

New Procedure

To shorten the duration and effort needed to hear a dispute, the informal dispute process may be used at the discretion of the resident engineer and contractor on going contracts and as specified in the contract special provisions for future contracts.

New contract specifications and three party agreement language is under development and will begin appearing in new contracts. Informal dispute review meetings should be administrated in accordance with the contract special provisions and the three party agreement.

This informal DRB hearing process may be implemented on going contracts with established DRBs. Before using the informal dispute process, execute the contract change order, amend the "Dispute Review Board Agreement," to include the informal process, and have all parties sign the amendment. A contract change order, a contract change order memorandum, and a three party agreement are attached. If left unamended, concurrence from the Division of Construction is not required to process this change order. Prepare and approve contract change orders that result from the informal dispute process in accordance with procedures established in the *Construction Manual* and district policies.

Carefully review the DRB operating procedures for conducting informal DRB meetings. Work with the DRB and contractor to reach an equitable agreement on the meeting process for your individual project circumstances. Confirm that all the requirements of the contract and the three party agreement are addressed by the operating procedures. Keep in mind that this process should address smaller, less complex issues and that it should be quick, informal, and streamlined. Consider holding the informal DRB discussion during scheduled progress meetings.

If the parties fail to reach agreement through the informal dispute process, all parties are still obligated to comply with the "Dispute Review Board" requirements of the contract special provisions.

If you have any questions or comments regarding this construction policy bulletin contact Henry Wells, Division of Construction's DRB Specialist at (916) 657-2492.

Attachments