The "San Francisco Partnering Field Guide" is available to the project team as a recommended reference document. This guide provides structure, context and clarity to the partnering process. The guide is available at the City's partnering program website www.sfpartnering.com.

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 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 plan
 3. Dispute resolution plan with Issue Resolution Ladder
 4. Team commitment statement and signatures
- B. **City Partnering Fundamentals Training:** Training provided by the City to contractor and City staff on the fundamentals of partnering. Information may be found at www.sfpartnering.com.
- C. **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, accountability tools for the project team (Scorecards), and facilitator, if employed, create a collaborative atmosphere on each project.

- D. **Core Team Partnering:** The project team members who are a part of the project for its duration, including the following (not in order of hierarchy):

City:	Contractor:
Resident Engineer	Superintendent
Project Manager	Project Executive
Construction Manager	Jobsite Supervisor
Engineer, Architect	Project Manager
Division Manager	Project Engineer
Construction Engineer	Subcontractors
Inspectors	Key suppliers
Client Department representative	Senior Management (e.g. Area Manager, Operations Manager, VP, President, Owner)
Critical third parties: stakeholders, other agencies, utilities, etc., or anyone who could potentially stop or delay the project.	

- E. **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.
- F. **Executive Sponsorship:** Commitment to, and support of, the partnering process from the most senior levels of the City and Contractor organizations.
- G. **External Facilitator:** The mutually agreed upon experienced professional neutral partnering facilitator whose profession is providing partnering services for construction projects.
- H. **Facilitated Issue Resolution (FIR):** An optional, mediation-like issue resolution process where the external facilitator (or a mutually selected professional neutral with knowledge of construction) can be used by the team to resolve specific construction disputes. The team may decide during the kick-off partnering workshop whether they will include a FIR process for that project. If the team elects to use FIR, FIR will become the last step of the Issue Resolution Ladder.
- I. **Internal Facilitator:** A trained employee or representative of the City who provides partnering facilitation services for Level 1, 2, or 3 projects.
- J. **Issue Resolution Ladder (IRL):** 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 issue resolution ladder (IRL) is shown below. The IRL will be developed during the kick-off partnering workshop or pre-construction meeting.

Sample Issue Resolution Ladder			
Team 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	1 week
VI	*Optional Facilitated Issue Resolution		

- K. **Kick-off Partnering Workshop:** The initial partnering session where the team develops its partnering charter and officially starts the partnering process.
- L. **Multi-Tiered Partnering (Executive - Core Team - Stakeholder):** 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. The stakeholder team is made up of end users, operations and maintenance personnel or third parties who can influence the outcome of the project.
- M. **Partnering Level:** The desired level of engagement in the partnering process may vary depending on a contract's size, complexity, location or other risk factor. If a project encounters any of the following risk factors in the Matrix, the City may consider adjusting the partnering process to the appropriate level.

The Citywide Partnering Matrix

Level	Estimated Construction Amount	Complexity	Political Significance	Relationships	Partnering Process
5	\$100 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)	Recommended Elements: 12 Sessions/yr. and 12 Surveys/yr. External Facilitator
4	\$30 - \$100 million	High complexity with schedule constraints, uncommon materials, etc.	Probable stakeholder and community interest or involvement	New contractors or CM, new subs	Recommended Elements: 6 Sessions/yr. and 12 Surveys/yr. External Facilitator
3	\$10 - \$30 million	Increased complexity	Likely, depending on the location and other project characteristics	Established relationships; new CM, subs, or other key stakeholders	Elements: 4 Sessions/yr. and 4 Surveys/yr. Internal or External Facilitator
2	\$2 - \$10 million	Standard complexity	Unlikely, unless in a place of importance	Established relationships; new subs, new stakeholders	Elements: Minimum 2 Sessions Internal or External Facilitator
1	\$600,000 - \$2,000,000	Low level complexity	Unlikely, unless in a place of importance	Established relationships; new subs, new stakeholders	Elements: Create IRL Recommended: Minimum 2 Sessions (Level 2)

- N. **Partnering Maintenance Plan:** An element of the partnering charter, the partnering maintenance plan describes the frequency of follow-up partnering sessions (including the close-out/lessons learned session) and the use and frequency of project scorecards.
- O. **Partnering Sessions:** Formalized meetings (workshops) 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.
- P. **Project Scorecards:** An accountability tool that allows project teams to measure how well they are 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.

- Q. **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.
- R. **Project Team:** Key members from the City and Contractor organizations responsible for the management, implementation, and execution of the project, who will participate in the partnering process.
- S. **Self-Directed Partnering:** The project team leads itself through all of the collaborative partnering elements.
- T. **Stakeholder Team** (in Multi-tiered Partnering): Those individuals who have a stake in the outcome of a construction project.
- U. **Subcontractor on-boarding/off-boarding:** At the various stages of construction, key subcontractors (trades) determined by City and Contractor will participate in the partnering process as needed as their work begins and is completed.
- V. **Third-Party Facilitator Agreement:** An agreement, appended to this specification, to which the external facilitator and the City and the Contractor are parties, and which establishes a budget for fees and expenses of the facilitator, workshop site costs, if any, and the terms of the facilitator's role for the 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 sessions 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, project scorecards, partnering training and workshop site costs, if any, shall be paid for by the City as set forth in the Third-Party Facilitator Agreement.
- B. Each project will include an allowance to cover the full partnering costs. The allowance will be determined by the City based on the project's partnering level. 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 facilitator invoices by the Contractor, the City will then reimburse the Contractor for 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 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.

1.6 PARTNERING TRAINING

- A. In accordance with the Citywide partnering program, at least one member of the City staff team and the Contractor shall attend the City Partnering Fundamentals Training and have received a Certificate of Completion from the training session. It is recommended that the key members of the project delivery team (i.e. the Contractor's project executive, project manager and superintendent, and the City project manager and construction manager) be trained. It is recommended that the prime contractor have at least two members of the team trained so that one is available on the project at all times. Training is free to participants and is offered regularly by the City. Attendance can be coordinated through the Partnering Coordinator and www.sfpartnering.com. Evidence of training (i.e. the Certificate of Completion) must be provided to the City project manager no later than 90 days after Notice of Award.

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 (NTP), shall send the Contractor a written invitation to enter into a partnering relationship. If an external facilitator will be retained, the City and Contractor shall cooperatively and in good faith select the facilitator as specified in subparagraph 3.3 below.

3.2 PARTNERING ELEMENTS

The partnering levels are based on the Citywide Partnering Matrix listed in subparagraph 1.3M.

- A. For Level 1 Projects:

1. The team may self-direct partnering or retain an internal or an external facilitator.
2. **Self-Directed Partnering:** Teams electing to self-direct the partnering process shall develop the Issue Resolution Ladder during the pre-construction meeting. During the pre-construction meeting, the team is encouraged to mutually develop the core project goals, including: schedule, budget, quality, and safety. The team is encouraged to create a team commitment statement with signatures.
3. **Internal or External Facilitator.** If the City and Contractor elect to retain an internal or external facilitator, they will do so according to the process listed in subparagraph 3.3 of this document. They will follow the partnering elements listed for Level 2 Projects.

- B. For Level 2 Projects, the required partnering elements are:

1. **Internal or External Facilitator.** The City and Contractor shall retain either an internal or external facilitator according to the process listed in subparagraph 3.3 below for the partnering sessions or workshops. 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 create 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 that relate to project schedule, budget, quality, and safety, and possibly project-specific goals and mutually-supported individual goals.
 - (b) Partnering maintenance and close-out plan, including partnering session attendees and frequency of meetings.
 - (c) Dispute resolution plan that includes an Issue 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 that they mutually agree is necessary and appropriate.
 5. **Executive Sponsorship.** Commitment to, and support of, the partnering process from the most senior levels of the City and Contractor organizations.
 6. **Issue Resolution Ladder.** The City and Contractor shall mutually develop an IRL.
- C. For Level 3 Projects, add the following elements:
1. **Internal or External Facilitator.** City and Contractor shall retain either an internal facilitator or an external facilitator according to the process listed in subparagraph 3.3 below for the partnering meetings or workshops. The facilitator shall be mutually agreed to by the City and Contractor.
 2. **Quarterly 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 needed.
 3. **Quarterly 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.
 4. **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.
- D. For Level 4 Projects, recommend adding the following elements:
1. **External Facilitator for Kick-off and Bi-Monthly Partnering Sessions.** City and Contractor will retain an external facilitator according to the process listed in

subparagraph 3.3 below for the kick-off partnering workshop and bi-monthly partnering meetings. Additional meetings, workshops, or sessions may be facilitated by mutual agreement.

2. **Bi-Monthly Partnering Sessions.** The partnering team shall convene partnering sessions at least every two months throughout the duration of contract.
 3. **Monthly Project Scorecards.** City and Contractor shall participate in partnering evaluation surveys at least every month.
- E. For Level 5 Projects, recommend adding the following elements:
1. **Monthly Partnering Sessions.** The project team may hold professionally facilitated partnering sessions monthly throughout the duration of the project.
 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.

3.3 SELECTION OF A PROFESSIONAL NEUTRAL FACILITATOR

- A. If an external 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 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, Contractor, and 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.

3.5 FACILITATED ISSUE RESOLUTION PROCESS

- A. In the event that a project team is unable to resolve an issue, the team may agree to call a Facilitated Issue Resolution (FIR) session.

- B. The FIR session will be held as part of the good faith effort to resolve the construction issue.
- C. The team shall document its intention to use FIR while developing the Partnering Charter. They will include FIR as the last step of the IRL.
- D. Submittal of an issue to the IRL or a FIR session does not toll, 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, including the submittal of a timely Notice of Potential Claim and/or a Certified Contract Claim.

END OF SECTION